National Community Reinvestment Coalition

ORGANIZATION MISSION:
To increase fair and equal access to credit, capital, and banking services and products toward building community and individual net wealth

TYPE OF ORGANIZATION:
National membership association

GEOGRAPHIC SCOPE:
National

POPULATION SERVED:
Low- and moderate-income, underserved urban and rural communities

YEAR FOUNDED:
1990

PRIMARY ACTIVITIES:
Capacity and partnership building through TA, training, publications, research, public education to promote CRA

CEO:
John Taylor

STAFF SIZE:
16 FTE

ANNUAL BUDGET:
$299MM

CURRENT HERON SUPPORT:
$100,000 general support grant

The National Community Reinvestment Coalition (NCRC) was created in 1990 by 16 local, regional and national groups to build wealth in underserved communities and bring low- and moderate-income populations across the country into the financial mainstream. They focused initially on preserving and strengthening the Community Reinvestment Act (CRA) at a time when the cumulative CRA lending commitments totaled $6.4 billion.

By 2000, CRA commitments had increased more than a hundred-fold to over $1 trillion. NCRC is a forceful trade association for economic justice with members including nearly 600 local community-based organizations in all 50 states, in rural and urban areas. Members include community development corporations, civil rights groups, community reinvestment advocates, local and state government agencies, and churches.

How were these results accomplished? NCRC partnered with their members, other nonprofits, policymakers, banks, and bank regulators. At every step, data analyses informed NCRC's efforts to monitor their achievements, to redirect their strategies, and to educate legislators, regulators and communities. "Data and analyses drive our movement," says John Taylor, NCRC's Chief Executive Officer.

NCRC offers tailored data analyses to their members of local mortgage lending patterns, subprime mortgage lending, and small business lending. These analyses contributed to the surge in lending agreements, and supported successful policy efforts. NCRC efforts have also contributed to federal and local anti-predatory lending laws.

Data helped NCRC to demonstrate that CRA loans are good business. NCRC encouraged the Federal Reserve to conduct a survey in 2000 which found that CRA-related lending is profitable for 85% of lenders—a critical finding in attracting additional capital to underserved markets.

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During the debates in 2000 over the Financial Modernization Act, NCRC urged the Department of Treasury to study CRA's effectiveness. Treasury's study found that CRA-regulated lenders originate more loans to low-income people than non-regulated lenders. This countered arguments that CRA was no longer needed and should be "modernized" out of existence. NCRC has helped regulators establish performance-based criteria to evaluate a financial institution's performance in lending, investment, and service to underserved areas.

NCRC has forged effective partnerships with financial institutions. At NCRC's Banker-Community Council, the concerns and interests of NCRC's members and leading banks are addressed. Improved understanding of local experience with small business lending led the Council to develop the Community*Express* program with the Small Business Administration. In only four years, Community*Express* has resulted in over $100 million in loans to small businesses along with technical assistance and training from NCRC member organizations and closer ties with their lending partners.

NCRC is also seeking to improve data disclosure on small business lending by regulated financial institutions. As John Taylor says, "there is no better antidote to discrimination than public disclosure of lending by race and gender of applicants and borrowers."