

# Reinvestment

## WORKS

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## Ohio Reinvestment Summit Draws Hundreds of Local Advocates

By Ryan Conley and Torey Hollingsworth

On September 8, over 200 community development advocates from across Ohio gathered in Cleveland to participate in NCRC's Ohio Reinvestment Summit. After hearing stories from members and partners in Ohio about the rising tide of disinvestment affecting communities throughout the state, NCRC decided to convene the Summit to address these issues head-on.

The goal of the Summit was to offer a chance for stakeholders and policymakers to meet, share knowledge and best practices, organize, and develop strategies for strengthening neighborhoods and communities in order to create a healthy economy that benefits all Ohioans. It was convened in partnership with Empowering and Strengthening Ohio's People (ESOP), Neighborhood Housing Services of Greater Cleveland, the Ohio CDC Association, and Organize! Ohio, and every major

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## NCRC Charts U.S. Small Business Lending Deserts and Oases

NCRC recently released "Small Business Lending Deserts and Oases," a breakthrough report on small business lending trends in the United States and disparities in access to credit for small businesses. This is one of the first reports to comprehensively map small business lending "deserts" and small business lending "oases" in the United States. The NCRC report reveals a significant national decline in small business lending.

"Small Business Lending Deserts and Oases" analyzes data on private-sector and federally supported lending practices to determine the locations of "lending deserts" and "lending oases."

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# Ohio Reinvestment Summit

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metropolitan area of Ohio was represented by individuals and groups dedicated to social and economic justice. Attendees also included representatives from city, state, and federal government agencies as well as local and national politicians.

The day began with a keynote address from U.S. Senator Sherrod Brown, a member of the Senate Banking Committee, who focused on many of the issues that were addressed at the Summit. In particular, Senator Brown spoke about affordable housing, saying it was the most important aspect of Government Sponsored Enterprise (GSE) reform. The speech set a positive and energetic tone for the rest of the day and motivated the participants as they began the workshops.

Over the course of the day, workshops took place on a variety of topics including affordable and fair housing, consumer credit, older adult economic security, and consumer and small business development. The workshops were developed based on feedback from members about specific local problems. As a result, this targeted approach allowed participants to gain the tools and knowledge to directly combat the

challenges confronting them.

Many of the panelists were from Ohio's leading community reinvestment organizations, and their experiences in the field spoke to the disinvestment facing the audience in their communities. The packed workshops and robust audience participation were signs of the passion and commitment of the attendees to strengthening their neighborhoods. The excitement and urgency conveyed the overwhelming consensus that this was a conversation that was greatly needed and that should be sustained.

Lunch was highlighted by a speech from NCRC's President and CEO John Taylor, who addressed the importance of invoking opportunities for individuals and groups to build strong communities. This was followed by a screening



One of the many interactive workshops featured at the Summit.

