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April 6, 2020

RE: Notice of Proposed Rulemaking, Community Reinvestment Act Regulations

To Whom It May Concern:

Our vision at Community Partners of South Florida is to change generations by helping families and communities thrive and become self-sustaining. We rely on partnerships with our community banks to provide predevelopment, construction, and permanent financing for affordable housing development, loan products for entrepreneurs and small businesses in our community, and grants to organizations like ours to support services like financial coaching and empowerment and homebuyer education. In 2019, our lending services helped over 350 buy their first homes, generating over \$70,000,000 in economic impact to the Florida economy. We could not have done that without the support we received from our partner banks.

Housing Partnership, Inc. (d.b.a. Community Partners of South Florida) opposes the proposed changes to the Community Reinvestment Act (CRA) regulation. By changing the CRA, the OCC and FDIC would lessen the public accountability of banks to their communities by enacting unclear performance measures on CRA exams that would not accurately measure a bank's responsiveness to local needs. Contrary to the agencies assertions that their changes would increase clarity and CRA activity, the result will be significantly fewer loans, investments and services to low- and moderate-communities (LMI).

We do not believe the proposed changes would increase clarity and CRA activity, rather the result will be significantly fewer loans, investments and services to low- and moderate-communities (LMI). The proposal would result in branch closures since it would eliminate the test that scrutinizes bank branching and provision of deposit accounts to LMI customers. Additionally the existing CRA exams have provided OCC and FDIC enforcement and oversight of proposed banking mergers and acquisitions, which also helps to ensure bank's responsiveness to neighborhood needs. The ongoing trend of bank mergers and consolidations are an additional threat to our most economically challenged communities, if the changes to the CRA occur.

The OCC and FDIC's proposal seeks to give banks a presumptive CRA grade primarily based on the ratio of the dollar value of all CRA activity to deposits is inconsistent with the clear Congressional intent of the CRA. This framework dilutes the importance of smaller transaction and community market share and fails to recognize the value of loan originations, complex investments, and services that are at the heart of the CRA.

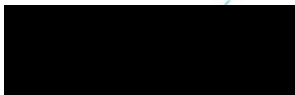
[#ChangingTheOdds](#)

Instead of weakening CRA, the agencies must enact reforms that would increase bank activity in underserved neighborhoods. The agencies do not address persistent racial disparities in lending by strengthening the fair lending reviews on CRA exams or adding an examination of bank activity to communities of color in CRA exams. At the very least, the agencies could add a category on CRA exams of underserved census tracts, which would likely include a high number of communities of color. The agencies also require banks to collect more data on consumer lending and community development activities but do not require banks to publicly release this data on a county or census tract level. Finally, the agencies do not require mandatory inclusion on exams of bank mortgage company affiliates, many of whom engaged in abusive lending during the financial crisis.

The OCC and FDIC proposal would result in less lending, fewer investments and a reduction in services for communities that were the essential reason for the CRA passage. This action will violate the agencies' obligation under the statute to ensure that banks are continually serving community needs. The FDIC and OCC need to discard the NPRM, and instead work with the Federal Reserve Board and propose an interagency rule that will augment the progress achieved under CRA instead of reversing it.

Thank you for your consideration.

Sincerely,



Scott Hansel
CEO