

August 31, 2010

Jennifer J Johnson, Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, D.C. 20551

RE: Docket ID OCC-2010-0011, R-1386, RIN 3064-A060

Dear Ms. Johnson:

The following are the comments of Ventura County Community Development Corporation on the agencies' hearings to review aspects of Community Reinvestment Act (CRA) regulations and how the agencies should revise them to better serve the goals of CRA 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.

The Ventura County Community Development Corporation (VCCDC), a CDFI affiliate of Cabrillo Economic Development Corporation (CEDC), was incorporated in June 2001 with the mission, "to undertake community development activities that will revitalize neighborhoods by stimulating investments." VCCDC was created to address the growing affordability gap facing very-low, low and moderate income families living in Ventura County looking to purchase a home. To address this need, VCCDC lends amortized and deferred subordinate loans to families through capital raised from financial institutions, intermediaries, foundations, municipalities, and state and federal government.

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

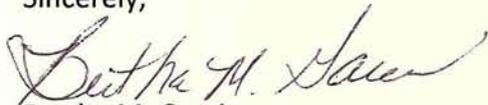
The regulatory agencies need to look carefully at the following key issues in concert with the CRA Hearings:

- **Geographic Coverage:** CRA activity should include geographies where a bank, particularly a bank with one or few branches, does significant lending, investment and deposit that are outside branch locations. Banks should be held responsible for CRA activity in non-metropolitan and rural areas not just major metropolitan areas.

- CRA Performance: Bank products should fit the needs of low-income people and people of color not just the middle class. Bank activity should be proportional to the population in low-income neighborhoods and neighborhoods of color relative to other communities.
- Affiliate Activities: All components of the financial corporation should be examined by the regulatory agencies for their CRA and banking activity. In the past, predatory practices have taken place in affiliates not examined by federal regulators.
- Small Business Data: Data should also be collected separately on smaller businesses earning <\$500,000 in annual revenue. Data should also be collected separately on lending to minority-owned and women-owned businesses including to the business districts where such businesses predominate.
- Community Development: Banks should not get credit for loans for development of multifamily housing unless the housing is deed restricted to low and very low income tenants.

The Ventura County Community Development Corporation looks forward to the implementation of these revisions to the regulations this year.

Sincerely,

A handwritten signature in cursive script, appearing to read "Bertha M. Garcia".

Bertha M. Garcia
Executive Director