The Community Reinvestment Act:
A Community Development Business Model

Business Opportunities in Community Development Lending
Augusta Maine
June 14, 2013
The Community Reinvestment Act enacted by Congress in 1977 is intended to encourage financial institutions to meet the credit needs of communities, including LMI neighborhoods consistent with safe and sound banking practices.
Compliance Obligation or Business Opportunity?
Business Objective

- Grow CRA lending, investment, and service
- Serve LMI populations and communities
- Leverage public sector resources
- Affordable housing
- Economic development
Business Plan

- Develop Institutional Capacity
- Imbedded in existing business lines
- Integrated operationally
- Sustainable program
- Financially sound
Target Market

- Non-profits
- Community development corporations
- Public housing authorities
- Social service agencies
- Public sector agencies
Doing Good is Good Business!
Execution

- Measurable goals
- Senior management engagement
- Financial performance
- Credit culture
- Operational support
Execution

- Annual plan
- Score card
- Work program
- Executive summary
- Quarterly CRA Review Committee
The Results
Contact

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