

City of Philadelphia



(Bill No. 220510)

AN ORDINANCE

Authorizing the City Treasurer, on behalf of the City, to enter into an amendment agreement with Citizens Bank of Pennsylvania for provision of payroll banking services to the City, under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. The Office of the City Treasurer, on behalf of the City, is hereby authorized to enter into an amendment agreement (the "Amendment Agreement") with Citizens Bank of Pennsylvania ("Citizens Bank"), substantially in the form set forth in Exhibit A, pursuant to which Citizens Bank shall continue to provide payroll banking services to the City, under certain terms and conditions.

SECTION 2. The City Solicitor shall include in said Amendment Agreement such terms and conditions as she may deem necessary to protect the interests of the City.

SECTION 3. In accordance with Section 19-201(8)(c)(ii) of the Philadelphia Code, Citizen Bank's updated fair lending plan is attached to this Ordinance as Exhibit B.

SECTION 4. The Chief Clerk shall keep on file Exhibits A and B and shall make them available for inspection by the public during regular office hours.

City of Philadelphia

BILL NO. 220510 continued

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EXHIBIT A AMENDMENT AGREEMENT

City of Philadelphia

BILL NO. 220510 *continued*

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Contract Number 2220058-02
Original Contract Number 2220058

April 2022 PK/vw
City of Philadelphia
City Treasurer's Office

STANDARD AMENDMENT AGREEMENT

THIS STANDARD AMENDMENT AGREEMENT (“Amendment Agreement”) is made as of _____ and effective the 1st day of July 2022 (the “Effective Date”) by and between **The City of Philadelphia** (the “City”), by and through its City Treasurer's Office (“Department”), and **Citizens Bank National Association** (“Provider”).

BACKGROUND

The City and Provider entered into a certain Contract, Contract Number 2220058, dated November 23, 2021, for an Initial Term from July 1, 2021, through December 31, 2021, which Contract includes the General Provisions, the Provider Agreement and any and all exhibits and attachments thereto (collectively, the “Base Contract”), wherein Provider agreed to render various Services to the City in accordance therewith; and

The City and Provider entered into an Amendment to the Base Contract, Contract Number 2220058-01, dated December 21, 2021, for the period January 1, 2022, to June 30, 2022, to add an additional term of six (6) months in in order for Provider to continue to render the Services and provide the Materials specified in the Base Contract; and

The City and Provider desire to enter into an Amendment to the Base Contract, as amended, Contract Number 2220058-02, for the period July 1, 2022, to June 30, 2023, to add a renewal term in order for Provider to continue to render the Services and provide the Materials specified in the Base Contract, as amended; and

The City and Provider have agreed to amend certain terms and conditions of the Base Contract, as amended, as set forth herein.

In consideration of the mutual obligations set forth herein, and each intending to be legally bound, the City and Provider covenant and agree as of the Effective Date as follows:

ARTICLE I: AMENDMENTS TO THE CONTRACT

With the exception of the following amendments set forth in this Amendment Agreement, and subject to councilmanic appropriation of funds, the terms and conditions of the Base Contract, as amended, shall be and remain in full force and effect:

1.1 **Definitions.**

City of Philadelphia

BILL NO. 220510 *continued*

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Capitalized terms not otherwise defined herein shall have the meanings set forth in the Base Contract, as amended.

1.2 **Term.**

The Base Contract, as amended, is amended to add a renewal term, commencing July 1, 2022, and expiring June 30, 2023.

1.3 **Electronic Signatures.**

The Parties agree to conduct this transaction electronically, including the execution of this Amendment Agreement, using the means of electronic signature provided below.

[The remainder of the page has been left blank intentionally. Signature page follows.]

City of Philadelphia

BILL NO. 220510 continued

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IN WITNESS WHEREOF, the Parties, intending to be legally bound by all of the Contract Documents, have caused this Amendment Agreement to be executed by their respective duly authorized officers as of the date in the heading of this Amendment Agreement.

APPROVED AS TO FORM

THE CITY OF PHILADELPHIA

DIANA P. CORTES, CITY SOLICITOR

Through: City Treasurer's Office

Per:

By:

Name:

Name:

Title:

Title:

CITIZENS BANK NATIONAL ASSOCIATION

By:

Name:

Title:

ATTEST

By:

Name:

Title:

City of Philadelphia

BILL NO. 220510 continued

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EXHIBIT B FAIR LENDING PLAN

**City of Philadelphia
Office of the City Treasurer**



**Authorized Depository Compliance Reporting:
Philadelphia City Code
Chapter 19-200 City Funds--Deposits, Investments, &
Disbursements**

**Annual Request for Information
Questionnaire
For Calendar Year 2020**

D. COMMUNITY REINVESTMENT GOALS

Financial institution’s annual Community Reinvestment Goals should include information on the number of small business loans, home mortgages, home improvement loans, and community development investments to be made within low and moderate-income neighborhoods within the City of Philadelphia.

- 1. Provide an overview of the financial institution’s annual Community Reinvestment Goals.**

Citizens Bank uses a comprehensive approach to developing its annual CRA goals. Goals are reviewed against performance on a monthly basis and quarterly meetings held with a CRA State Market Leadership Team.

