

From: Vincent Noth <vincent@riverwestfoodpantry.org>
Sent: Wednesday, April 08, 2020 9:18 PM
To: Comments
Subject: [EXTERNAL MESSAGE] Comment NPRM, Community Reinvestment Act Regulations RIN 3064-AF22

04/09/2020

RE: Notice of Proposed Rulemaking, Community Reinvestment Act Regulations

To Whom It May Concern:

My name is Vincent Noth and I work for the Riverwest Food Pantry in Milwaukee, WI. Born in late nineteen seventies from the East Side Housing Action Committee (ESHAC), the Riverwest Food Pantry has been operating out of St. Casimir church (924 E. Clarke St.) and Gaenslen Milwaukee Public School (1250 E. Burleigh St.) for decades. From 1979 to 2012, the Riverwest Food Pantry's mission focused on food as its end mission and over the years community volunteers served tens of thousands of recipients.

In 2013, the Riverwest Food Pantry became a 501 (c) (3) non-profit to relieve hunger, but also to be a primary offensive against intractable poverty. We expanded our mission to "come together around food to relieve hunger, improve lives and grow community well-being". Together, volunteers and shoppers alike, we can become a community of generosity – a community well-nourished, well-informed and strengthened to prevail.

The vulnerable habitually gather as a community to eat, shop, and share their struggles at food pantries and meal sites. Food service agencies present an opportunity to connect the impoverished to additional social services. Regretfully, meal sites and pantries often lack staff or volunteers with sufficient training to ask the right questions, make good referrals or walk with people as they navigate complex community services. Pantries can reduce the number of barriers shoppers face, increase their quality of life and thereby reduce food insecurity.

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:

- The proposal would make it so banks no longer have an obligation to make mortgage loans in neighborhoods with low and moderate incomes.
- 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 dollar volume metric and discourage loans to people with low- and moderate-incomes LMI and small businesses because the loans are much smaller.

- The proposal would lessen the public accountability of banks by not accurately measuring its responsiveness to local needs.
- The system that gives credit to banks for having branches in LMI communities is weakened and will likely lead to massive branch loss in communities that are already underserved.
- The proposal redefines community development to include large infrastructure projects like stadium improvements in LMI Opportunity Zones which further encourages banks to seek out larger deals over smaller loans to meet the ratio for the total dollar volume metric.
- The definition of affordable housing would be relaxed to include middle-income housing in high cost areas.
- The proposal would redefine small businesses and family farms with higher revenues again encouraging banks to focus on larger loans to bigger businesses instead of smaller community-style loans.

Though the Riverwest Food Pantry uses Food as a starting point, our goal is to see our community members thrive. This includes moving beyond feeding hunger to employment, stable living situations, and homeownership. Many of our food shoppers have jobs and homes but need the extra little bit to make it through the month. All of our shoppers are low- to moderate- income. If they are to make strides forward in their community, they need access to branches so they can bank, to mortgages so they can build wealth and live comfortably, to small business dollars so their business can thrive and to community development dollars that go from the bank to the local community and don't get swallowed up in large infrastructure projects.

The current proposed rules of the OCC and FDIC would divert and thwart banks from helping those above needs and would weaken CRA. The focus on LMI communities would be lost - the exact intent of CRA when it was signed in 1977. This 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.

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