



NEW YORKERS FOR RESPONSIBLE LENDING

c/o NEDAP / 73 Spring Street, Suite 506 / New York, NY / 10012
Tel: 212-680-5100 / Fax: 212-680-5104 / nyrl@nedap.org

Dear New York State Legislator:

New Yorkers for Responsible Lending (NYRL) is a state-wide coalition that promotes access to fair and affordable financial services and the preservation of assets for all New Yorkers and their communities. NYRL is committed to fighting predatory practices in the financial services industry through policy reform, education and outreach, research and direct services. NYRL members represent 129 community financial institutions, community-based organizations, affordable housing and first-time homebuyer groups, advocates for seniors, legal services organizations, and community reinvestment, fair lending, and consumer advocacy groups.

In this capacity, NYRL asks for your support in creating a New York State Community Development Financial Institutions (CDFI) Fund, which is expected to be housed under the Empire State Development Corporation. There is currently legislation pending introduction in both houses that will do just this. Your support of the New York State CDFI Fund will be critical in developing a comprehensive economic development strategy that supports not only large-scale development in New York, but also small-business, individuals, and other community service entities.

Many NYRL members are federally certified as CDFIs, public purpose institutions that combine private market discipline with public missions. These include community development credit unions (CDCUs), community loan funds, housing groups, community banks, and others. CDFIs identify market gaps and deliver products and services to people and communities not adequately served by mainstream institutions or larger economic development programs. There are more than 100 individual CDFIs in New York, providing access to affordable credit, loans, and other financial services. CDFIs focus on individual entrepreneurs, townships and municipalities, community groups, and a variety of local non-profits. CDFIs also provide technical assistance, helping customers to more ably function in the market economy.

Our coalition strongly believes that strengthening CDFIs in our state is a major step in the battle against insidious predatory lending practices and we contend that investing in CDFIs through a New York State CDFI Fund is a sound investment of scarce state resources.

The Federal CDFI Fund, a program housed under the U.S. Treasury Department, issues funds to CDFIs based on performance and community need, and with a requirement to match dollar for dollar federal funds with private investment. Unlike other programs dependent on federal spending, CDFIs leverage \$27 in non-federal funds for each federal dollar invested. Since 1995, the CDFI Fund's \$771 million in equity investments has generated an additional \$16 billion in non-federal financing in emerging domestic markets.

Implementation of a state CDFI Fund would be of significant assistance to CDFIs across New York State allowing them to leverage additional investments benefiting underserved constituencies.

After years of one-house bills, both the State Senate and State Assembly passed legislation in 2006 creating a New York State CDFI Fund. Unfortunately, the Senate's bill, which made the program workable by placing it under the Empire State Development Corporation, passed too late in 2006 for the Assembly to conform to it. New bills are currently awaiting reintroduction, and on behalf of our coalition, we urge you to support this vital initiative.

A New York State CDFI Fund will allow many members of our coalition to greatly expand their programs to strengthen some of New York's most at-risk and destitute communities. We hope you will support what is sure to become a model of state-level economic development; and one which will truly make a difference for low- and moderate-income New Yorkers.

Sincerely,

New Yorkers for Responsible Lending

Member organizations are: AARP • Abyssinian Development Corporation • ACCION New York • ACORN • Albany County Rural Housing Alliance • Albany Housing Coalition • Alternatives Federal Credit Union • Anti-Discrimination Center of Metro New York, Inc. • Asian Americans for Equality • Association of Local Human Rights Commissioners of New York State, Inc. • Association for Neighborhood & Housing Development • Association for Neighborhood Rehabilitation, Inc. • BEC New Communities HDFC • Bethex Federal Credit Union • Bridge Street Development Corp. • Brooklyn Branch NAACP • Brooklyn Low Income Tax Clinic, South Brooklyn Legal Services • Brooklyn-Wide Interagency Council of the Aging • Buffalo Urban League • Brooklyn Cooperative Federal Credit Union • Bushwick Housing Independence Project • Capital District Community Loan Fund • Chautauqua Home Rehabilitation and Improvement Corporation • Chhaya Community Development Corporation • Children's Defense Fund – New York • Citizen Action of New York • City-Wide Task Force on Housing Court • Community Action in Self-Help, Inc. • Community Agency For Senior Citizens • Community Development Corporation of Long Island • Community Homeowners and Neighbors Gaining Economic Rights • Consumer Credit Counseling Services of Central New York • Consumers Union • Cooper Square

