

# Credit union ending first year, passes \$300,000 in deposits

by Bob Johnson

On the eve of its first anniversary, the Santa Cruz Community Credit Union (SCCCU) is one of the fastest growing community oriented financial institutions in the country.

830 residents of Santa Cruz County have joined SCCCUC and deposited more than \$300,000 since the doors were opened in August of 1977.

Those figures remain a thin slice of the more than \$1.1 billion deposited in financial institutions throughout the county.

But the SCCCUC is the only lender committed to helping those who traditionally have difficulty obtaining credit.

SCCCUC has a heritage which dates back to the war on poverty era of the mid-1960s.

During the war on poverty, community credit unions sprouted in many urban areas as an attempt to halt the steady flow of capital out of the ghettos.

Although poverty won that war, many of the ideas and projects lived on to be tried again.

The mid-70s have witnessed a resurgence of the attempt to make people's savings dollars serve the community and its disadvantaged members.

The National Federation of Community Development Credit Unions was formed in late 1974 but already has 200 member institutions across the nation.

SCCCUC is the second fastest growing member of the National Federation.

SCCCUC lending policy is established by an 11 person board of directors elected by the membership. On August 5 a new board will be elected.

More than \$150,000 has already been lent out by the SCCCUC in the short time since last December.

A majority of that money was lent to people either on public assistance or with an income below \$800 a month. Nearly 80 per cent has gone to people with incomes below \$1000 a month.

Finance companies, with interest rates as high as 30 per cent, are the traditional source of credit for

poorer people. One-sixth of SCCCUC's loans have been refinancing at lower interest rates.

Other major areas of SCCCUC loans have been for transportation needs, home improvements, first and last months' rent and cash needs of small businesses.

Despite a high concentration of loans to people shunned by traditional financial institutions, SCCCUC has had 98.2 per cent of its repayments made on time.

That is well within standards set by the California State Department of Corporations, which oversees and regulates credit unions.


SCCCUC outreach worker Margaret Cheap said the spirit is so strong that people only 48 hours late in making payment come to the office personally to explain the problem and make arrangements.

In September, the SCCCUC will move to a new office on South Pacific in order to be closer to downtown. Until then, the credit union will remain housed in a room without windows at 105 Harvey West Boulevard. Anyone wishing more information about credit union policies can visit the office or call 688-8840. □

## MUSIC MART


# S

## AGE



RECORDS, TAPES,  
SHEET MUSIC  
TICKET OUTLET

722-1415  
2006 FREEDOM BLVD.  
FREEDOM, CALIF.



CAFE
OPEN 7 DAYS A WEEK, 10-10
CATERING

# ERIK'S