

***Florida Minority Community Reinvestment Coalition  
San Diego Minority Community Reinvestment Coalition***  
[www.fmcrc.org](http://www.fmcrc.org) [www.sandiegomcrc.org](http://www.sandiegomcrc.org) [www.theracialwealthgap.org](http://www.theracialwealthgap.org) [www.assetsandhope.org](http://www.assetsandhope.org)

# ***PRESS RELEASE***

***Florida Minority Community Reinvestment Coalition (FMCRC)  
San Diego Minority Community Reinvestment Coalition (SDMCRC)***

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FMCRC-

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**MARKET CIVIL RIGHTS: FMCRC LEADS DEVELOPMENT AND LAUNCH OF FIRST RACE BASED-RACE FOCUSED COMMUNITY DEVELOPMENT FUND THAT WILL ADDRESS MINORITY POVERTY & RISING FLORIDA RACIAL WEALTH GAP**

- Florida Minority Affordable Housing Development Fund (FMAHDF) To Be Dedicated To Development of Florida Minority Led/Minority Community Focused Non-Profits**
- FMAHDF to Address Lack of Florida Minority Housing & Real Estate Developers. All Major Banks Agree To Invest Into FMAHDF, Led by Wells Fargo & Bank of America**
- FMAHDF to Provide Access to Capital for Minority Developers to Address Housing & Community Development Needs of Florida Minority Low Moderate Income Neighborhoods**
- FMAHDF To Provide Market Civil Rights Mechanism To Florida Minority Led/Minority Community Focused Non-Profits That Will Allow For Profit To Expand Programs & Services**

## **-Tampa Based Community Development Financial Institution (CDFI) Neighborhood Lending Partners (NLP) To Manage and Operate FMAHDF**

### **FMAHDF Mission**

The Florida Minority Affordable Housing Development Fund (FMAHDF) mission is to provide loan programs and products for the development of affordable housing devoted to low and moderate income to minority communities and to increase the capacity of Florida based non-profit minority-led housing developers. The Fund will be dedicated to minority and underserved neighborhoods throughout Florida.(FMAHDF will be managed and operated by NLP: Contact/ Mary Fellows: [mfellows@nlp-inc.com](mailto:mfellows@nlp-inc.com) or 813-879-4525)

**(Tampa, Florida)** With minorities in Florida accounting for 72% of all poverty and the racial wealth & Income Gaps rising to historic proportions, FMCRC Chair Al Pina Creates and helps launch the first ever Florida **race based and race focused** Florida Minority Affordable Housing Development Fund (FMAHDF). The historic FMAHDF will be a **Market Civil Rights** mechanism that is centered on access to capital and the free market system to produce affordable housing, key real estate projects and profit (income) to allow minority led/minority focused non-profits to expand much needed programs and services. States FMAHDF creator and FMCRC Chair Al Pina “First off I wish to thank Wells Fargo Florida President Scott Coble and Wells Fargo Florida Community Development Manager Marilyn Drayton who I first approached with this concept and without hesitation committed to FMAHDF that then allowed us to move forward. All recent racial economic studies clearly show that there is a widening economic divide between White and Minorities that must be addressed. There must be **Race Based and Race Relevant** socio-economic programs to reverse these alarming trends. FMAHDF is an example of a **MARKET CIVIL RIGHTS** mechanism that uses the market and market tools such as capital to address civil rights issues. We live in a state of Capitalism and must utilize this to address the rising racial tensions that are spreading across the United States. With minorities in Florida accounting for over 50% of all major cities yet contribute less than 5% of its GDP, this shows how we continue to lack economic buying power that leads to lack of social-political power and influence. The recent backlash to the Indiana Religious Freedom Bill by the business community is a perfect example of this. The LGBT community is a major consumer purchasing block that business must respond to. And you saw the world's most powerful companies such as Apple, Microsoft, Walmart, Wells Fargo and many more responded with force against this discriminatory law. Where were those very same companies voices at Ferguson or even at the beating of Rodney King years during the LA riots? As our market purchasing power goes so goes our civil rights. Thus market Civil rights is critical to bring about true equality for our families and communities. FMAHDF is a tool to develop minority leaders into market focused housing and real estate developers that will then bleed over to the minority small business sector in minority communities across Florida. This will allow for much needed increase in economic intellectual bandwidth for our communities that will also provide profit for these minority non-profits to increase much needed social services and programs to minorities”.

