

October 31, 2008

Donna J. Gambrell, Director
Community Development Financial Institutions Fund
U.S. Department of the Treasury
601 13th Street, NW, Suite 200 South
Washington, DC 20005

Dear Director Gambrell:

Opportunity Finance Network¹ (OFN) appreciates the chance to advise the CDFI Fund pursuant to the Fund's Request for Comments published in the *Federal Register* on September 2, 2008 regarding the Bank Enterprise Award (BEA) Program Application Materials. As a consequence of the BEA program, banks have increased their capital investments in CDFIs. All types of CDFIs (loan funds, credit unions, venture funds, and community development banks) have benefited from these BEA motivated investments. Several Opportunity Finance Network Members are insured depository institutions and past BEA awardees. Many more OFN Members have benefited from the Bank Enterprise Award Program as CDFI partner organizations.

We are pleased to see that the proposed application incorporates many of the suggestions that OFN made in its letter of July 7, 2008, in response to the Fund's Request for Comments on the BEA program. OFN strongly supports the new compliance and reporting requirements the Fund intends to impose on BEA program award recipients receiving an award over \$25,000. Awardee reports on community development impacts for all Distressed Community Financing Activities and Service Activities will afford the Fund with important new data on the community development impact of banks operating in distressed markets.

We also support the change in the application that allows applicants seeking an award for CDFI Support Activities to no longer designate a Distressed Community. Such information is available to the CDFI Fund through other avenues and need not be submitted by the BEA applicant.

The new registration requirements for applicants and CDFI partners also seem worthwhile. These requirements will allow the Fund to collect all mapping information from applicants and partners to better monitor awardees' activities in distressed communities.

On page three of the draft application, a reference is made to the FY 2009 BEA Program Interim Rule. This Interim Rule is not yet public so OFN has not had the opportunity to review the language. OFN looks forward to reviewing the language of the new Interim Rule when it becomes available. We hope and expect the CDFI Fund to present any changes required by the new Interim Rule in the clearest possible way to applicants and CDFI partners and to consider any additional advice regarding the Interim Rule before finalizing the 2009 BEA application.

Thank you again for the opportunity to comment.

Sincerely,



Mark Pinsky
President and CEO

¹ Opportunity Finance Network, the national network of more than 160 financial institutions creates growth that is good for communities, investors, individuals, and the economy. Its members include Community Development Financial Institutions (CDFIs) and other opportunity finance institutions that work just outside the margins of conventional finance to bring those markets into the economic mainstream and to help the economic mainstream flow into those markets. CDFI financing has resulted in significant numbers of new jobs, jobs preserved, quality, affordable housing units, and new commercial and community facility space in all 50 states. Over the past 30 years, the Opportunity Finance industry has provided more than \$23 billion in financing that would not otherwise have happened in markets that conventional finance would not otherwise reach.