NCRC, Columbia Bank and Umpqua Bank Complete $8.1 Billion Community Benefits Plan to Advance Economic Opportunity for Underserved Communities

QR Code goes to the 16 page Community Benefits Plan document

The National Community Reinvestment Coalition (NCRC), Columbia Bank (Columbia) and Umpqua Bank (Umpqua) announced an $8.1 billion Community Benefits Plan (Plan) that builds on both banks' commitment to advance economic opportunity for individuals and support small business formation in historically underserved communities throughout its footprint. The plan for the combined bank, which will operate as Umpqua Bank, covers the 5-year period from January 1, 2023, through December 31, 2027, and is subject to the close of the merger.

Investments outlined in the plan are the result of close collaboration between Umpqua and Columbia, with NCRC members, as well as ongoing engagement with community partners and stakeholders associated with both banks. Commitments will benefit urban and rural communities already served by Umpqua and Columbia, as well as those it will serve after completion of the merger.

Core commitments of the plan continue and expand upon robust efforts by Umpqua and Columbia in priority areas and include:

- **$3.5 billion for Community Development & Philanthropy**: The bank will support a wide array of community development initiatives with $3.5 billion in related investments and loans, as well as commit more than $21 million to philanthropic programs over a five-year period.

- **$3 billion to Expand Access to Homeownership**: The bank's home mortgage programs will be leveraged to drive nearly $3.0 billion in related commitments specifically to improve homeownership for underrepresented communities of color, and low- and moderate-income (LMI) borrowers and communities.

- **$1.6 billion for Small Business Formation & Growth:** The bank will expand access to capital for historically underserved communities by investing $1.6 billion in partnerships and programs that support business formation and growth in LMI income census tracts and enhanced opportunities for minority-owned businesses and those with revenues under $1 million.

Community benefits plans are a cornerstone of NCRC's work to increase the flow of private capital into underserved and under-resourced communities and communities of color, and to end the racial wealth divide. The plans depend on dialogue between banks, community organizations and local reinvestment coalitions to identify local priorities and strategies to address them, which continues after a plan is established through community councils set up to advise on implementation and to monitor bank performance.

Summary of the Community Benefits Plan Between the National Community Reinvestment Coalition and Umpqua Bank

Umpqua Bank will lend or invest $8.1 billion to underserved borrowers and communities over a five-year period starting on January 1, 2023, subject to consummation of the above referenced merger. This Plan identifies the following goals as key priorities:

- Collaboration with groups in Seattle, Tacoma, Portland and Sacramento on the Black Homeownership Initiative 7 Point Plan, and applying these initiatives to Latino, Asian and Native American communities.
- Providing Community Development Corporations with reasonably priced lines or credit for acquisition and construction, to increase pre-development lending, and creating a fund for pre-development grants.
- Providing capacity building funding for minority-led and minority-serving organizations that are engaged in either economic development or social development.
- Working with metro area reinvestment coalitions to address ongoing reinvestment issues and continue to be a corporate public policy leader on initiatives that increase support for affordable housing and decrease poverty, such as the Oregon CARES Fund for Black Resiliency and Relief, which Umpqua Bank was selected to administer.

Plan Governance and Local Implementation

Columbia Bank and Umpqua Bank will merge their existing Community Advisory Panel, and will expand it to 16 members. NCRC will name 50% of the members of the Community Advisory Panel. Umpqua also agrees to release annual reporting with the first report available by the end of the second quarter of 2024. Umpqua also commits to maintaining an ongoing relationship with NCRC-related reinvestment coalitions in Oregon, Washington and California.

For more info or to get involved:

- Link to entire NCRC press release: https://tinyurl.com/2dr4447z
- For more info or to get involved with the Oregon Reinvestment Coalition contact: Brian Hoop, brian@housingoregon.org or 971-347-8801.