

City of Philadelphia Office of the City Treasurer



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

Response Provided By:



**Annual Request for Information
Questionnaire
For Calendar Year 2018**

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.**

See goals enumerated below.

- 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	2018 Goals	2018 Results	2019 Goals
Small Business Loans	350	635	375
Home Mortgages	125	149	125
Home Improvement Loans	70	78	70
Community Development Investments	10.0MM	29.0MM	10.0MM

- 3. 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 2018

Number of Loans by Income

Type	Low	Mod	Mid	Upp	Total
Residential Mortgage	33	116	108	224	481
Home Improvement	18	60	66	113	257
Small Business Loans	153	482	297	746	1,678
Community Development					7
Consumer Loans	NA	NA	NA	NA	NA
Other Commercial Loans	NA	NA	NA	NA	NA
Total:	204	658	471	1,083	2,423
How many business loans were originated?	NA	NA	NA	NA	NA

Value of Loans (\$) by Income

Type	Low	Mod	Mid	Upp	Total
Residential Mortgage	3,254,000	13,617,000	15,600,000	348,041,000	380,512,000
Home Improvement	592,000	3,049,000	4,274,000	8,284,000	16,199,000
Small Business Loans	11,736,000	18,273,000	13,326,000	68,308,000	111,643,000
Community Development					\$235,950,000
Consumer Loans	NA	NA	NA	NA	NA
Other Commercial Loans	NA	NA	NA	NA	NA
Total:	15,582,000	34,939,000	33,200,000	424,633,000	744,304,000
% of Consumer Loans made through Credit Cards	NA	NA	NA	NA	NA

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).

PNC has proudly partnered with hundreds of art, history, education and cultural institutions throughout the city. Through the PNC Foundation, community reinvestment activity, EITC/OSTC, and charitable sponsorships – PNC provides millions of dollars in support throughout Philadelphia every year.

PNC has long been a leading corporate supporter of arts and culture in Philadelphia, understanding that the industry brings \$3.3 billion and 44,000 related jobs to the region¹. PNC Arts Alive multi-year commitment of the PNC Foundation that has awarded \$11 million dollars to support visual and performing arts organizations. At a time when contributions to arts organizations were on the decline, PNC Arts Alive doubled PNC's investment in arts programming in the twelve-county Philadelphia and Southern New Jersey region. It is a comprehensive initiative to support and stimulate the arts, helping non-profit arts organizations change the way they do business and guide them on a path toward sustainability.

As a company, PNC has committed \$500 million towards PNC Grow Up Great, millions of which has been invested in improving the state of early childhood education in Philadelphia. Employees across the greater Philadelphia area have volunteered more than 46,000 hours in support of this initiative.

In 2011, PNC entered into a strategic allegiance with the Barnes Foundation. This multi-million dollar commitment helped enable the Barnes to achieve its goal of relocating to the Parkway and opening a more accessible venue for one of the finest art collections in the world. Since opening its doors, the Barnes has attracted nearly 300,000 visitors per year. Additionally, the Barnes Foundation continues building upon its best-in-class PNC Grow Up Great Early Childhood Art Education Program, which is partnering with the School District of Philadelphia's Pre-School programs.

¹ Greater Philadelphia Cultural Alliance. "Arts, Culture, and Economic Prosperity in Greater Philadelphia." 2012.

PNC was one of the first businesses to commit funding towards the Dilworth Park Renovation, and will provide additional sponsorship support for the Live @ Lunch concert series through Fall of 2020.

PNC was the first corporation to commit support to the Parkway Council Foundation for the Parkway Centennial, celebrating 100 years of the Benjamin Franklin Parkway in 2017 and 2018.

PNC sponsors numerous events with the Greater Philadelphia Chamber of Commerce, the Greater Philadelphia Cultural Alliance, and Visit Philadelphia.

Many of PNC's senior executives contribute hundreds of hours to a full-range of the City's not-for-profit organizations. Several examples include:

PNC Regional President, Joe Meterchick, demonstrates his commitment to the Greater Philadelphia community by his service on several not-for-profit boards, including: the Greater Philadelphia Chamber of Commerce, the CEO Council on Growth, Select Greater Philadelphia, the Children's Hospital of Philadelphia Corporate Council, and the Corporate Partners of The Barnes Foundation.

Mary Ashenbrenner, Senior Vice President of Wealth Management is on the Corporate Partners Board of the Franklin Institute.

Denise DiSimone, Senior Vice President of Corporate Finance, is a member of the Fringe Arts board.

Kafi Lindsay Vice President for the Southeastern Region of Community Development, is active on several boards including the Regional Housing Legal Services, Urban Affairs Coalition, and the Urban League of Philadelphia.

Hugh McStravick, Vice President and Director of Client and Community Relations, is on the board of the Arts & Business Council of Greater Philadelphia, and the Greater Philadelphia Corporate Volunteer Council.

Sal Patti, Senior Vice President, Wealth Management, serves on the boards of the Philadelphia Industrial Development Corporation and the Thomas Jefferson University – Kanbar College Board.

Don Paterson, Senior Vice President, Wealth Management, serves on the Board of First Up.

Nicole Perkins, Executive Vice President for Hawthorn Family Wealth Management, is on the Kimmel Center board.

Shari Reams-Henofner, Senior Vice President for Real Estate, is on the Center City District's Board.

Brian Vesey, Executive Vice President of the Corporate Bank, serves on the board of BLOCS and the Philadelphia Museum of Art's Corporate Partners Board.