Recent FMCRC studies have showed a major racial and capital gap in affordable housing and community development developers in Florida and California. In affordable housing development targeting actual minority communities in Florida, minority led/minority focused nonprofits account for less than 10% of these non-profits. At the Florida Housing Coalition primarily targeting minority communities, less than 8% of top management and board of directors

are minority. Less than 3% of top management at top Community Development Financial Institutions is minority (see FMCRC letter to Wells Fargo & Bank of America to address racial discrimination at CDFIs). A joint FMCRC-Greenlining study showed that the top 5 Florida Foundations (including Publix with less than 1%) gave less than 3% of their philanthropic grants to minority led/minority focused nonprofits. FMAHDF works to close this critical economic gap that the Florida minority community. States Liberty City Community Economic Development Corporation CEO and FMAHDF Administrative Committee member Elaine Black “Poverty is a racial issue in Florida and minorities who live and engage this communities daily must play the major role in turning these communities around. But we have lacked the capital and intellectual know how to adequately battle poverty through housing and community development projects. We applaud the formation of FMAHDF that will provide us access to both capital and real estate capacity building tools. This race based-race focused fund is much needed and welcomed in our communities”.

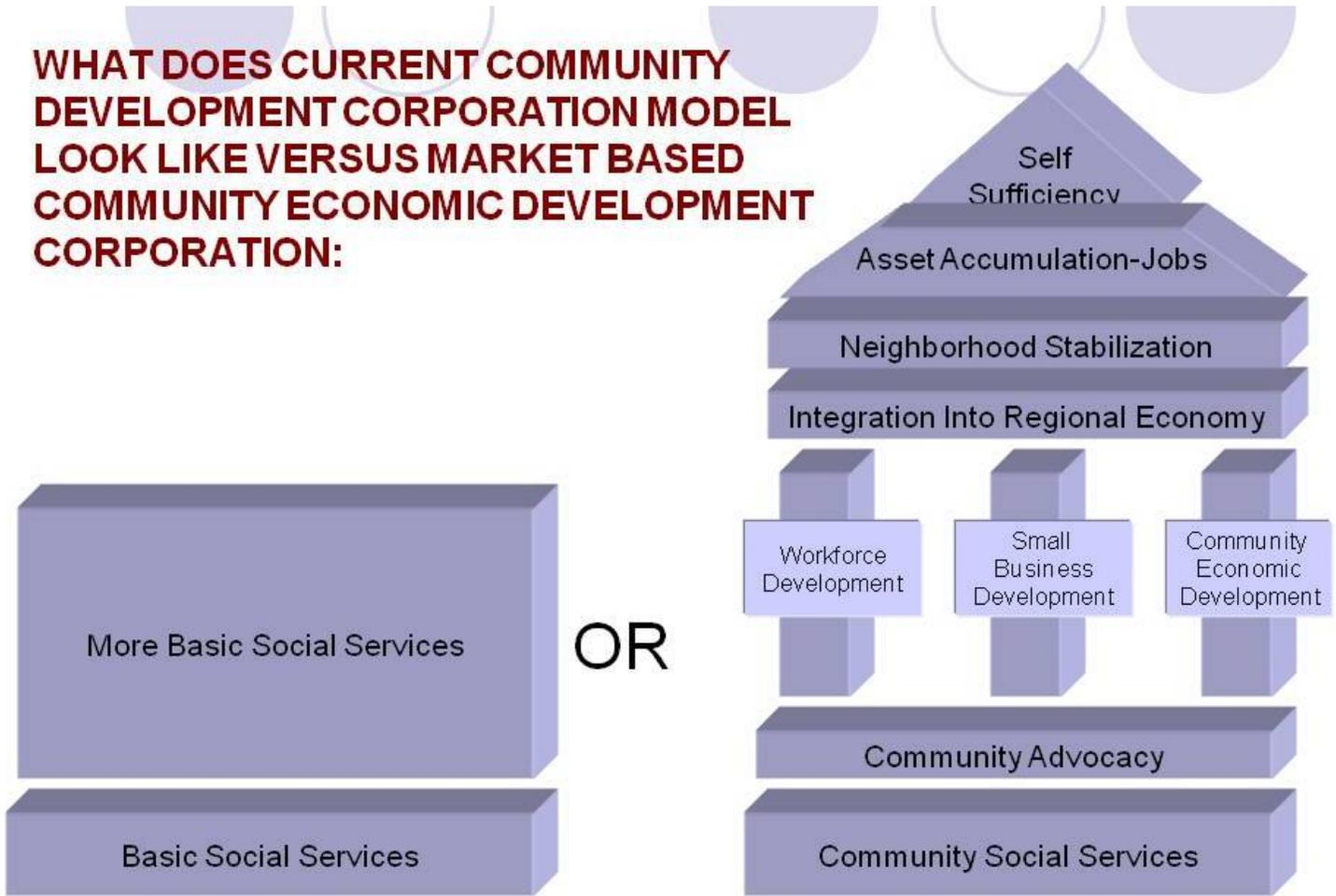
FMAHDF though created by FMCRC Chair Al Pina, will be managed and operated by Tampa based CDFI Neighborhood Lending Partners (NLP) and through a FMAHDF minority administrative committee. FMAHDF will be focused on all minority communities across Florida. States Asian American Federation of Florida Vice President, Executive Director of NANAY and FMAHDF Administrative Committee member Evelyn H. Bruce “The Asian community of Florida is often times neglected in funding and economic development programs. An economically stronger Asian community in Florida means a stronger Florida. We in the Asian community of Florida welcome FMAHDF and I look forward using this fund to create much needed jobs in our community. I commend NLP, FMCRC, Wells Fargo and all major banks who are part of this fund that will build much economically stronger minority communities that will in turn benefit all Floridians”.