- 2. Provide the number of small business loans, home mortgages, home improvement loans, and community development investments to be made within low and moderate-income neighborhoods within the City of Philadelphia.**

Type	2020 Goals	2020 Results	2021 Goals
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Small Business Loans	160	110	110
Small Business Loans (PPP)	N/A	763	N/A
Residential Mortgage (Home Purchase only, Originated and Purchased Loans)	195	139	150
Home Improvement Loans	N/A	N/A	N/A
Home Equity Line of Credit*	470	234	240
Community Development Investments	30	64	50

* Because of changes in the Home Mortgage Disclosure Act (HMDA) reporting requirements, Home Improvement loans are no longer tracked and consistent with HMDA reporting. We are sharing information about HELOC originations beginning in 2018.

** During the 12 months ended 12/31/2020, the total Community Development/CRA Grants & Community Development/CRA Equity Investments were \$14,516,608. Community Development Investments (grants) in dollars were \$1,967,910. The YTD results above are comprised of 1Q20, 2Q20 ((which include the \$500,000 contribution to PIDC for the Philadelphia COVID-19 Small Business Relief Fund and \$125,000 for the PHL COVID-19 Fund (Philadelphia Fund and United Way), plus 11 Community Development Grant Investments in 3Q20 and 16 Community Development Grant Investments in 4Q20

If applicable, explain why previous year results did not meet the stated goal.

Residential Mortgages/HELOCS were impacted by the closure of Real Estate in the state of PA. For over two months in 2Q20, in-person showings, inspections, appraisals and all other real estate activity were shut down under Governor Tom Wolf’s COVID-19 executive orders.

Residential mortgages were also impacted by:

- The suspension of the \$10,000 first-time homebuyer grant in the City of Philadelphia
- Historical high unemployment
- Health concerns amid COVID-19 pandemic
- Economic Uncertainty (especially with LMI population that were of the hardest impacted)

- Provide the actual number and dollar amounts of small business loans, residential mortgages, home improvement loans, community development investments, consumer loans, and other commercial loans made in neighborhoods within the City of Philadelphia.**

Calendar Year 2020

Number of Loans by Income

Type	Low	Mod	Mid	Upp	N/A	Total
Residential Mortgage (Home Purchase only,	32	107	91	137	0	367

Originated and Purchased Loans)						
Home Equity Line of Credit*	31	203	226	362	0	822
Small Business Loans (non-PPP)	29	81	85	100	8	303
Small Business Loans (PPP)	185	578	454	940	41	2,198
Community Development Loans (Non-PPP)	0	4	0	1	1	6
Community Development Loans (Non-PPP)	0	8	5	11	4	28
Consumer Loans	N/A	N/A	N/A	N/A	N/A	N/A
Other Commercial Loans	N/A	N/A	N/A	N/A	N/A	N/A
Total:	277	981	861	1,551	54	3,724
How many business loans were originated?	214	659	539	1040	49	2,501

* Because of changes in the Home Mortgage Disclosure Act (HMDA) reporting requirements, Home Improvement loans are no longer tracked and consistent with HMDA reporting. We are sharing information about HELOC originations beginning in 2018.

Value of Loans (\$) by Income

Type	Low \$(000's)	Mod \$(000's)	Mid \$(000's)	Upp \$(000's)	N/A \$(000's)	Total \$(000's)
Residential Mortgage (Home Purchase only, Originated and Purchased Loans)	6,111	27,065	18,469	48,720	0	100,365
Home Equity Line of Credit*	2,190	18,733	25,971	56,953	0	103,847
Small Business Loans (non-PPP)	1,831	6,121	4,319	6,040	2,315	20,626
Small Business Loans (PPP)	11,640	31,416	20,855	59,575	5,121	128,607
Community Development Loans (non-PPP)	0	48,172	0	3,300	2,500	53,972
Community Development Loans (non-PPP)	0	16,019	11,846	38,774	8,339	74,978

Consumer Loans	N/A	N/A	N/A	N/A	N/A	N/A
Other Commercial Loans	N/A	N/A	N/A	N/A	N/A	N/A
Total:	21,772	147,526	81,460	213,362	18,275	482,395
% of Consumer Loans made through Credit Cards	N/A	N/A	N/A	N/A	N/A	N/A

4. Provide information on other types of community development investments made in neighborhoods within the City of Philadelphia (for example: Grants, Education, Public or related Commercial Development).

COMMUNITY INVOLVEMENT AND INVESTMENT

Citizens' strong commitment to servicing the critical needs of the neighborhoods where the Bank conducts business is reflected in its community development investments and charitable contributions. Citizens Helping Citizens is the bank's comprehensive community engagement effort that leverages the strengths of the company and the skills of its colleagues to enhance the communities where it does business.

In addition to Citizens' annual philanthropic commitments in each of its markets, in 2020, we announced a \$10 million investment to promote social equity and \$5 million to help small businesses and communities struggling due to the COVID-19 pandemic. Citizens also deployed \$3MM to a local Community Development Financial Institutions ("CDFI"s) to support lending to Black and minority owned businesses and businesses operating in underserved minority-census tract communities and approved another \$5MM which will be deployed in 2021 to a CDFI. In 2020, Citizens colleagues contributed more than 122,000 volunteer hours and executives provided leadership by serving on community boards and championing efforts to raise awareness and funds for key causes.

