

# City of Philadelphia



Council of the City of Philadelphia  
Office of the Chief Clerk  
Room 402, City Hall  
Philadelphia

(Resolution No. 010548)

## RESOLUTION

Calling upon the Philadelphia Community Reinvestment Commission to establish Community Reinvestment Agreements with banks and other financial institutions entering the Philadelphia market through mergers with, or acquisitions of, local banks to better service all of their customers after consolidation.

WHEREAS, The behavior of financial institutions has a measurable impact on the City's tax base, quality of life, and overall economic viability and competitiveness; and

WHEREAS, *The Greater Philadelphia Capital Access Report* has shown that disparities in lending exist by neighborhood income level and neighborhood racial composition within the Philadelphia metropolitan area and, furthermore, that consolidation in Philadelphia's banking community has led many borrowers into relationships with large, unfamiliar financial institutions, often at higher costs; and

WHEREAS, In response, the Council of the City of Philadelphia established the Philadelphia Community Reinvestment Commission to plan and implement community reinvestment strategies for the City of Philadelphia including, but not limited to, reviewing strategies for leveraging private investment from city depositories; and

WHEREAS, Six of the nine private sector members of this Commission are members of the banking community; and

WHEREAS, Since the creation of the Commission in 2000, three of the members have merged, been acquired, or have sold portions of their operations to financial institutions outside of Philadelphia, illustrating the continuing trend of consolidation in the banking industry both nationally and locally; and

WHEREAS, Commission member First Union has merged with Wachovia; and

WHEREAS, Commission member Summit Bancorp has been acquired by FleetBoston Financial; and

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WHEREAS, Commission member Mellon Bank has sold its Philadelphia area branches to Citizens Financial; and

WHEREAS, The impact of bank consolidation has potentially negative consequences for Philadelphia banking customers, particularly those in low- and moderate-income or predominantly minority areas; and

WHEREAS, The Council wishes to formally express its desire that the consolidation taking place within the banking industry will not unduly impact citizens living in traditionally underserved areas; now therefore

RESOLVED, THAT THE COUNCIL OF THE CITY OF PHILADELPHIA, Calls upon the Philadelphia Community Reinvestment Commission to establish Community Reinvestment Agreements with banks and other financial institutions entering the Philadelphia market through merges with, or acquisitions of, local banks to better service all of their customers after consolidation; and

FURTHER RESOLVED, That the Council of the City of Philadelphia, further urges all financial institutions operating in Philadelphia to service all segments of their service areas.

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CERTIFICATION: This is a true and correct copy of the original Resolution, Adopted by the Council of the City of Philadelphia on the thirteenth of September, 2001.

Anna C. Verna  
PRESIDENT OF THE COUNCIL

Michael A. Decker  
CHIEF CLERK OF THE COUNCIL

Introduced by: Councilmembers Goode and Tasco

Sponsored by: Councilmembers Goode, Tasco, Reynolds Brown, Nutter, Ortiz, Mariano, Cohen, Kenney, DiCicco, Blackwell, Clarke and Miller