FMCRC Chair Al Pina has led development of several minority focused funds, including a \$5 billion automotive fund through Wachovia. Florida Minority Affordable Housing Development Fund (FMAHDF) creator Al Pina hopes this fund will create a paradigm shift and evolution in nonprofits that will allow them to better battle racial poverty in Florida. States FMCRC Chair Al Pina “We commend Neighborhood Lending Partners (NLP) for agreeing to take on this monumental **race based/race focused** mechanism (FMAHDF) that we hope will increase the intellectual bandwidth for minority leaders that will then lead to a paradigm shift with their non-profits from social service only entities to community economic development corporations (see below). To use market based development that feeds **market civil rights**. Minority non-profit leaders must stop allowing politics and politicians to drive solutions. They must learn to use the market and capitalism. We understand that there is a long history of lack of access to capital for our businesses, nonprofits and communities. We feel FMAHDF is the right mechanism for our nonprofits leaders to embrace Capitalism. I believe in Capitalism...but it is now time that Capitalism starts believing in people of color”.

We wish to thank the following leaders who worked hard with FMCRC to make this dream a reality: Carlos Guzman (Puerto Rican Coalition), Marucci Beard (Latino Leadership of Orlando), Eunice Barnum (Jacksonville Neighborhood Coalition), Pastor William Boss (Lakeland Greater Faith Christian Center), Sylvia Blackmon Roberts (Blackmon Roberts Group), Ed Johnson (East Tampa CRA, City of Tampa and Board member of NLP), Charlotte Anderson (Urban League of Pinellas County), Desmond Key (Grant Park Civic Association), Elaine Black (Liberty City Trust & CEDC), Mary Fellows (NLP), Debra Reyes (NLP). God Bless each of you and your organizations.

A New Non Profit Model (CEDC):

**WHAT DOES CURRENT COMMUNITY DEVELOPMENT CORPORATION MODEL LOOK LIKE VERSUS MARKET BASED COMMUNITY ECONOMIC DEVELOPMENT CORPORATION:**



**FMCRC Letter To Wells Fargo & Bank of America To Address Racial Disparity With CDFI Top Management:**

*Florida Minority Community Reinvestment Coalition (FMCRC)*  
*San Diego Minority Community Reinvestment Coalition (SDMCRC)*

February 16, 2015

Wells Fargo & Company  
Mr. John G. Stumpf  
CEO

Bank of America Corporation  
Mr. Brian T. Moynihan  
CEO

420 Montgomery Street  
San Francisco, CA 94104

100 North Tryon Street  
Charlotte, NC 28255

Copy:  
Office of the Comptroller  
Mr. Thomas Curry  
Comptroller  
400 7<sup>th</sup> St SW  
Washington DC 20219

Federal Reserve System  
Ms. Janet Yellen  
Chair  
20<sup>th</sup> & C Street NW  
Washington D.C 20551

**RE: Request for Racial Audits of CDFI's That Your Banks Invest and Lend Into: Lack of Racial Diversity in CDFI's That Lead to a Widening of Racial Intellectual Bandwidth Inequities That Contribute to the Widening Racial Wealth Gap in America**

Dear Mr. Stumpf and Mr. Moynihan:

Poverty in the every major state in the United States is racial as shown in the Casey Foundation study that showed that minorities account for 74% of all Florida poverty. To address this issue of economic disparity there must be race relevancy in Community Reinvestment Act (CRA) policy that ensures there is adequate access to both capital and intellectual bandwidth for minority communities and professionals who are dedicated to battling poverty. Yet there remains a wide racial gap with the top CDFIs that hoards intellectual capacity to the point that they should place a banner on their doors that states "White Need Only Apply".