Funding priorities continue to include program support in four specific areas that fortify the economic vitality of our neighborhoods: fighting hunger; teaching money management, strengthening communities and workforce development. Signature initiatives include:

- Champions in Action – Since 2004, Citizens has awarded over \$1.4 million to 49 organizations in the Greater Philadelphia area through Champions in Action, a unique initiative designed to provide financial, volunteer, and promotional support for nonprofit organizations that are addressing the needs and social challenges of our diverse neighborhoods. In Philadelphia, we've partnered with NBC10/Telemundo62 and the Philadelphia Inquirer on the program. In 2020, awards went to Bebashi: Transition to Hope in the category of inclusion and equality and Bartram's Garden in the category of environmental stewardship.

- Citizens Helping Citizens Manage Money – In 2020, Citizens awarded \$250,000 to 16 nonprofits in Pennsylvania, New Jersey and Delaware as part of the Citizens Helping Citizens Manage Money initiative. Citizens’ multi-faceted financial education program leverages the financial planning expertise of its bankers and its partnerships with local nonprofits focused on financial education. These organizations received a contribution in recognition of and to further support their commitments to teaching youth and adults about financial literacy and the importance of managing money effectively.
- Phans Feeding Families – Citizens has partnered with The Philadelphia Phillies and Philabundance in the Phans Feeding Families program since 2010. This initiative raises money and collects food to feed the many people in the Delaware Valley that are at risk of hunger. In 2020, Citizens again donated \$40,000 to Philabundance, the region’s largest hunger relief organization. In lieu of an in-person food drive at a Phillies game this year, Citizens and the Phillies hosted a virtual food drive on philabundance.org. The Philadelphia Business Journal recognized Phans Feeding Families in their 2020 Faces of Philanthropy award issue.
- Since 2018, Citizens has invested \$175,000 to strengthen job training and development for the Philadelphia maritime industry. The Citizens Bank Regional Maritime Training Center is a collaboration with Citizens, the Collegiate Consortium of Workforce Development, Philadelphia Works and PhilaPort. The center is a first-of-its-kind workforce development initiative that will provide formal, enhanced training opportunities such as forklift certification and recertification, yard jockey training and OSHA safety training. Classes began in 2019.
- In March and April of 2020, Citizens quickly responded to the needs of Philadelphia residents and businesses during the outbreak of the coronavirus by committing to citywide relief efforts – \$125,000 to the COVID-19 Relief Fund managed by the United Way and Philadelphia Foundation and \$500,000 to the Philadelphia Small Business Fund run by PIDC and the city. Additionally, the bank made \$2 million in grants available to its small business customers through an essay contest.

In the past 12 months, other contributions were made to Children’s Hospital of Philadelphia’s South Philadelphia Community Center, Free Library of Philadelphia Job Fairs, LISC, Philadelphia Youth Network Work Ready Program, University City District’s West Philadelphia Skills Initiative, Project Home, Philadelphia OIC’s Bankworks program, the Welcoming Center for New Pennsylvanians, Klein Life JCC’s Senior Meals Program, the Food Trust, Greater Philadelphia Coalition Against Hunger, Wistar, Mural Arts and the National Constitution Center. Citizens also provides funding to The African American Museum in Philadelphia to support subsidized admission throughout the Martin Luther King, Jr. Day weekend and is a member of the Chamber of Commerce of Greater Philadelphia and the Philadelphia Conventions and Visitors Bureau.

In June 2003, Citizens and the Phillies announced a 25-year partnership that included naming rights to the team’s world-class ballpark and a broad-based, innovative media package. Since Citizens Bank Park opened in 2004, Citizens has worked with the Phillies to expand and enhance community outreach, including:

- Citizens developed the Helping Hand Glove donation program for children who play in the Phillies Jr. RBI League. Each year more than 6,000 inner city children under the age of 12 participate in a program that teaches them about baseball, sportsmanship and teamwork. Since developing the program, Citizens has purchased, collected and donated more than 10,000 baseball gloves to children who play in the Phillies Jr. RBI League.
- Since 2004, Citizens has donated 1,500 game tickets each year to community groups throughout Greater Philadelphia. Due to the COVID-19 pandemic, no guests were allowed at games in 2020, but we look forward to continuing this tradition when it becomes safer.

COMMUNITY DEVELOPMENT

COMMUNITY DEVELOPMENT ACTIVITIES IN PHILADELPHIA

Citizens Bank understands that a good bank is at the heart of a community, and that investing in our communities enriches us all. That's why we partner with local non-profit organizations to build vital connections to help communities prosper. Organizations that we work with participate in a variety of community building activities including: helping individuals find affordable housing, workforce development, financial education, neighborhood revitalization and small business technical assistance.

One of the ways in which we implement our Community Development initiatives is through strong ongoing relationships with Community Partners. These are visible, known, respected and accomplished nonprofit organizations that work to improve the lives of low to moderate income households and/or small businesses.

We partner with these organizations in several ways including: Board or Committee representation; volunteer financial education instructors; colleague engagement in their programs as panelists, subject matter experts and financial coaches.

For well over 11 years we have had a robust financial literacy program in Philadelphia where colleagues have conducted financial education workshops throughout the City. Citizens Bank colleagues support and participate in a variety of Financial Education initiatives in Philadelphia, including but not limited to: Philadelphia Works, School District of Philadelphia and First Time Home Buyer Workshops with various organizations. Activities that have occurred through the months ended 12/31/2020**** include the following:

Campaign for Working Families

Vita site assistance was provided to Campaign for Working Families' clients.

Careers through the Culinary Arts

A financial education workshop was provided to Careers through the Culinary Arts.

Children's Crisis Treatment Center

A financial education was provided to youth at Children's Crisis Treatment Center.

