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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. memo	To John Podesta from Eddie Correia re: Columbia Housing Settlement (2 pages)	02/03/99	P5 6032
002a. memo	To Vice President Gore from David Thomas re: phone call to Congressman John Baldacci (3 pages)	11/18/98	P5
002b. memo	To Vice President Gore from David Thomas re: phone call to Senator Olympia Snowe (3 pages)	11/18/98	P5
002c. letter	To Senator Olympia Snowe from Vice President Gore re: HUD (1 page)	11/05/98	P5
002d. letter	To Vice President Gore from Olympia Snowe re: HUD (2 pages)	10/30/98	P5

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FOLDER TITLE:
HUD [1]

Rhonda Young
2006-0220-F
ry504

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.
PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).
RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

6032

THE WHITE HOUSE

WASHINGTON

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February 3, 1999

MEMORANDUM FOR: JOHN PODESTA, CHIEF OF STAFF

FROM: EDDIE CORREIA, SPECIAL COUNSEL FOR CIVIL RIGHTS

RE: COLUMBIA HOUSING SETTLEMENT

Columbia representatives, including their CEO, David Gallitano, met with HUD representatives this morning. Weldon Latham was there on their behalf. Jody Powell was not. Here is some additional information, which may come up in your meeting with Powell.

Disputes over Lending Amounts

Columbia may claim that Administration statements distorted its level of lending in order to suggest that they are required to make substantial changes in their lending practices. Columbia's total lending is about $1.5 billion annually. HUD estimates its lending to minorities AND low and moderate income families was $350 million in 1997. Columbia claims its lending to these groups was almost $1 billion in 1998. Part of the difference is explained by growth from 1997 to 1998; part is the result of Columbia's use of a broader definition of borrowers. In any event, if the agreement actually forced it to make $6 billion in loans to these groups over five years, it would require a significant increase. While HUD concedes that there is no actual requirement that this level of loans be made, it argues that the agreement will result in pressure on Columbia to review its lending practices.

HUD's proposed press release claimed that: "In 1997 Columbia made only $51.6 million in loans to [minorities and low-and moderate-income homebuyers] -- less than 5 percent of its volume." (See attached) The language suggests a comparison between the $51.6 million annual level and the $1.2 billion annual level included in the settlement. In fact, $51.6 million was the amount Columbia made to low income minority families only. This figure was not included in the White House press release, the President's statement or HUD's press release. However, it was used in talking points by HUD's press office and on HUD's website until it was revised. Consequently, it showed up in some articles. HUD concedes the use of this figure was a mistake but says it resulted from a good faith error in drafting the release.

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Results of Meeting

The meeting ended with an agreement to exchange letters in the next few weeks. The text will be negotiated between HUD and Columbia. The HUD letter will include the statements that were dropped from HUD's proposed release. (See the last paragraph of the attached.) It may also say that there was no formal investigation and include some positive statements about Columbia's lending record. They discussed a joint event but nothing was settled. In general, HUD and Columbia appear to be on a track to resolve any legitimate concerns that the company has.