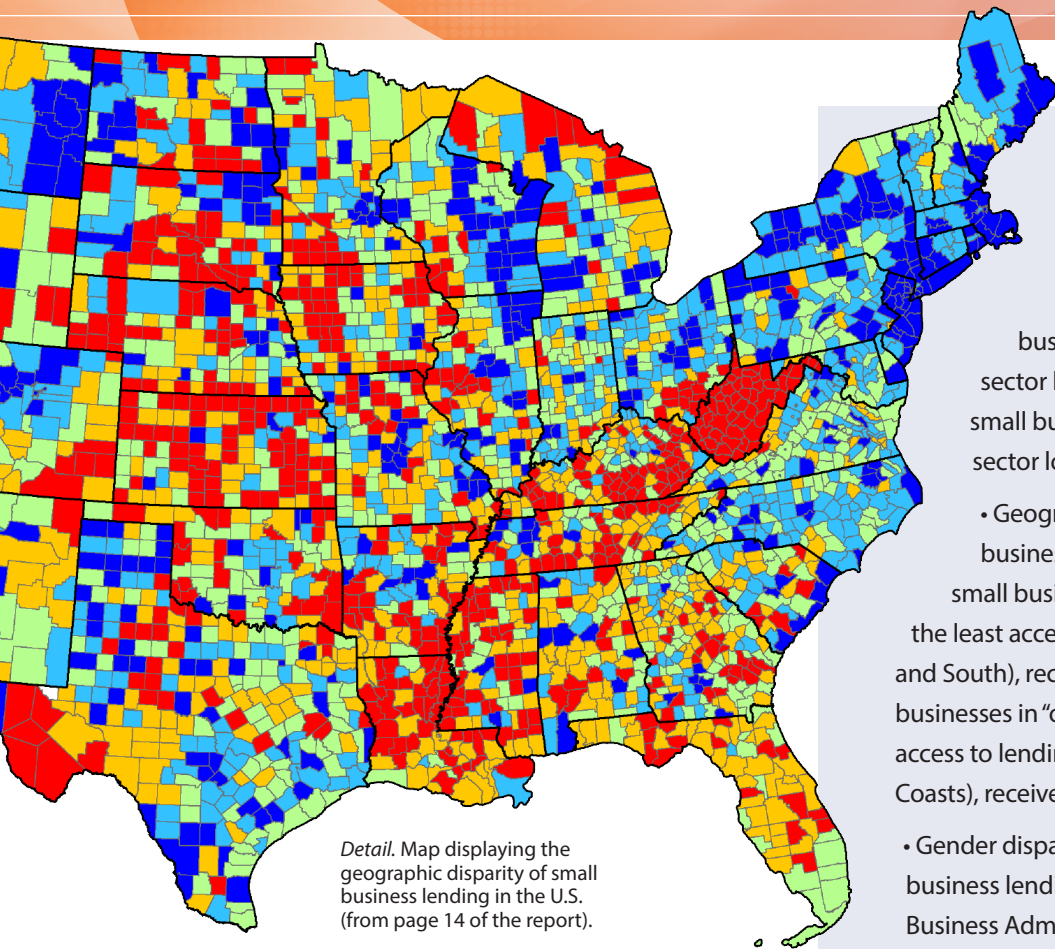
of the trailer for NCRC's Emmy Award-winning documentary *Fleeced: Speaking Out Against Senior Financial Abuse*.

Later that afternoon, members and partners gathered for action planning sessions. Using what they learned from the workshops and conversations with fellow attendees, the participants developed next steps for taking on the challenges addressed in their session. By pledging these plans of actions, participants guaranteed that the momentum built at the Summit would continue in their neighborhoods and communities.

As the member dinner closed the Summit that evening, the mood of the day was articulated through discussion of the strategies and commitments that came out of the action planning sessions. One of the overarching agreements was that work on Ohio's disinvestment problems needs to take place on a local level, through allied efforts. Many promised to extend their networks and find new partners, while others said they would look for new, creative ways to work with those with whom they already cooperate. Because of the dedication, energy, and optimism of all the participants, the Summit successfully ended with the emergence of a broad collaboration for a fair and just Ohio.



U.S. Senator Sherrod Brown (left) speaking with NCRC President and CEO John Taylor (right).



Detail. Map displaying the geographic disparity of small business lending in the U.S. (from page 14 of the report).

## NCRC Charts U.S. Small Business Lending Deserts and Oases

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It also examines lending rates to women- and minority-owned small businesses for federally supported loans.

“This analysis should serve as a wake-up call to the huge drop in lending small business owners have been facing since the recession, and the heightened challenges small business owners in certain geographic areas are facing in obtaining small business lending,” said NCRC President and CEO John Taylor. “Small businesses are a key engine driving economic growth, and it is essential that they have access to credit and capital.”

“The report also shows significant gender and racial disparities in access to federally supported small business lending. In order to assess what is happening with private-sector small business lending when it comes to gender and race, which is currently unreported, we need the Consumer Financial Protection Bureau to begin to collect data on the gender and race of small business owners applying for small business loans, as mandated by the Dodd-Frank Wall Street Reform and Consumer Protection Act.”