City of Philadelphia Out of School Time

A series of financial education workshops were provided in partnership with the Office of Children and Families to teen entrepreneurs at Penrose Playground, WorkReady YOACAP students and an entrepreneur workshop for LNESCLatina Academy.

Community Integrated Services

A financial education workshop was provided to clients of Community Integrated Services.

Covenant House

Two financial education workshops were presented to Covenant House clients enrolled in their Rights of Passage transitional living program.

Drexel

Financial education was provided to undergraduate students & Drexel students enrolled in the BRIDGE program.

HIAS and Council Migration Service of Philadelphia

Financial education was provided to clients of HIA Service and Council Migration Service of Philadelphia.

JEVS Human Services

A series of workshops and a mentorship was provided to JEVS Human Services.

Junior Achievement of Southeastern Pennsylvania

Financial education using the Junior Achievement Career Success curriculum was conducted in partnership with Junior Achievement with Southeastern Pennsylvania at Roxborough High School and at Prospect Park High School using Junior Achievement's Personal Finance curriculum.

Macedonia Second Baptist Church

A financial education workshop on Budgeting was provided to Macedonia Second Baptist Church.

Philadelphia Chinatown Development Corporation

Virtual financial education was provided to Philadelphia Chinatown Development Corporation clients.

Philadelphia Works CareerLinks

Citizens Bank colleagues provided financial education to Philadelphia Works' Esperanza CareerLink to participants interested in finding employment and/or transitioning into another career in the first, second and third quarter.

Score Philadelphia

Virtual small business mentorship was provided to Score Philadelphia.

School District of Philadelphia

Financial education was provided to the School District of Philadelphia in the second quarter.

Steppingstone Scholars

Financial education was provided to Upward Bound students, rising middle school scholars, and George Washington Carver High School of Engineering and Science.

Tech Impact

Two financial education sessions were provided to IT works program participants to Peirce College.

The Enterprise Center

A small business financial education workshop was provided to The Enterprise Center.

Uplift Solutions

Financial education workshops were conducted in partnership with Uplift Solutions at Enon Tabernacle Church in the first and second quarter.

Urban Affairs Coalition

A financial education workshop was conducted in partnership with the Urban Affairs Coalition to the Free Library of Philadelphia.

West Philadelphia Corridor Collaborative

A small business financial education workshop was provided to West Philadelphia Corridor Collaborative.

YouthBuild Philadelphia Charter School

Financial education was provided to YouthBuild Philadelphia Charter School

***** There were an additional 16 activities that were scheduled for the month of March that were canceled/postponed and all in-person sessions across eight different organizations were canceled during the 2nd quarter due to COVID-19. All in-person financial education activities with community partnering organizations remained canceled for 3Q20 and 4Q20.

- 5. Briefly describe any lending outreach programs geared toward minorities, low-income persons, immigrants, or women. This description should include the targeted community, the type of product (i.e. commercial, home lending, unsecured consumer) and any program outcomes.**

Please see Exhibit A that outlines our products and outreach for LMI Individuals and communities.

**APPENDIX II
CITIZENS BANK
COMMUNITY DEVELOPMENT
LONG TERM STRATEGIC PLAN**

Citizens is pleased to submit its Long-Term Strategic Plan as requested by the city Treasurer's Office, commissioned by the City of Philadelphia examining the Lending Practices of Depository Banks.

As Required by Chapter 19-200 of the Philadelphia City Code as referenced:

"Each depository shall also provide the City with a long-term strategic plan to address disparities in its lending and investment activities. The strategic plan shall address how the depository will match or exceed peer lending performance in targeting capital access and credit needs disclosed in disparity studies commissioned by the City."

OUR IMPACT

Community Development and Involvement is the core of our CRA strategic plan. The Community Development team at Citizens is dedicated to strengthening and serving communities by strategically engaging colleagues to build relationships with community organizations in an effort to support affordable housing, community revitalization, economic development and financial empowerment in our communities in compliance with the Community Reinvestment Act and the five key elements for our strategic plan are fueling Small Business Growth & Recovery; Homeownership & Affordable Housing; Financial Education & Empowerment; Community Revitalization & Economic Development and Workforce Development. Citizens Bank understands that a good bank is at the heart of a community, and that investing in our communities enriches us all. That's why we partner with local non-profit organizations to build vital connections to help communities prosper. Our programs assist those in need so they may receive food and clothing, find affordable housing, develop their skills for better jobs, and expand their financial literacy.

In 2019, we continued to deepen our commitment to our communities, by building on partnerships with Feeding America, Junior Achievement, and the Local Initiatives Support Corporation to broaden and magnify the impact of our corporate giving in the areas of financial literacy, fighting hunger and strengthening communities. Additionally, we consistently strive to achieve an Outstanding CRA rating from the Office of the Comptroller of the Currency (OCC) who monitors and evaluates the Bank's compliance with the Community Reinvestment Act. In 2020, Citizens received an Outstanding CRA rating because of our Community Development efforts to serve the broad needs of our customer base and to strengthen the communities we serve.

LENDING RESULTS

HOME PURCHASE LOANS

- Per the 2019 Econsult Lending Study (page 226) Citizens Bank received the second highest home purchase lending composite score among all of the ranked depositories for the fourth consecutive year.

