

Community Investments

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Editor's

NOTEBOOK by Joy Hoffmann Molloy

WHERE IS THE SPIRIT OF CRA?

Since the 1977 enactment of the CRA, a legitimate and complex community development industry has evolved. During this time CRA has been debated, lauded, threatened, strengthened and some argue, watered down. Given the continued scrutiny and ever-present naysayers many, including myself, often question where the spirit of CRA has gone.

When I find myself doubting or questioning the spirit, I need only talk to one of the many friends and colleagues I have in this business to be reminded that the spirit lies in every one of us individually, through our personal commitment to the work we do. I was fortunate to be amongst many of these friends and colleagues (and make new acquaintances) at the recent interagency Community Reinvestment Conference in San Francisco. Over the course of this three-day conference, evidence of the spirit of CRA and the passion so many have for the work was ubiquitous:

CRA Leadership Councils: At the Federal Reserve's CRA Leadership Council orientation and kick-off, close to 60 financial institution council members and 40 of their CEOs, board directors and chairs joined together to recognize the importance of this new initiative designed to encourage bank collaboration on local community and economic development challenges and opportunities;

CRA Awards: Over 70 entries were submitted from across the country for consideration of a CRA Award in the lending, investment, service and community development categories. Ten winners and runners-up were recognized at the conference's CRA Awards luncheon;

Conference participation: Despite the lure of San Francisco, the over 400 conference attendees stayed for and actively participated in general and breakout sessions on funds management, equity investments, and serving emerging markets responsibly, among many others.

It is encouraging to know that the original intent of the CRA, to invest in local communities regardless of location and income, continues to be embraced by many financial institutions who see the social value and financial potential of investment in untapped markets. The result of this outstanding commitment on the part of banks, both large and small, and community-based organizations are visible in communities across the country. The spirit is alive among the players of this phenomenal national movement. Now perhaps it is time for us to spread the abundance of our spirit to financial players not covered by the CRA . . . but that's a topic for another time.

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