The report was funded through the WE Lend Initiative, established by the Sam’s Club Giving Program to increase access

### AMONG THE REPORT’S FINDINGS:

- A huge drop in small business lending: In 2007, 61.6 percent of small businesses nationwide received private-sector loans. By 2012, only 16.4 percent of small businesses nationwide received private-sector loans.
- Geographic disparities in private-sector small business lending: In 2012, only 7.5 percent of small businesses in “deserts,” the counties with the least access to lending (generally in the Midwest and South), received loans, while 21.3 percent of small businesses in “oases,” the counties with the greatest access to lending (generally on the East and West Coasts), received loans.
- Gender disparities in federally supported small business lending: In 2012, approximately 9.3 Small Business Administration (SBA) 7(a) loans were issued per 10,000 women-owned businesses, in contrast to 24.7 SBA 7(a) loans per 10,000 male-owned small businesses.
- Racial disparities in federally supported small business lending: In 2012, 12.3 SBA 7(a) loans were issued per 10,000 Hispanic-owned small businesses, and 6.7 SBA 7(a) loans were issued per 10,000 African-American-owned small businesses. 32.7 SBA 7(a) loans were issued per 10,000 Asian-owned small businesses and 16.2 SBA 7(a) loans were issued per 10,000 white-owned small businesses.

to capital for women entrepreneurs. A collaborative grant awarded to NCRC, Accion, the U.S. Network, and Women Impacting Public Policy (WIPP), the WE Lend Initiative also supports capacity building for SBA-recognized Women’s Business Centers across the country. The initiative will create the Microlending Institute, which will train selected WBCs to become new lenders, and the Capital Access Training Program, which will provide selected women business owners with financing for business growth. At its conclusion, the initiative will be reviewed to document best practices for future investments in women-owned businesses.

The full report can be read [here](#). For more information about the WE Lend Initiative, please visit [www.welendinitiative.org](http://www.welendinitiative.org).

# NCRC and Members Secure \$11 Billion Commitment to LMI Communities from BBVA Compass

Recently, NCRC and its members secured a commitment from BBVA Compass to invest \$11 billion in low- and moderate-income (LMI) communities over the next five years. The pledge arose from the efforts of NCRC to organize community groups in the bank's service areas and help them alert regulators about the bank's problematic lending practices. Comment letters from these groups provided analyses of the bank's FHA home lending and lending to minority borrowers, home lending to LMI borrowers, and past performance in serving LMI and minority communities in its service areas. The coalition of groups also approached the bank to directly encourage them to improve their lending practices and community reinvestment.

"This commitment demonstrates the powerful results that can be achieved when community groups organize to ensure that financial institutions are meeting the credit needs of their communities," said NCRC's Chief of Membership and Policy Jesse Van Tol. "It should serve as a signal to banks that their lending practices do not go unnoticed."

After a meeting between BBVA Compass's Chairman and CEO Manolo Sanchez and NCRC's President and CEO John Taylor, along with other community reinvestment advocates, the bank made its announcement that it would increase its Community Reinvestment Act (CRA) activities and low- and moderate-income mortgage and small business lending.

The recent commitment is a huge step forward for the bank and a major success for communities in BBVA's footprint, community organizations and NCRC.

"I think BBVA Compass is making all the right moves in responding to calls for increased lending and investments to LMI communities," said Taylor.

Some of the highlights of the commitment include \$2.1 billion in mortgage lending in LMI communities, \$6.2 billion in loans to small businesses, and \$1.8 billion in community development lending.



Highlights from the 2014 NCRC Annual Conference

# NCRC Community Development Fund Receives \$420,000 Award from CDFI Fund

The NCRC Community Development Fund (NCRC CDF) has been awarded \$420,000 from the Community Development Financial Institutions (CDFI) Fund. The CDFI Fund announced that it has awarded more than \$160 million to 152 organizations through the FY2014 round of the CDFI program.

