



ASSOCIATION FOR
NEIGHBORHOOD &
HOUSING
DEVELOPMENT, INC.

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

Attention: No. 2004-53 & 2004-54

To Whom it May Concern:

The Association for Neighborhood & Housing Development (ANHD) is writing to express our strong opposition to your proposed changes to the CRA regulations.

The Association for Neighborhood & Housing Development (ANHD) is a membership organization of New York City non-profit neighborhood housing groups. We were formed in 1974 and today we have 93 active members, based in neighborhoods in all five boroughs of the City, representing both the most established community organizations and also younger, emerging neighborhood groups.

Our mission is to ensure decent housing and neighborhoods for the people of NYC, especially poor and working class people. We believe that the best way to achieve this mission is to support the work of those non-profit groups rooted in the community. We work with our member organizations to develop a local housing policy/advocacy agenda which is responsive to the needs and priorities of our diverse communities and we try to speak with a unified voice in promoting that agenda.

Many of our member groups came into being around the same time as the Community Reinvestment Act. These groups were created for the same reasons as the CRA: to turn around an epidemic of housing abandonment and fierce neighborhood blight brought on mostly by financial disinvestment. Over the past twenty-five years, thanks in large part to the Act, banks have returned to our neighborhoods and have become prominent partners in community revitalization.

We are concerned that your proposed changes will take away many of the incentives for large thrifts to continue to invest in low-income neighborhoods.

Your proposal to provide CRA credit for lending and investment in communities that are not low or moderate-income flies directly in the face of the entire purpose of the CRA, which is to ensure that banks meet the credit needs of lower income people and communities.

Further, your proposal to allow banks to only address the lending needs, and not the service and investment requirements of underserved communities, is also counter to the purpose of the CRA. Neighborhoods need loans, but they also need bank branches, retail services and investment. Only meeting part of their credit needs would not be a satisfactory solution.

The Community Reinvestment Act has been a great success in insuring banking services and investment in our communities; it should be strengthened, not diluted. We strongly urge you to drop these proposed changes.

Sincerely,

A handwritten signature in black ink, appearing to be 'Irene Baldwin', written in a cursive style.

Irene Baldwin
Executive Director