

Baltimore
HISPANIC CHAMBER
Of Commerce

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April 6, 2004

Regulation Comments
Chief Counsel's Office
Office of Thrift Supervision
1700 G Street NW
Washington DC 20552

Re: No. 2004-04

Dear Officials of Federal Bank and Thrift Agencies:

The Baltimore Hispanic Chamber of Commerce (BHCC) urges you to withdraw the proposed changes to the Community Reinvestment Act (CRA) regulations. The BHCC exists to serve and promote the entrepreneurial interest of the rapidly growing number of Hispanic businesses in Baltimore. Baltimore is a city on life support and a prime example of how financial institutions are too quick to siphon off its wealth and reinvest it into suburbs and so called "emerging communities."

We, as business leaders, are trying to reshape the landscape of Baltimore to bring the type of vibrancy and can do spirit that has enabled our communities to transform the cities of Miami, San Antonio, New York and other cities into thriving economic hubs. CRA has played a major role in increasing access to homeownership, boosting economic development, and expanding small businesses in the nation's minority, immigrant, and low- and moderate-income communities. Thanks to the CRA, there have been measurable and tangible results in redeveloping and reclaiming neighborhoods that would otherwise feel the knife-like effect of a red-pen cutting (redlining) off otherwise viable communities from access to capital.

Changes to the CRA will halt the progress made in communities such as Baltimore and thwart the Administration's goals of improving the economic status of Hispanics and others immigrants in creating 5.5 million new minority homeowners by the end of the decade. The BHCC is aggressively marketing Baltimore and providing home ownership workshops on a pro bono basis to our community and others to encourage them to resettle in Baltimore and open or relocate new businesses in the shadow of the Washington, DC metro area. This could not be done if banks were allowed to write us off. We do not want to return to the days when predatory lending practices precluded us from obtaining

loans to purchase homes or build and expand businesses by allowing financial institutions to thwart progress through outright discrimination.

Banks with business assets of between \$250 million and \$500 million must not be allowed to avoid the cold harsh glare that CRA regulations shine on their business practices. Any efforts to allow such banks to undergo cursory exams of their lending practices are simply unacceptable. Rather than weakening the monitoring process, we believe it is essential to strengthen and expand banks' data collection and reporting of loans made to small business and home buyers. Without such data and measurements collection, bankers would have little incentives to invest in communities and people that are unlike them and their stockholders.

We stand at a vital crossroad in our nation's development. It is projected that by the year 2050 one in four Americans will be of Hispanic descent, and that the Hispanic community will be the single largest demographic group in America. The fruits of our great American experiment which ushered immigrants and their children for generations into the middle class must continue to survive. However, the proposed changes now being considered to CRA would directly undercut the Administration's admirable emphasis on minority homeownership and immigrant access to jobs and banking services. The proposals regarding streamlined exams and changes to the anti-predatory lending standard threaten CRA's statutory purpose. CRA is the best way to ensure that the American dream is shared by all regardless of race, gender or ethnic origin so we can strengthen the fabric of our nation and add to the rich mosaic of the American experiment. CRA is too important to be emasculated so please stand with us in protecting it from those who would gut it to realize short term benefits at the expense of future generations. Thank you for your attention to this most urgent of matters.

Sincerely,

A handwritten signature in black ink, appearing to read "Roberto N. Allen". The signature is fluid and cursive, with a large initial "R" and "A".

Roberto N. Allen
President

cc: Antonio Arocho, Esq.