The mission of the NCRC CDF is to increase access to capital for low- and moderate-income (LMI) families and individuals. The CDF offers small business loans and with NCRC's Housing Rehab Fund, offers rehabbed homes to LMI families and housing and credit counseling to homebuyers. NCRC CDF seeks to create and implement long-term solutions, including tools and strategies for building intergenerational wealth for LMI families.

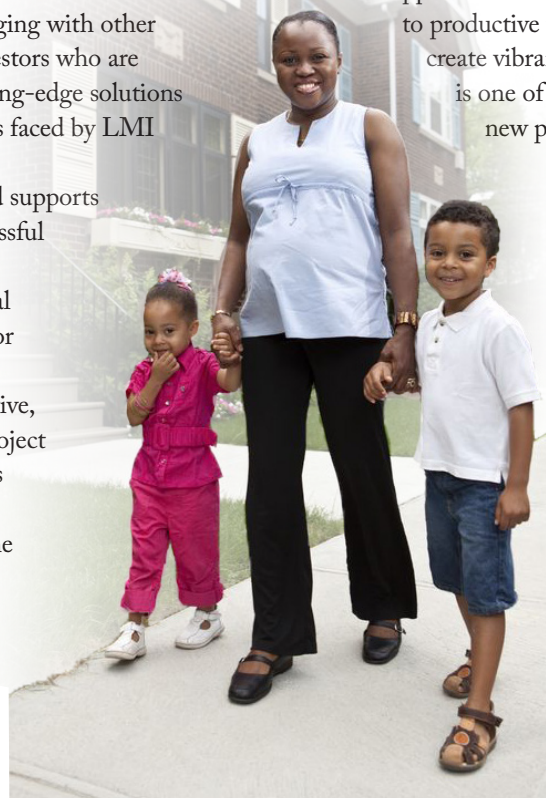
"The NCRC Community Development Fund is picking up tremendous momentum for a number of innovative projects that will greatly benefit low- and moderate-income communities," said NCRC President and CEO John Taylor. "We are very pleased that the CDFI Fund has recognized the effectiveness of NCRC's CDFI. This award further expands the capacity of

the NCRC CDF to address NCRC's member needs. We are very optimistic that these funds will broaden the NCRC CDF's success with small business lending and lending in support of our signature homeownership initiative for low- and moderate-income families. We look forward to engaging with other funders and investors who are looking for cutting-edge solutions to the challenges faced by LMI communities."

"This award supports our highly successful GROWTH (Generating Real Opportunities for Work Through Housing) Initiative, an innovative project that rehabilitates homes and contributes to the stabilization of neighborhoods in low- and moderate-income communities, while providing

workforce development opportunities, financial education and housing counseling to members of those communities," said Ed Gorman, NCRC's Chief Community Development Officer. "The GROWTH initiative takes a multi-pronged approach that will restore homes to productive use, create jobs, and create vibrant neighborhoods. It is one of a series of exciting new projects to assist LMI communities."

"We are very excited to scale up both the housing and small business lending programs and help revitalize communities that have been hit hard by the foreclosure crisis," said Doug Wilberding, the NCRC CDF's Executive Director.



## NCRC NATIONAL TRAINING ACADEMY

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The National Community Reinvestment Coalition's National Training Academy provides comprehensive training programs for organizations committed to increasing access to credit in communities. We offer state-of-the-art substantive training and technical assistance both on-site and online.

### Upcoming National Training Academy Courses:

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March 25-28, 2015

**SAN FRANCISCO, CA**  
January 12-16, 2015

**NEW ORLEANS, LA**  
April 6-10, 2015

# Manuel Hidalgo Joins NCRC as New COO



NCRC is pleased to announce that Manuel Hidalgo joined us as our new Chief Operating Officer (COO) in September. As COO, Mr. Hidalgo directs and supervises NCRC's overall business operations.

