

# HOUSING DEVELOPMENT CONSORTIUM OF SEATTLE - KING COUNTY



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DISSEMINATION  
OFFICE OF THRIFT SUPERVISION

AIDS Housing of Washington

Archdiocesan Housing  
Authority

Capitol Hill Housing  
Improvement Program

Central Area Development  
Association

Common Ground

Community Psychiatric Clinic

ECR Housing & Community  
Development Association

HomeSight

Housing Resources Group -  
Seattle

Interim Community  
Development Association

Low Income Housing  
Institute

Lutheran Alliance To Create  
Housing

Mt. Baker Housing  
Association

Pioneer Human Services

Pioneer Square Community  
Development Organization

Plymouth Housing Group

St. Andrew's Housing Group

Seattle Chinatown/  
International District  
Preservation & Development  
Authority

Seattle Emergency Housing  
Service

Seattle Habitat for Humanity

South East Effective  
Development

South King County  
Multi-Service Center

YWCA of Seattle - King  
County - Snohomish County

July 17, 2000

**Manager  
Dissemination Branch  
Information Management & Services Division  
Office of Thrift Supervision  
1700 G Street NW  
Washington DC 20552  
Attention: Docket No. 2000-44**

To Whom It May Concern:

I am writing you on behalf of the Housing Development Consortium of Seattle King County (HDC) to urge you to make significant changes in the proposed "sunshine" regulations. HDC is a trade association of the key nonprofit housing development organizations in Seattle and King County. Together our members have developed over 11,000 units of low- and moderate-income housing around the state. As non-profit developers our members rely heavily on CRA related loans from banks. HDC feels that the sunshine regulations will put unnecessarily heavy burdens on our members.

HDC members routinely receive loans of more than \$50,000 to develop and manage housing for low- and moderate-income households. Under the proposed rule lender's compliance and reporting burden would be enormous. This could put nonprofit organizations in a financial and staffing squeeze. Housing nonprofit are already operating as lean as possible in order to keep tenants rents as low as possible. Increases in the amount of staffing required to deal with reporting issues could result in increased costs to tenants, the people whom CRA is supposed to be helping. Therefore HDC would encourage you to limit the definition of "covered agreement" to include only those agreements that would substantively weigh on an institution's application or CRA rating.

While the sunshine statute states that proprietary and confidential information is protected in disclosures and annual reports, the preamble to the proposed rules notes that the statute "may require disclosure of some type of information that an agency might normally be able to withhold from disclosure". HDC believes that CRA transactions should receive the same level of privacy as other financial transactions. Please consider amending the regulation to make this possible.

HDC would also like to ask the Federal agencies to explicitly state in the final regulation that the use of IRS Form 990 is an acceptable means of nonprofit disclosure. Codifying the use of 990 forms would simplify reporting requirements


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and reduce burdens for nonprofit organizations that are very familiar with the 990. HDC would also like the final regulation to state that a "brief description" can be used in annual reports to describe funds allocated and used for specific purposes. By keeping reporting requirements simple Federal agencies can relieve part of the burden placed upon nonprofits by this statute.

While it may be impossible for the so-called sunshine provision to be a non-meddlesome regulation, HDC believes that our suggestions would significantly reduce the burden. HDC urges you to adopt our suggestions for streamlining the sunshine regulation.

Sincerely,



Sarah Morgan  
Program Coordinator