

**From:** Andy Salk [<mailto:asalk@febank.com>]  
**Sent:** Wednesday, February 04, 2015 4:06 PM  
**To:** Ibanez, Robert; Sowell, Mia  
**Subject:** [EXTERNAL]Proposed changes to FY2015 BEA Application

Mr. Ibanez & Ms. Sowell:

I am writing on behalf of my CDFI Bank to express my concerns over the proposed changes to the 2015 BEA application in terms of reporting of Baseline Period Amounts and Assessment Period Amounts and wanted to summarize the potential impact that this proposed change would have on our bank.

Restricting our application to certain geographic parameters would result in the following outcomes:

- New applicants, or those who did not apply last year, will have a significant advantage with the 2015 application as they have a clean slate in terms of distressed community designation. This creates significant inequity in the applicant pool.
- We use the BEA program as part of our ongoing management and planning. The BEA program provides us with incentives to seek out opportunities in new and underserved areas as the subsidy helps mitigate the risk of closing more difficult deals. Restricting FY2015 applications to the FY2014 Distressed Communities reported does not allow banks to account for lending in new Distressed Communities in 2014.
- Limiting our lending activity to the boundaries that were sent without knowledge of any programmatic changes serves as a disincentive to increasing lending in new underserved areas. This outcome is at odds with the core purpose of the BEA program.

The BEA program is a vital tool available to First Eagle Bank as a CDFI bank to help mitigate the high cost of Mission Based lending. These proposed changes would have a significant detrimental impact.

Thank you for your consideration,

Andy Salk



**Andy Salk**  
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