- Citizens, per the lending study issued 416 home purchase loans, an increase of 23.4 percent from 2018 to 2019.
- There was a 21.5 percent increase in applications and the number of denials increased by 15% from 2018 to 2019.
- Did not meet City average for the percent of loans issued to borrowers in minority tracts (45.0% compared to 48.5%), borrowers in LMI tracts (34.9 % compared to 37.0%), African American borrowers (13.7% compared to 19.3%), Hispanic borrowers (4.8 % compared to 11.3%), or female borrowers (38.5% compared to 43.3%).
- Ranked 1st in the percent of loans issued to Asian borrowers (22.4 percent) and 2nd in percent of loans issued to LMI borrowers (55.3 percent).
- Dropped in rank from 2nd to 4th in the denial ratio of Hispanic applicants to White applicants for home purchase loan denials, with 2.49 denials to Hispanic applications for every one denial to a White application. The citywide average in 2019 was 2.22.

Home Purchase Loans, Philadelphia	2018 Citizens %	2018 All Depositories %	2018 All Lenders %	2019 Citizens %	2019 All Depositories %	2019 All Lenders %
Loans to African Americans	9.5	16.9	18.1	13.7	17.4	19.3
Loans to Hispanics	5	9.3	10.9	4.8	9.4	11.3
Loans Minority Tracts	43	45	45.7	45.0	45.5	48.5
Loans LMI Borrowers	41.8	42	49.9	55.3	45.7	52.0
Loans LMI Tracts	34.1	35.3	34.9	34.9	35.5	37.0

Home Purchase Loans, Philadelphia	2018 Citizens	2018 All Depositories	2018 All Lenders	2019 Citizens	2019 All Depositories	2019 All Lenders
African American to White Denial Ratio	2.72	3.9	3.36	2.86	4.23	2.96
Hispanic to White Denial Ratio	6.7	4.32	2.93	2.49	3.04	2.22
Asian to White Denial Ratio	4.93	5.17	2.44	2.04	3.59	2.23

*Information in the chart above is from the 2019 (pg 221) and 2018 Econsult Lending Studies

As reflected in the chart above Citizens lending percentages for Loans to African American and Hispanics was lower than all depositories. During the period ending 12/13/19, 23.21% of home purchase loans originated selected as N/A for their race. As a result, this could potentially have a negative impact on the percentages above. Citizens had a significant year-over-year improvement in lending to African Americans of 44% versus the 3% average improvement for all depositories. While Citizens was within 2.7 percentage points of all lenders apart from Fulton which was a data outlier at 43.3%, we outperformed

several of our peers and we recognize the continued need for improvement. We continue to partner with housing counseling agencies, organizations that offer home buying workshops, minority realtor groups such as Philadelphia Metropolitan Board of Realtists and participate in lending fairs to identify lending opportunities. We also convened several roundtable discussions with key community organizations to obtain feedback on their priorities, challenges and how Citizens can best support them. Topics included barriers to homeownership/Access to Affordable housing, challenges and opportunities facing small and diverse businesses in Greater Philadelphia region, and workforce development needs and opportunities. Through these partnerships, we hope to see an increase in applications and work on ways to prepare the community for purchasing homes prior to submitting applications to result in lower denial ratios.

HOME REFINANCE LOANS*

- Per the Econsult Lending Study (page 226), Citizens issued 665 home refinance loans, a 25.7 percent increase from 2018.
- In 2019, the number of applications increased by 32.3 percent and the number of denials increased by 39.5 percent between 2018 and 2019.
- Citizens Bank moved up to 4th in percent of loans to female borrowers in 2018 and remained 4th for the second year in a row, issuing 41.8 percent of all home refinance loans to female borrowers in 2019, compared to 39.0 percent in 2018.
- Ranked 1st in percent of home refinance loans to LMI borrowers, Asian borrowers, borrowers in minority tracts, and borrowers in LMI tracts. Citizens Bank ranked 2nd in percent of loans issued to Hispanic borrowers.
- Citizens had the lowest denial disparity ratio among the depositors and ranked 1st for the number of home refinance loan denials to African American applicants compared to White applicants (1.50). For denials to Asian applicants compared to White applicants, Citizens ranked 1st (1.16)

*Note: During the period ending 12/13/19, 14.54% of home refinance originations selected as N/A for their race which has an impact on the results above. We continue to partner with organizations on financial education but offering sessions on credit to individuals in the community in an effort to decrease the number of denials.

HOME PURCHASE AND REFINANCE STRATEGY

Citizens Bank is a top lender in the mortgage sector and is focused on growing our market share in the states where we currently operate. Citizens Bank is dedicated to serving the mortgage financing needs of its community, including low- and moderate-income (“LMI”) borrowers and families residing in LMI areas as well as traditionally underserved communities. Our Portfolio Loan Program provides first-time homeowners with lower rates and more flexible underwriting requirements. Low- to moderate-income individuals, and/or those purchasing a home in low-to moderate-income neighborhoods can qualify for

the program, which allows a low down payment with no mortgage insurance and can be combined with approved community seconds, which are grants and subsidies provided by local organizations. Citizens Bank has the largest branch network in the Philadelphia market with 45 branch locations. Citizens also has seventeen branches in low- and moderate-income communities, which is more than any other branch in the city of Philadelphia. The bank has developed a multi-pronged program to serve LMI residents in Philadelphia. The program includes:

- 1) A broad set of mortgage loan programs, including portfolio and government-guaranteed loan programs that benefit LMI homebuyers by addressing key factors that hinder the ability of LMI and first-time homebuyers to achieve homeownership. Features and benefits of these programs include lower down-payment requirements, higher debt to income ratios, and our portfolio product also eliminates the need for private mortgage insurance.
- 2) Closing cost and down-payment assistance to borrowers who have low or moderate income or are purchasing homes in LMI communities.
- 3) Participating in and supporting local homeownership programs.
- 4) Participating in and supporting non-profit organizations serving the needs of LMI and first-time homebuyers through homeownership education initiatives.
- 5) Hiring talented Mortgage Loan Officers and CRA Mortgage Loan Officers who proactively identify, develop and maintain a quality network of business relationships that serves as a source of referrals for new mortgage lending opportunities. In addition, current Mortgage Loan Officers are encouraged to participate in business related development opportunities, community efforts to promote home ownership and professional organizations.
- 6) Redesigning our website to feature CRA/Affordable Home Loan Products and Down-payment assistance programs.

SMALL BUSINESS LENDING

In 2019 (page 259 of report) Citizens lending to small business ranked 8th in its Small Business Lending compared to other city depositories.

SMALL BUSINESS LENDING STRATEGY

Citizens Bank is committed to meeting the needs of our business banking customers at every stage of their company's life cycle. Our goal is to simplify the way businesses get funding so they can focus on operating their business. Listed below are outlines of our recent initiatives to expand our small business lending reach and capabilities:

Partnership with new lending platform

Citizens Bank views small businesses as the economic engines of our local communities and is committed to fueling small business growth. Because of this commitment, Citizens continuously develops new partnerships and products to create better end-to-end experiences that are tailored to meet the needs of the communities we serve. In 2018 we extended our lending capabilities to a digital small business lending platform which enables small businesses to quickly and easily apply online for loans, lines of credit and credit cards.

Citizens goal is to position small businesses for success and growth and the new service, and the new platform has enabled small businesses to quickly and easily apply for loans and lines of credit up to \$150,000 through a simple online application. In most cases customers are notified of approval decisions the same business day, and loans are funded within three business days.

SBA Expansion

Citizens Bank is a preferred SBA Lender and participant in U.S. SBA Loan programs. These programs provide more flexible terms, lower down payment requirements and an easier qualification process than conventional loans. Since 2018, Citizens has focused on expanding and enhancing our SBA Lending capabilities to better serve the community. We have dedicated underwriters, portfolio managers, sales support specialists and business development officers.

Small Business Community Partnership and Engagement

- Citizens actively partners with several organizations that work with small businesses and is an active participant in several small business initiatives. Examples include (but aren't limited to):
- Partner with Community First Fund/Finanta, The Enterprise Center, Local Initiatives Support Corporation, WORC, EntrepreneurWorks and other community development financial institutions (CDFI's) and small business organizations to deliver Business Technical Assistance.
- Created a Small Business Opportunity Fund program which provides capital to CDFI's to support lending and capacity to businesses in communities impacted by COVID-19, civil unrest, black and minority owned businesses, as well as financing to black and minority entrepreneurs interested in launching new ventures. A total of \$8.0+MM has been invested in Philadelphia within the last 9 months.
 - The fund is augmented with equity capital that provides grants to participants of CDFI entrepreneur training programs.
 - The program is amplified through active participation from Citizens Business Banking Relationship Managers (BBRM) that provide mentoring and coaching to businesses participating in programs through local CDFI's.

- Partner with West Philadelphia Corridor Collaborative to provide financial education and grants to businesses participating in their Business Smart Program and Pitch & Present Competition for local entrepreneurs.

COMMUNITY ENGAGEMENT

Board Memberships

Citizens colleagues serve as members on boards and committees for nonprofit organizations that are involved promoting community development, small business, workforce development and affordable housing in the Philadelphia area. Some of these boards include the following:

- *Affordable Housing Centers of PA (AHCOPA)* is a HUD-Certified, non-profit housing counseling agency that provides housing counseling for the greater Philadelphia area. Their mission is to increase and preserve homeownership opportunities for low to moderate income and minority residents of Pennsylvania by providing resources and information on the home buying process and options to prevent foreclosure.
- *Baker Industries* is a non-profit organization that provides workforce opportunities to adults challenged by intellectual and/or physical disability, adults on parole/probation, adults with substance use disorder who are in an active recovery program and adults struggling with housing insecurity
- *Clarifi (Consumer Credit Counseling Services of Delaware Valley)* is a financial counseling agency that provides financial empowerment to individuals in the community
- *Community Integrated Services* is a non-profit organization that empower people with disabilities through individual employment opportunities that foster self-sustainability, equality, and community.
- *Covenant House* is the largest privately funded agency in the Americas providing shelter, food, immediate crisis care, and an array of other services to homeless and runaway youth. Colleagues provided board and financial education support.
- *The Enterprise Center Capital Corporation: Loan Review Committee:* Organization helps finance small businesses that have difficulty obtaining loans for start-up capital and business growth, whether that is due to poor credit history or a lack of collateral. With a focus on women- and minority-owned businesses, TEC-CC originates loans between \$2,500 and \$200,000 to entrepreneurs through its status as a CDFI (Community Development Financial Institution) and a U.S. Small Business Administration Microloan Intermediary.
- *Greater Philadelphia Chamber of Commerce* brings area businesses and civic leaders together to promote growth and create opportunity in our region. The Chamber's members represent eleven counties, three states, and approximately 600,000 employees from thousands of member companies and organizations.

