

Fair Housing of Marin

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August 9, 2010

Jennifer J Johnson, Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, Northwest
Washington, DC 20551

RE: Docket ID OCC-2010-0011, R-1386, RIN 3064-AD60

Dear Ms. Johnson:

The following are the Fair Housing of Marin's comments on the agencies' hearings to review aspects of Community Reinvestment Act (C R A) regulations and how the agencies should revise them to better serve the goals of C R A and the needs of under-served communities. These revisions are particularly important because of the current lack of bank response to the needs of low-income communities and communities of color.

Fair Housing of Marin is a nonprofit organization based in San Rafael that works to ensure equal housing opportunity for all people and to educate the community on the value of diversity in their neighborhoods.

The Community Reinvestment Act has promoted fair and equitable access to financial services for more than three decades. C R A has meant sound products were offered to under-served communities and people as a result of interaction promoted by the C R A.

The regulatory agencies need to look carefully at the following key issues in concert with the C R A Hearings:

! Geographic Coverage: C R A activity should include geographies where a bank does significant lending, investment and deposit that are outside branch locations. Banks should be held responsible for C R A activity in non-metropolitan and rural areas.

C R A Performance: Bank products should fit the needs to low-income people and people of color not just the middle class. Bank activity should exist proportionally within low-income neighborhoods and neighborhoods of color as it does in other communities.

Affiliate Activities: All components of the financial corporation should be examined by the regulatory agencies for their C R A activity.

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MEMBER, NATIONAL FAIR HOUSING ALLIANCE

! **Small Business Data:** Data should be collected separately on businesses earning <\$500,000 in annual revenue. Data should also be collected separately on the annual percentage rate of loans and loans which are term and revolving.

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! **Community Development:** Banks should not get credit for loans to development multifamily housing unless it is deed restricted to low and very low income tenants.

Fair Housing of Marin looks forward to the implementation of these revisions to the regulations this year.

Sincerely,

Nancy B. Kenyon
Executive Director