



**CENTURY HOUSING**  
A NONPROFIT CORPORATION

1000 CORPORATE POINTE, SUITE 200 CULVER CITY, CALIFORNIA 90230  
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May 9, 2005

Robert E. Feldman  
Executive Secretary  
Federal Deposit Insurance Corporation  
550 17th Street, NW  
Washington, DC 20429  
**RE: RIN 3064-AC89**

Jennifer J. Johnson  
Secretary  
Board of Governors of the Federal Reserve System  
20<sup>th</sup> Street and Constitution Avenue, NW  
Washington, DC 20551  
**RE: Docket No. R-1225**

Office of the Comptroller of the Currency  
250 E Street, SW  
Mail Stop 1-5  
Washington, DC 20219  
**RE: Docket No. 05-04**

Via E-mail  
Original Follows by US Mail

I am writing in support of the joint interagency proposal by the Federal Deposit Insurance Corporation (FDIC), Office of the Comptroller of the Currency (OCC) and Federal Reserve Board to update the Community Reinvestment Act rules with a new two-part test for insured depository institutions between \$250 million and \$1 billion in assets: the Small Bank Lending Test and a new Community Development Test.

Century Housing, a nonprofit corporation, and active member of the National Association of Affordable Housing Lenders and the National Housing Conference, has taken a leadership role in the development of affordable housing.

We accomplish this by offering a variety of innovative financial products to developers, which has helped create more than 11,000 quality ownership and rental homes affordable to low-income working families in the greater Los Angeles area. Century also links its lending products with More Than Shelter® social services supported through The More Than Shelter Fund®.

These programs include on-site after-school academic tutoring for at-risk youth, construction job training and placement for men and women, child development centers for low-income families, transitional housing for homeless veterans, and wellness programs for seniors.

The flexible new Community Development (CD) Test will help overcome problems with the current Large Bank exam by encouraging banks to undertake affordable housing and other community development investments that are critical in many low- and moderate-income communities. The new CD test does this by providing insured depository institutions **actual CRA credit for all community development activities, including loans as well as investments and services**, thereby encouraging banks to undertake the affordable housing and other community development loans that are critical in many communities throughout the country, particularly in the Southern California region.

**We are deeply concerned that the new Office of Thrift Supervision (OTS) rule undercuts the intent of Congress in enacting CRA that institutions meet the needs of low- and moderate-income persons and communities. We encourage you to ask OTS to rescind its recent CRA rule changes, and join your interagency proposal.** By allowing institutions with the greatest ability to provide the most comprehensive assistance to essentially create their own weak CRA standards ensures communities, especially rural areas and older inner city neighborhoods will be left behind.

**We encourage you to apply the same principles, and update the rules for larger institutions as well.** The new CD Test would also increase the regulatory incentives for institutions above \$1 billion in assets to undertake community development loans.

As you are aware, California faces a severe housing crisis. Due to the substantial decrease in federal outlays, specifically in CDBG revenues, this crisis will only worsen. The critical role the CRA has played in providing Americans with safe, decent and affordable places to live cannot be overstated. The joint interagency proposal has the potential to greatly enhance the Southern California nonprofit housing community's ability to address the damage caused by reductions in other federal funds and programs.

Thank you for your consideration of this critical matter.

Sincerely,  
G. Allan Kingston  
Signature on Original – US Mail

C: Judy Kennedy  
CFED