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ORGANIZATION OF THE NORTHEAST

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July 6, 2000

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Manager
Dissemination Branch
Information Management & Services Division
Office of Thrift Supervision
1700 G Street NW
Washington, DC 20552

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DISSEMINATION BRANCH

Attention: Docket No. 2000-44

To Whom It May Concern:

The Organization of the NorthEast believes that ethnic and economic diversity is the foundation for incredible creativity and grassroots democracy. The north lakefront neighborhoods of Chicago – Lakeview, Uptown, Edgewater, and Rogers Park – are models of such diversity. But this issue goes far beyond our stretch of the city. Affordable housing – both preservation and creation – is key to building a rich culture of initiative, opportunity and community across Chicago, the Midwest and the country. The Community Reinvestment Act is a critical tool that ONE uses to increase affordable housing and fulfil our mission.

I urge you to make significant changes in the proposed Community Reinvestment Act “Sunshine” regulations that threaten investment in my community and punish us for discussing the community’s credit needs. We understand that financial institutions have used this regulation as an excuse to not enter into community reinvestment agreements, given the increasing trend of consolidation by our nation’s financial institutions, the integrity of the CRA as a voice for underserved communities must be maintained. We would like to recommend that the following changes be implemented immediately.

CRA Contacts

The regulation must cover all CRA discussions and not provide exemptions for bank or regulator initiated contacts. To narrow the deadline of CRA contact in any other way could create the perception of favoring certain types of CRA discussions by exempting them from the reporting requirements.

With a broad definition of CRA contact the timeframe must be constrained to ensure that there is truly impact on CRA related performance. Only CRA contacts that occurred twelve months or less prior to a CRA agreement should create a covered agreement. To cover the situations where a CRA contact is made after a CRA agreement, particularly during CRA examinations and applications for merger or acquisition, the three months after the agreement is reached should also be counted.

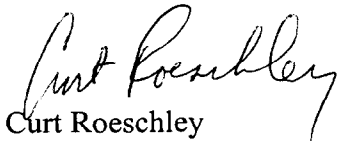
Reporting Requirements

To minimize the reporting burden the reporting requirements should be satisfied by existing reports wherever possible including reports to other funders if the grant is used for the same purpose and, where there is a reporting requirement triggered by multiple small grants, allowing the IRS Form 990 to suffice. A consolidated report should be allowed where an organization has two or more agreements.

We appreciate that the federal banking agencies had a difficult task of developing regulations for a confusing statute and respect the steps that have already been taken to reduce burden for neighborhood organizations, banks and other parties interested in community development. We urge the federal agencies to adopt our suggestions for streamlining the sunshine regulations and reduce the potential damage they may cause to revitalizing inner city and rural communities.

ONE has a very active CRA partnership with Bank ONE. We also meet regularly with Firststar Bank, Broadway Bank, Harris Bank, and Uptown Savings Bank. CRA has been very positive in our community and for our local financial institutions.

Sincerely,



Curt Roeschley
Uptown Center Hull House &
Organization of the NorthEast