



# UNITED NEIGHBORHOOD CENTERS of Lackawanna County, Inc.

425 Alder Street, Scranton, Pennsylvania 18505  
Phone: (570) 346-0159  
[www.unitedneighborhoodcenters.org](http://www.unitedneighborhoodcenters.org)

## CHILD CARE

Administrative Office  
344-9882  
Bellevue Center  
342-5251  
Progressive Center  
207-4950  
Green Ridge Center  
961-2224

## COMMUNITY

### YOUTH

Bellevue Center  
342-5251  
Progressive Center  
207-4950  
Leaders In Training  
343-8835  
Adventure Course  
343-8835  
Project Hope  
343-8835

## COMMUNITY SERVICES

Emergency Assistance  
343-8835  
Transitional Housing  
343-8835  
One Stop Shop  
343-8835  
Angel's Attic  
343-8835  
First Time Homebuyers  
343-8835  
HIV/AIDS Education  
346-0759  
Fair Housing Education  
346-0759  
Female Juvenile Justice  
346-0759  
Violence Intervention  
346-0759  
Foreclosure Prevention  
343-8835  
Economic Justice  
346-0759  
Community Organizing  
346-0759

## SENIOR CENTERS

West Side Center  
961-1592  
South Side Center  
346-2487  
Carbondale Center  
282-6167  
Mid Valley Center  
489-4415

## CATERING CONCEPTS

961-1592

January 22, 2007

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

Attention: No. 2006-44

To Whom it May Concern:

United Neighborhood Centers of Lackawanna County (UNC) was founded as a "settlement house" agency in Scranton in 1923 to serve the immigrant and African American communities in Central City and lower West Side Scranton. It is our mission to "work together with neighbors to provide services and create opportunities which empower individuals and build strong interdependent communities" UNC provides programs and services to a diverse community. Through a partnership with UNC, NCRC, and the NAACP of Wilkes-Barre, PA have built a coalition from a diverse constituency comprised of social service groups, bankers, business people and governmental agencies. Together we work to enable our communities to prosper through equal access to capital and credit. It is with this mission in mind that I write in concurrence with the National Community Reinvestment Coalition that your proposed changes to Community Reinvestment Act (CRA) exams will increase lending, investing and bank services in low- and moderate-income communities. I urge your agency to implement your proposed changes as soon as possible.

The federal agencies must establish the same CRA exams so that the public can effectively compare the CRA performance of banks and thrifts. Currently, banks and thrifts with similar assets in my locality have very different CRA exams. The weaker CRA standards for thrifts make it difficult to hold thrifts accountable for responding to community needs.

Mid-size thrifts with assets between \$250 million to \$1 billion in assets currently only have a lending test. In contrast mid-size banks have CRA exams that consist of a lending test and a community development test. The community development test rates a mid-size bank on the number of investments, bank services, and loans for affordable housing and economic development in low- and moderate-income communities. Mid-size banks are expected to offer a greater range of loans, investments, and services than



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of Lackawanna County  
Member of  
United Neighborhood  
Centers of America

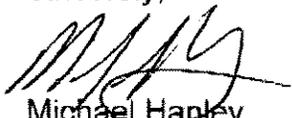
mid-size thrifts in my community. The total amount of bank financing and services would increase if mid-size thrifts were held to the same standards and had the same CRA exam as mid-size banks.

Likewise, large thrifts with assets greater than \$1 billion have lower CRA requirements than large banks. Large thrifts must undergo a lending test, but they can choose not to have an investment test and a service test. Alternatively, large thrifts can choose to have their investment and service test count for a minimal amount towards their CRA rating. In contrast, large banks always have a CRA exam in which the lending test counts for 50% of the rating, the investment test counts for 25%, and the service test counts for 25% of the rating. The large bank test has worked well for increasing bank lending, investing, and services in low- and moderate-income communities. I urge the OTS to establish consistent standards for large thrifts by going back to the predictable weighting scheme of the large bank exam.

Finally, I ask the OTS to implement its proposal to add an anti-predatory lending screen to its CRA regulation. Savings and loans must be penalized severely through lower ratings on CRA exams if they engage in illegal, discriminatory, and abusive lending practices. Again, savings and loans must be held to the same standard as banks, including facing CRA penalties if they issue abusive loans that drain equity from communities instead of meeting credit needs.

Consistent CRA exams establish the same standards for banks and thrifts, making it more likely that regulatory agencies and the general public can hold banks and thrifts accountable for serving the needs of communities. Currently, the different CRA standards increase the possibilities of some lending institutions shirking their community reinvestment obligations. I ask the OTS to enact its proposal to align their CRA exams with those of the other agencies as fast as possible. Thank you for your consideration of this important matter. If you have any questions, please contact me on (put your phone number here as it is requested by the OTS for e-mails to the agency).

Sincerely,



Michael Hanley  
Executive Director