Mr. Hidalgo has over 20 years of nonprofit management experience, in areas including economic development, small business development, housing counseling, and youth development. He comes to NCRC from the Corporation for Enterprise Development, where he served as Director of Entrepreneurship. He previously held

executive and managerial positions at several other organizations, including the Latino Economic Development Center, the Spanish Catholic Center, CASA of Maryland, and the Cuban Committee for Democracy. Mr. Hidalgo also consulted with NeighborWorks America to create national curricula and teach microenterprise development and community organizing courses. He serves on the Maryland Governor's Commission on Small Business, and previously served as Vice President of the Board of Directors for the Coalition for Nonprofit Housing and Economic Development. In 2012, he received the highly competitive Exponent Award for Nonprofit Leadership from the Meyer Foundation.

## NCRC's DC MBDA Business Center Secures Over \$60 Million for Clients, Wins Award

NCRC's Washington, DC Minority Business Development Agency (DC MBDA) Business Center announced that, mid-way through its 2014 performance year (ending March 2015), it has secured \$60,968,848 in contracts and \$975,597 in financing for its clients. It has also helped its clients retain 313 jobs and create 68 jobs. In addition, on September 19 the DC MBDA Business Center received the Century Club Award during the Minority Business Development Agency (MBDA)'s Annual Training Conference in Detroit. This award goes to MBDA Business Centers that exceed 100% of a grant's performance goals. The DC MBDA Business Center's overall rating during the third year of its grant was 109.47%.

The DC MBDA Business Center and its Director, Michael Bing, were also featured in MBDA's Annual Performance Report for Fiscal Year 2013. The article praised the DC MBDA Business Center's thriving performance under Mr. Bing's leadership. Also, DC MBDA Business Center client Crystal Enterprises was highlighted in the report as the Minority Business Client of the Year.

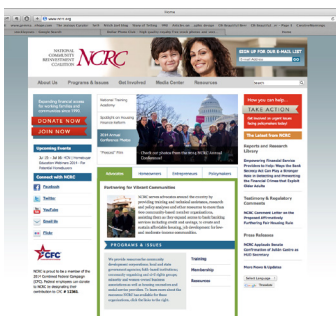
## Support NCRC While You Shop Using AmazonSmile

Have you started your holiday shopping yet? NCRC is now a registered member of AmazonSmile. When you shop using AmazonSmile, you can select NCRC as the charity of your choice and Amazon will automatically donate .5% of your qualified\* purchase to NCRC. It's easy, and will help NCRC reach more families and communities across the United States and continue to advocate for meaningful reforms.

To learn more about AmazonSmile, visit <http://smile.amazon.com/about>. To start your shopping now, click the link below.



\*There are tens of millions of products that are "qualified" for AmazonSmile donations. The status of a qualified product will be indicated on its page.



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# SAVE THE DATE



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## Not a member yet? Join today!

NCRC's members are community organizations across the country dedicated to promoting fair and equal access to credit, capital and banking services for all communities and populations.

### Membership benefits include:

- Data analyses that help members understand bank investment patterns in their communities,
- Access to the members-only listserv,
- Subscriptions to Shelterforce Magazine and GrantStation, a weekly fundraising newsletter,
- Discounted rates for NCRC's Annual Conference, and
- Assistance engaging with federal officials.

### Membership Eligibility:

Non-profit organizations and local and state governments/government agencies are eligible for membership.

### How to Become a Member:

Becoming a member is easy! Visit us online at [www.ncrc.org](http://www.ncrc.org), call our Membership Department at 202.628.8866, or email [membership@ncrc.org](mailto:membership@ncrc.org).

## CAREERS AT NCRC

NCRC is always looking for talented and self-motivated individuals. To see the latest career opportunities, please visit [ncrc.applicantpro.com](http://ncrc.applicantpro.com).

If you are interested in working in a dynamic and diverse environment, please send a cover letter, resume, short writing sample and salary expectations to the Human Resources Department at [hrdept@ncrc.org](mailto:hrdept@ncrc.org) or to NCRC, 727 15th Street, NW, Suite 900, Washington, DC 20005.

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