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Few bankers can refuse activists' invitation

By DEE GILL
Houston Chronicle

The letters didn't exactly order the bankers to New York, but from the tone, it was clear they were more than just polite invitations.

ACORN, a group known for its attacks on banks' lending records in low-income neighborhoods, was asking bankers from across the country to attend a national summit.

The letters explained it was time to go beyond "band-aids and rhetoric" to solve urban neighborhood problems. The summit, which is this afternoon, includes a tour of poor neighborhoods that need bank investment. ACORN said it would be best if chief executives or board chairmen attended.

Five years ago, many bankers would have tossed such letters. Few of them felt obliged to attend faraway meetings with vague agendas, called by advocates of the poor, where the atmosphere might get hostile.

But bankers today can't afford to ignore community groups' demands. With public and regulatory pressure building for banks to improve their poor records of lending to minorities and in low-income neighborhoods, bankers do not want to appear uninterested in the issues.

About 40 banks and thrifts, including most of the biggest ones in Texas, signed up for the summit.

ACORN, or the Association of Community Organizations for Reform Now, an organization that traditionally fights its battles on a neighborhood-by-neighborhood basis, is evolving into a national power in the banking industry. It formerly attacked only lenders in the handful of neighborhoods where the organization had a strong presence; today it has broadened its scope of targets. Any major bank planning a merger can expect a call from ACORN.

Bankers are still trying to decide how to deal with the group's latest muscle-flexing. Although sometimes offended by its accusatory tone, the bankers know the group has the power to play havoc with any applications they file with their regulators. Worse yet, the group can hurt an institution's reputation among the public by pegging it as one unconcerned about urban ills.

John Everett / Chronicle

Duncan Cormie and Virginia Juniors of ACORN examine an abandoned building on Sandra Street. Cormie, an organizer for the group, recruits people like Juniors who are interested in finding ways to improve their neighborhoods. Juniors lives on Sandra Street.

ACORN's members are the thousands of poor and moderate-income people it recruits to work on specific problems in their neighborhoods. Its leaders are so lowpaid that they, too, often live in poor neighborhoods and fit into the same low- and moderate-income classes as other members. Money for the group comes from grants and donations, some of which are collected door-to-door in more affluent neighborhoods.

In Houston, where ACORN is just getting started again after years of dormancy, Duncan Cormie knocks on doors in some of the city's most rundown neighborhoods, looking for people willing to join and attack some of the problems.

The people who answer tell him about the prostitutes who hang out in cars on their streets and how the garbage- and weed-filled ditches cause their houses to flood. They complain to him about the abandoned buildings, which they fear serve as havens for drug dealers. One woman tells Cormie it's not safe for him to walk around her neighborhood.

Subtly, Cormie espouses the power of poor people when they unite.

"We tell them it's a numbers game," said Cormie. "We don't

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