We at FMCRC are requesting that your financial institutions conduct annual Diversity audits of CDFI's you invest or lend to due to increasing racial inequities and disparities that is not allowing the transfer of financial management intellectual capacity and bandwidth to minorities that is causing significant economic harm to our communities.

Recently Federal Reserve Chair Janet Yellen publicly stated that the widening income and wealth gaps are harmful to our country. This was affirmed by a FRB study that showed between 2010-2013 White Household wealth grew 2% (\$142,000) while minorities declined -17% (\$18,100). The key to reversing this horrendous trend is access to capital for home-small business ownership (or expansion) or for community investments that create jobs in minority neighborhoods. Community Development Financial Institutions (CDFI) is supposed to be a primary mechanism to provide such capital. But the racial disparity at their executive ranks has caused a

To put this in educational terms to allow for a better understanding of this financial crisis all you have to do is look at the racial disparity that once existed at our Nations Ivy League universities. Thirty Five years ago minorities accounted for less than 1% of the student population at our nation's highest regarded universities. The brightest professors in the world taught and teach at these prestigious universities that allow for a transfer of knowledge and intellect from professor to student. These students then take that transfer of knowledge to widen their own intellectual bandwidth and take that into their respective fields. Because of this highly regarded intellectual bandwidth these students are then recruited by the best corporations and highest levels of government. They then continue to learn from the best companies that again increases their intellectual bandwidth. I know this personally because I worked for 2 of the world's largest corporations that provided me significant business intellectual bandwidth that helps me to this day.

Today minorities account for approximately 11% of the student population at these Ivy League schools. This current racial diversity rate not nearly good enough but far better than the 1% as seen 35 years ago. The ability of minorities to access this highly regarded intellectual bandwidth at these universities has allowed minorities to excel intellectually and our country is much better off for it.

But this transfer of intellectual bandwidth in the financial sector, in particular with CDFI's, looks much like the Ivy League 35 years ago. I am not here to discuss the major racial disparity in the executive ranks of all major financial institutions but wish to focus on CDFI's that were founded to become the community mechanism that would provide increased access to capital to create

jobs and battle poverty. FMCRC conducted an informal racial disparity study of the top CDFIs in the nation. Without doubt, there exists a racial disparity and void in management ranks, especially at the CEO and CFO levels.

This major racial disparity at CDFI's, like Harvard or Yale 35 years ago, has caused a major gap in financial management intellectual bandwidth that is not allowing minorities to learn from the best that can then be transferred to our communities when and if these individuals decide to launch their own CDFI. But just as important is that such a racial disparity does not allow these CDFI's to truly understand the socio-economic dynamics (and solutions) because they were not raised or even live in these minority communities. To develop solutions to poverty one must know it from the inside not from a book or a boardroom.

Without doubt your companies are leaders in the area of diversity within your employee ranks. Yet I find it ironic that such is not the case in those CDFIs that you invest in. I have faith in your leadership and compassion and that you will understand the need to push for increased racial diversity within the CDFI's that is critical in our battle to reverse the widening racial wealth and income gaps. Without such change minority children are condemned to a life of irrelevancy and financial servitude. This is something that I will not stand by and allow to hurt our community. It is our hope that you will decide to lead in the area of building the financial intellectual bandwidth for people of color that will become an instrument of hope.

Access to capital for minority home-small business ownership (expansion) and to minority led and focused nonprofits is essential to address the rising racial income and wealth inequality that Chair Janet Yellen spoke of in 2014. Community mechanisms (such as CDFIs) that you invest or lend into to provide such access to capital are in need of racial audits to reverse a rising and continued discrimination that hurts both our community and country. We request that your banks call for immediate racial audits of all CDFIs and community development funds that you invest into.

We at FMCRC thank you for your consideration on this request. I may be contact at (813) 598-6361 for any questions or concerns.

Cordially,

"There are those who say thus is the way of the world....I say NO thus we make it"

"It is easy to sing when one sits upon a perch of privilege as compared to those who are drowning in a sea of neglect"

Al Pina

Chair/CEO: FMCRC

Co-Chair: The 100

President: San Diego Minority Community Reinvestment Coalition

Chair

Urban Redevelopment Solutions (A FMCRC Company)

Cell 813-598-6361

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[www.SDminorityconstruction.org](http://www.SDminorityconstruction.org)