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Serving Lorain County since 1974

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### To Whom It May Concern:

El Centro de Servicios Sociales, Inc., (El Centro) is a non-profit advocacy organization founded in 1974 as the first social services agency serving primarily the Hispanic/Latino populations in Lorain, Ohio. El Centro's mission is to enhance the socio-economic status of the greater Lorain community by providing essential social, education, cultural and community development service. In 2017, El Centro partnered with the City of Lorain to help improve the housing conditions of low-income families placing a high priority on providing opportunities for affordable home ownership in Lorain. We are committed to providing residents with the resources and information on financial literacy, home buyer training and down payment assistance for first-time home buyers. The City of Lorain's 2015-2020 Consolidated Plan identifies the most common housing problem to be cost burden. The City's housing priority goal is to improve availability and accessibility of affordable housing.

We oppose the changes to the Community Reinvestment Act (CRA) regulations proposed by the Office of the Comptroller of the Currency (OCC) and the Federal Deposit Insurance Corporation (FDIC), for the following reasons:

- El Centro's community, the city of Lorain, is a diverse community consisting of 52.6% White, 29.4% Hispanic/Latino, and 16.5% Black or African American. The median household income for the area in 2018 was \$36,139 and the per capita income was \$20,114 resulting in 25.4% of the population in poverty and in need of overcoming a housing affordability problem.
- The population mainly consists of 52.6% White, 29.4% Hispanic/Latino, and 16.5% Black or African American. The median household income for the area in 2018 was \$36,139 and the per capita income was \$20,114 resulting in 25.4% of the population in poverty and experiencing higher rates of housing cost burden.
- The City of Lorain's priority goals is to improve availability and accessibility of affordable housing to persons of low and moderate income throughout the city and to promote homeownership opportunities.



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- The new scoring system would allow banks to completely ignore almost half of the markets where they have branches and still pass their exams.
- The proposed changes will encourage banks to seek out large dollar community development deals to quickly get to a single total volume metric and discourage loans to the low and moderate income residents in the City of Lorain.
- The proposal would make it so banks no longer have an obligation to make mortgage loans in neighborhoods, such as ours, with low and moderate incomes.

It is clear that the proposed rules would weaken CRA. The focus on LMI communities, such as ours, would be lost – the exact intent of CRA when it was signed in 1977. The backtracking would violate the agencies' obligation under the statute to ensure that banks are continually serving community needs.

The FDIC and OCC need to discard the proposal and instead work with the Federal Reserve Board to create an interagency rule that will augment the progress achieved under CRA instead of reversing it.

Respectfully submitted,



Maria Carrion  
Housing & Physical Development Manager