- *Habitat for Humanity of Philadelphia* is an independently chartered affiliate of Habitat for Humanity International (HFHI), the largest nonprofit homebuilder worldwide. Habitat for Humanity of Philadelphia has built or sold 238 affordable homes to first-time homeowners in Philadelphia. The organization has strategically partnered with more than 600 families to make critical home repairs.
- *Local Initiatives Support Corporation (LISC)* is a convener, an investor, and a capacity builder, Philadelphia LISC is a bridge between capital and communities. As a local office of the largest community development organization in the United States, their reach is national, and their impact is local. Philadelphia LISC is a bold and creative leader in community revitalization and a strong advocate for equitable development in diverse low-income communities.
- *National Black MBA Association Philadelphia Chapter* represents over 380 members from the Greater Philadelphia area in both private and public business sectors. Providing unique opportunities for black business professionals, MBA and undergraduate students, as well as entrepreneurs who are seeking to advance their careers, knowledge base and wealth potential. The organization also has a Leaders of Tomorrow youth program for high school students in Philadelphia. National Black MBA Association host the largest diversity fair in the country which was held in Philadelphia in September 2017 with over 10,000 individuals.
- *Opportunities Industrialization Center, Inc. (Philadelphia OIC)* is one of the region's oldest and largest providers of tuition-free job training and career development services, offering everything from computers for beginners to advanced hospitality training.
- *People's Emergency Center (PEC)* mission is to nurture families, strengthen neighborhoods and drive change in West Philadelphia. PEC offers affordable housing, job training, parenting and early childhood education, financial education and planning, life skills and technology coursework. PEC seeks to change the life trajectory for the women and children who seek its services and inspire them to aspire to new heights.
- *Philadelphia Education Fund* creates equitable access to opportunities for students by providing resources and expertise that build paths to college and career success.
- *Philadelphia Mural Arts* is the nation's largest public art program, that unites artists and communities through a collaborative process to create art that transforms public spaces and individual lives.
- *Philadelphia Works*: Philadelphia Works serves employers and career seekers in Philadelphia. As a non-profit organization, the organizations funds and oversees employment and training services to help Philadelphia employers access the talent they need to be competitive.

- *Project Home* empowers adults, children, and families to break the cycle of homelessness and poverty, to alleviate the underlying causes of poverty through a continuum of services such as housing, workforce development, education, and health care.
- *The Sunday Love Project* - The mission of The Sunday Love Project is to share food amongst the homeless, while simultaneously building community. The organization's efforts aim to assist those who are struggling to make their way back into society as contributing members.
- *Urban Affairs Coalition*: The Urban Affairs Coalition unites government, business, neighborhoods, and individual initiative to improve the quality of life in the region, build wealth in urban communities, and solve emerging issues.
- *Women's Community Revitalization Project*: The Women's Community Revitalization Project (WCRP) is committed to social and economic equity for low income women and their families by developing affordable housing; provide supportive services; advocating for policy change; and honoring and promoting leadership, dignity, and justice in their communities.
- *Women's Opportunities Resource Center*: The mission of WORC is to promote social and economic self-sufficiency primarily for economically disadvantaged women and their families. WORC provides entrepreneurial training, individual business assistance, incentive savings programs, and access to business and financial resources

Financial Education

For well over 11 years we have had a robust financial literacy program in Philadelphia where colleagues have conducted financial education workshops throughout the City. Citizens Bank colleagues support and participate in a variety of Financial Education initiatives in Philadelphia, including but not limited to the following:

- *Affordable Housing Centers of Pennsylvania*: AHCOPA's mission is to increase and preserve homeownership opportunities for low to moderate income and minority residents of Pennsylvania. The organization provides resources and information on the home buying process and options to prevent foreclosure.
- *Campaign for Working Families (CWF)*: The Campaign for Working Families, Inc. (CWF) is committed to helping working families and individuals achieve economic empowerment by providing free tax preparation, resource building, and asset development.
- *Careers through the Culinary Arts*: Careers through the Culinary Arts C-CAP program is a curriculum enrichment program linking public high school culinary teachers and their students to the foodservice industry. C-CAP's various programs work together to help prepare students for college and careers in the restaurant and hospitality industry.

