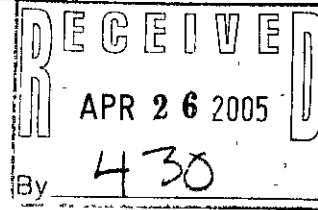




Cleveland Neighborhood Development Coalition



April 20, 2005

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

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

Office of the Comptroller of the Currency
250 E St., SW, Mail Stop 1-5
Washington, DC 20219
RE: Docket Number 05-04

To Whom It May Concern:

I am writing on behalf of the Cleveland Neighborhood Development Coalition to urge you to enhance your proposed changes to the Community Reinvestment Act (CRA) regulations so that banks do not reduce branches, community development loans and investments to low- and moderate-income communities. Your proposal is an improvement from the one you issued in the fall, but problems remain.

I believe that the current exam structure of separate lending, investment, and service tests is the most effective structure for maximizing the level of community development financing. If you move to a new exam format, you must ensure that significant declines of community development financing do not occur.

Investments in affordable housing and economic development build wealth for families and communities and thus open up new markets for bank lending and services. The importance of investments is one reason why you must carefully develop any final

proposal regarding the CRA exam structure. In Cleveland alone, from 1991 to 2002, over \$4.6 billion in commitments were made by area financial institutions in Neighborhood Reinvestment Program Agreements, and from 1994 through 2000, over \$3 billion in home purchase, home improvement, small business community development lending and community development investments were made by financial institutions with CRA agreements with the city.

Deleting a separate test for services may result in CRA exams no longer holding mid-size banks accountable for the provision of bank branches and low-cost accounts in low- and moderate-income communities. This is a concern. Payday lending and other high cost credit has increased in my community the last several years. Please add the provision of bank branches as a clear factor on your proposed CRA exams for mid-size banks.

I urge you to drop your proposed elimination of public data disclosure requirements regarding community development, and small business and small farm lending. The only way to hold mid-size banks accountable for providing credit to small firms and for affordable housing and community development is if the CRA data remains publicly available. You must not change the requirement that community development in rural areas must benefit low- and moderate-income areas and distressed communities.

Thank you for your consideration.

Sincerely,



Mary Helen Petrus
Director of Policy Development

Cc: National Community Reinvestment Coalition