

August 3, 2011

Jodie Harris  
Policy Specialist  
CDFI Fund  
U.S. Department of the Treasury  
601 13th Street, NW., Suite 200 South  
Washington, DC 20005

Dear Ms. Harris:

Thank you for the opportunity to comment on the implementation of the CDFI Bond Guarantee Program (CBGP). The CBGP will create a new structure and additional opportunities for our clients to invest in the economic development in communities across our nation. Trillium Asset Management strongly supports the program and we urge the CDFI Fund to implement it as quickly as possible.

Most importantly, the Fund must ensure that all bond issuers have a strong track record of meeting the needs of low income and disadvantaged communities, are mission-based, and can direct bond proceeds to appropriate community and economic development uses. The CDFI Bond Program should be flexible enough to accommodate aggregation of loans from various originators (directly or indirectly) as well as single originators.

CDFIs have a strong record of success at serving distressed markets with minimal losses and delinquencies. Historic loss and payment performance data from conventional financial markets are generally not reliable indicators of CDFIs' performance and should not be the basis for the Fund's risk assessment for the CBGP.

As the intent of the CBGP is to provide new capital sources for CDFIs, its uses should support CDFIs in their financing activities, both existing strategies and new ones made possible by the CBGP. Therefore we advise caution on any limits to specific eligible uses.

As you know, the strength of the CDFI industry is its diversity, and a one-size-fits-all approach in the regulations will likely limit the program's success. Throughout its history, the CDFI Fund has demonstrated flexibility and an appreciation for the unique contributions of different types of CDFIs. This operating philosophy will be particularly important in writing regulations for the CDFI Bond Guarantee Program.

Thank you for your consideration of these recommendations.

Sincerely,

  
Matthew W. Patsky  
CEO

  
Randall P. Rice  
Community Investments Manager

**BOSTON**

711 Atlantic Avenue  
Boston, Massachusetts 02111-2809  
T: 617-423-6655 F: 617-482-6179  
800-548-5684

**DURHAM**

353 West Main Street, Second Floor  
Durham, North Carolina 27701-3215  
T: 919-688-1265 F: 919-688-1451  
800-853-1311

**SAN FRANCISCO BAY**

100 Larkspur Landing Circle, Suite 105  
Larkspur, California 94939-1741  
T: 415-925-0105 F: 415-925-0108  
800-933-4806