Committee • Cornell University Extension • Credit Where Credit Is Due • Cultural Renaissance for Economic Revitalization • Cypress Hills Local Development Corporation • Dēmos • Ellicott District Community Development, Inc. • Empire Justice Center • Erasmus Neighborhood Federation • ESL Federal Credit Union • Fair Housing Council of Central New York, Inc. • Federation of Protestant Welfare Agencies, Inc. • Fifth Avenue Committee • Fillmore-Leroy Area Residents Inc. • Foreclosure Prevention Project, South Brooklyn Legal Services • Genesee Co-op Federal Credit Union • Good Old Lower East Side, Inc. • Greater Rochester Community Reinvestment Coalition • Group 14621 Community Association • The Health & Welfare Council of Long Island • Hempstead Hispanic Civic Association, Inc. • Hispanic Senior Action Council • The Housing Council • Home Headquarters, Inc. • Housing Help, Inc. • Housing Resources of Columbia County • Human Development Services of Westchester • Inner City Public Interest Law Project • Institute for the Puerto Rican/Hispanic Elderly • Jamaica Housing Improvement, Inc. • JPAC for Older Adults • Justice Action Center-Economic Justice Project, New York Law School • League of Women Voters – NYS • Legal Aid Bureau of Buffalo, Inc. • Legal Aid Society - Queens • Legal Services for the Elderly of Queens/LEAP • Legal Services for the Elderly of Western New York • Legal Services of Central New York, Inc. Long Island Housing Services • Lower East Side People's Federal Credit Union • Malcolm X Grassroots Movement • Margert Community Corporation • Metro Justice of Rochester • MFY Legal Services • Midwood Development Corporation • NAACP Legal Defense Fund • Nassau/Suffolk Law Services Committee, Inc. • National Coalition for APA Community Development • National Federation of Community Development Credit Unions • Neighborhood Economic Development Advocacy Project • Neighborhood Preservation Coalition of NYS, Inc. • Neighbors Helping Neighbors, Inc. • New York City Financial Network Action Consortium • The New York Network • New York Public Interest Research Group • New York CDFI Coalition • New York StateWide Senior Action Council • NHS of New York City • NHS of Bedford-Stuyvesant • Northeast Brooklyn Housing Development Corporation • Nuevo El Barrio Para la Rehabilitacion de la Vivienda y la Economia • N.W. Queens Housing Corporation • Opportunities for Chenango, Inc. • Parodneck Foundation • Pratt Area Community Council • Pratt Institute Center for Community and Environmental Development • Pride Senior Network • Progressive Neighborhood Federal Credit Union • Project Enterprise • Puerto Rican Legal Defense and Education Fund • Regional Center for Independent Living • Renaissance Economic Development Corporation • Rensselaer County Housing Resources • Rochester District Community Ministries, The United Methodist Church • Rural Law Center of NY, Inc. • Rural Opportunities, Inc. • Snow Belt Housing Company, Inc. • Sojourner House • St. John's University School of Law - Elder Law Clinic • St. Lawrence County Housing Council • Staten Island Center for Independent Living • Staten Island Interagency Council for Aging • Steuben Churchpeople Against Poverty, Inc. • Syracuse Cooperative Federal Credit Union • Syracuse United Neighbors • Syracuse University Securities Arbitration and Consumer Law Clinic • Tomorrow's Neighborhood Today, Sector 3 • Troy Rehabilitation and Improvement Program • UAW Region 9A CAP Council • United Rockaway Development Corporation • University Neighborhood Housing Program • Urban Justice Center • Utica Citizen Action • Westchester Residential Opportunitites • West Harlem Group Assistance • Western New York Law Center *(as of 2/07)*