



*Empowering families for nearly 25 years
by providing safe, high-quality, affordable housing
and support services.*

April 2, 2020

US Office of the Comptroller
of the Currency and
Federal Deposit Insurance Corporation

To whom this may concern:

Prospera Housing Community Services (Prospera), a 501 (c) 3 nonprofit opposes the proposed changes to the Community Reinvestment Act (CRA) because they would result in significantly fewer loans, investments, and services to low and moderate-income communities. We believe this proposal would make redlining legal again, permitting banks to avoid investment in low-income and minority neighborhoods and it would make banks far less accountable to the communities they are responsible to serve.

Prospera, is a non-governmental, not for profit, community-based organization established in 1993 to address the depleted availability of quality, affordable housing for low-income individuals and families, as well as seniors and persons with special needs. Efforts began by first acquiring multi-family properties that were designated for removal from the affordable housing market. Complementing its diverse housing options with a variety of educational, lifestyle, and social services, Prospera's mission is to provide safe, high-quality, affordable housing with support services to those in need. Our vision for restoring communities has resulted in a steady growth of opportunities for residents to succeed in many areas of life. Prospera is governed by a board of directors comprised of civic minded individuals from the community with diverse backgrounds and includes representation of at least one-third of its membership by low-income individuals or individuals who reside in low-income neighborhoods.

The proposal dramatically and irresponsibly expands what activities would be eligible for CRA credit. CRA serves our community by driving resources we otherwise could not access, providing for the financial and community development needs our community identifies and prioritizes. Switching to a "non-exhaustive list" of eligible activities developed in Washington, DC, to include infrastructure, transportation and even sports stadiums, removes our community's voice to determine our own needs.

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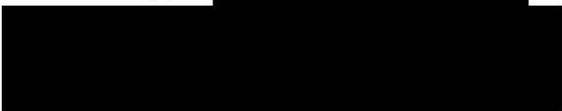
We are advised that the proposed rule institutes a single ratio to assess how banks serve communities. This single ratio approach completely disregards whether the bank is serving the financial needs of the community or its investments. The result of this process would render nonprofits such as Prospera, that has served the communities of South Texas, powerless. Prospera would no longer be able to identify and prioritize those community's needs under the single ratio approach.

Further, the OCC and FDIC acting without the participation of the Federal Reserve risks producing three separate sets of CRA regulations our organization would have to learn in order to leverage resources to the communities we serve, creating complications, lack of transparency, and confusion. The problems of the single ratio, the overly broad definition of the CRA-eligible investments, the gutting of communities' voices, the speedy rule-making process, the credibility gap created by the Federal Reserve's absence, and the lack of good faith and outreach from the OCC that drove this reckless proposal, make it beyond repair.

The CRA legislation was originally enacted to end redlining. The first goal of the CRA modernization should be to prioritize the problems CRA was intended to correct. CRA modernization and amendments should ensure that we are preserving the original intent. Unfortunately, this proposal prioritizes policy compliance over impact and outcomes for low-income families and communities this regulation was supposed to help. The result of this effort by the OCC and the FDIC would be to relax compliance for financial institutions and revert to bringing redlining back to our communities.

On behalf of the low and moderate-income families and communities we serve, we respectfully ask that you discard the proposed CRA amendment.

Sincerely,



Gilbert M. Piette
Executive Director

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