- *CEIBA*: Ceiba promotes the economic development and financial inclusion of Philadelphia's Latino community through collaborations and advocacy aimed at ensuring their access to quality housing.
- *Children's Crisis Treatment Center*: The mission of Children's Crisis Treatment Center is to passionately serve the emotional needs of children and families beginning in early childhood. CCTC meets children where they are to help them reach their full potential regardless of their challenges.
- *City of Philadelphia*: Connecting families with after school, weekend, and summer programs for Philadelphia children and youth. Out-of-School Time (OST) is the time that a child or youth spends in after school or summer programming. In Philadelphia, OST programs are provided for young people in grades pre-K through 12.
- *Clarifi*: Clarifi, a nonprofit resource dedicated to lifelong financial literacy, has assisted 700,000 local residents in improving financial literacy, capability and stability. Their mission is to create hope by helping people identify and secure the most important assets in their lives. Based in Center City Philadelphia, Clarifi has 20 branch offices covering Philadelphia, Bucks, Chester, Delaware and Montgomery Counties in Pennsylvania; Burlington, Camden, Cumberland, Gloucester and Atlantic Counties in New Jersey; and New Castle County in Delaware.
- *Community Integrated Services*: Community Integrates Services offers employment, training, and educational services for persons with physical, mental, or development disabilities throughout the Philadelphia, Pennsylvania metropolitan area.
- *Community Learning Center*: Community Learning Center changes lives through programs that build academic skills as well as confidence and perseverance. CLC's services go beyond traditional GED and ESL instruction to include equally important competencies such as computer and financial literacy, resume writing and career readiness, and individual student support services that help reduce the barriers incurred by so many of our vulnerable and impoverished learners.
- *Covenant House*: Covenant House Pennsylvania's (CHPA) mission is to serve runaway, homeless and trafficked youth with absolute respect and unconditional love and to help them transform their lives from homelessness to independence. CHPA aims to help homeless youth build the confidence and capacity to find a job and a place of their own.
- *Diversified Community Services*: It is the mission of Diversified Community Services to provide leadership and services that strengthens and coordinates the Point Breeze and surrounding communities' efforts on behalf of children, youth and families, especially those that are most vulnerable.
- *Enterprise Center*: Founded in 1989 by the Wharton Small Business Development Center, The Enterprise Center provides access to capital, capacity building, business education and economic development opportunities to high-potential, minority entrepreneurs. Through our portfolio of

business-acceleration initiatives, TEC seeks to better position minority enterprises to compete in the local, regional, and global economies.

- *Esperanza*: Esperanza is a faith-based nonprofit organization driven by the biblical mandate to "serve the least of these." The organization strengthens Hispanic communities through education, economic development, and advocacy.
- *HIAS and Council Migration Service of Philadelphia*: HIAS Pennsylvania provides legal and supportive services to immigrants, refugees and asylum seekers from all backgrounds in order to assure their fair treatment and full integration into American society.
- *JEVs Human Services*: JEV's strives to enhance the employability, independence, and quality of life of individuals through a broad range of programs and create innovative and sustainable solutions to address current and future community needs--promotes an asset-based approach to working with clients to help them achieve the most self-sufficient lifestyle possible.
- *Junior Achievement of Southeastern PA*: JA of South Eastern PA's mission is to inspire and prepare young people in grades K-12 to succeed in a global economy through real world relationships with business, government, and education partners that can help them develop the employability and financial literacy skills needed to succeed in the 21st century.
- *Philadelphia Chinatown Development Corporation*: PCDC is the premier provider of bilingual English-Chinese social services: (1) Neighborhood Planning, having built 481 mixed-use housing units and 19 commercial units; (2) Economic Development, with events drawing over 20,000 people; daily street cleaning; and business technical assistance; (3) Housing Counseling: HUD-certified bilingual counselors and workshops; (4) Family Services, helping low-income residents apply for benefits, and Volunteer Income Tax Assistance; (5) Community Organizing: legal workshops and civic and voter engagement, and (6) Youth Enrichment: SAT, college prep, cultural, and social activities.
- *Philadelphia OIC*: Philadelphia OIC is one of the region's oldest and largest providers of job training and career development services, offering everything from computers for beginners to advanced hospitality training.
- *Philadelphia Works, Inc*: Philadelphia Works, Inc. develops and manages workforce solutions that respond to business needs and increase economic opportunity for all Philadelphians
- *School District of Philadelphia*: The School District of Philadelphia is the eighth largest school district in the nation, by enrollment. Located in a historic and culturally rich setting, the district is a racially and ethnically diverse community committed to education.
- *SCORE Philadelphia*: SCORE's provides resources and expertise to maximize the success of existing and emerging small businesses focusing on the American dream of small business ownership. SCORE's unique service is based upon the idea of giving back to the community-in this case the local business community.

- *Steppingstone Scholars*: Steppingstone Scholars, working with families and school partners, provides rigorous educational programming and support for talented underserved students in the Philadelphia Region to achieve academic success, opportunity, and a college degree.
- *Tech Impact*: Tech Impact delivers quality, free workforce development programs to young adults that leverage best practices and provide students opportunities to gain skills, certifications, experience, and support they need to launch careers in thriving industries
- *Uplift Solutions*: Uplift Solutions is a nonprofit organization founded in 2009 with a mission of, “Delivering entrepreneurial solutions that support underserved communities for the joy of a healthy life.” Uplift is known and recognized for its innovative approach to solving social problems.
- *Urban Affairs Coalition*: The Urban Affairs Coalition unites government, business, neighborhoods, and individual initiatives to improve the quality of life in the region, build wealth in urban communities, and solve emerging issues.
- *West Philadelphia Corridor Collaborative*: West Philadelphia Corridor Collaborative is a network of business stakeholders that together form a single entrepreneurship engine that accelerates growth for local small businesses.
- *YearUp Greater Philadelphia*: Year Up's mission is to close the Opportunity Divide by ensuring that young adults gain the skills, experiences, and support that will empower them to reach their potential through careers and higher education.
- *YouthBuild*: YouthBuild Philadelphia Charter School provides out-of-school youth in Philadelphia with the broadest range of tools, supports and opportunities available to become self-sufficient, responsible and productive citizens in their community. YouthBuild’s program offers high school dropouts a second chance to earn their diploma while developing vital job skills rigorous academics, vocational training and community service.

City of Philadelphia

BILL NO. 220510 continued

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CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on June 23, 2022. The Bill was Signed by the Mayor on June 27, 2022.



Michael A. Decker
Chief Clerk of the City Council