PNC Foundation Award Grantees

The PNC Foundation awards grants to worthy nonprofit organizations that primarily focus on education, economic development, health & human services, and Arts & Culture. The Foundation has contributed millions of dollars in support to the following Philadelphia organizations over the last several years:

100 BLACK MEN OF THE PHILADELPHIA REGION INC	LIGHTHOUSE INC
ACADEMY OF MUSIC OF PHILADELPHIA INC	LOCAL INITIATIVES SUPPORT CORPORATION
ACHIEVEABILITY	MANN CENTER FOR THE PERFORMING ARTS
AFFORDABLE HOUSING CENTERS OF PENNSYLVANIA	NORTHWEST PHILADELPHIA INTERFAITH HOSPITALITY NETWORK INC
AFRICAN AMERICAN MUSEUM IN PHILADELPHIA	NUEVA ESPERANZA

AL-BUSTAN SEEDS OF CULTURE	OPERA PHILADELPHIA
ALLEGHENY WEST FOUNDATION	OPPORTUNITIES INDUSTRIALIZATION CENTER INC
ARTREACH INC	OXFORD CIRCLE CHRISTIAN COMMUNITY DEVELOPMENT ASSOCIATION INC
ASOCIACION PUERTORRIQUEÑOS EN MARCH INC	PARKWAY COUNCIL FOUNDATION
AVENUE NORTH RENAISSANCE	PATHWAYS TO HOUSING PA
BARNES FOUNDATION	PHILABUNDANCE
BLACK PEARL CHAMBER ORCHESTRA INC	PHILADELPHIA ASSOCIATION OF COMMUNITY DEVELOPMENT CORPORATIONS
CEIBA INC	PHILADELPHIA CHINATOWN DEVELOPMENT CORP CHINATOWN COMMUNITY PARK
CENTER CITY DISTRICT FOUNDATION	PHILADELPHIA CLEF CLUB OF PERFORMING ARTS INC.
CENTER IN THE PARK INC	PHILADELPHIA COUNCIL FOR COMMUNITY ADVANCEMENT
CHILDREN'S HOSPITAL OF PHILADELPHIA FOUNDATION	PHILADELPHIA DANCE COMPANY
CHILDRENS LITERACY INITIATIVE	PHILADELPHIA FILM SOCIETY
CHILDRENS VILLAGE	PHILADELPHIA MURAL ARTS ADVOCATES
CLAY STUDIO	PHILADELPHIA MUSEUM OF ART
CODED BY KIDS	PHILADELPHIA ORCHESTRA ASSOCIATION
COMMUNITY DESIGN COLLABORATIVE OF PHILADELPHIA	PHILADELPHIA THEATRE COMPANY
COMMUNITY LEARNING CENTER	PLEASE TOUCH MUSEUM
COMMUNITY LEGAL SERVICES INC.	REBUILDING TOGETHER PHILADELPHIA
CONGRESO DE LATINOS UNIDOS INC	SAMUEL S. FLEISHER ART MEMORIAL INC.
CONSUMER CREDIT COUNSELING SERVICE OF DELAWARE VALLEY	SOUTHEAST ASIAN MAA COALITION INC
DREXEL UNIVERSITY	SOUTHWEST COMMUNITY DEVELOPMENT CORPORATION
ED SNIDER YOUTH HOCKEY FOUNDATION	TALLER PUERRIQUEA'O, INC.
EDUCATION WORKS INC.	TALLER PUERTORRIQUEÑO INC
ENTERPRISE CENTER	TECH IMPACT
ESPERANZA HEALTH CENTER INC.	THE CAREER WARDROBE
FAIRMOUNT PARK CONSERVANCY	THE CENTER FOR EMERGING VISUAL ARTISTS LTD
FINANTA	THE FREE LIBRARY OF PHILADELPHIA
FIRST PERSON ARTS INC.	THE FUND FOR THE SCHOOL DISTRICT OF PHILADELPHIA
FIRST UP	THE SALVATION ARMY
FRANKLIN INSTITUTE	UNITED WAY OF GREATER PHILADELPHIA AND SOUTHERN NEW JERSEY
FRINGEARTS	URBAN AFFAIRS COALITION
FUND FOR PHILADELPHIA INC	URBAN LEAGUE OF PHILADELPHIA
GERMANTOWN UNITED COMMUNITY DEVELOPMENT CORPORATION	VETERANS MULTI-SERVICE CENTER INC
GREATER PHILADELPHIA CHAMBER OF COMMERCE REGIONAL FOUNDATION	WALNUT STREET THEATRE CORP.
GREATER PHILADELPHIA CULTURAL ALLIANCE	WEST PHILADELPHIA FINANCIAL SERVICES INSTITUTION
HABITAT FOR HUMANITY PHILADELPHIA INC.	WHYY INC
INTERACT INC.	WOMENS OPPORTUNITIES RESOURCE CENTER
KIMMEL CENTER INC	YEAR UP, INC.

Additionally, PNC's Community Relations team has provided millions of dollars in charitable sponsorship support to a wide range of not for profit organizations in Philadelphia.

Commitment to Citizens through Education

When it comes to Philadelphia's citizens, PNC is unmatched in its commitment to building lifelong learning opportunities that promote individual success and workforce development. We believe that support for education should start with our youngest citizens. In 2019, PNC celebrated its fifteenth anniversary of Grow Up Great, a \$500 million, multi-year investment in school readiness to help prepare children from birth to age five – with a focus on underserved children - for success in school and life. Our national partners are Sesame Workshop, PBS Kids, Fred Rogers' Family Communications Inc. and the National Head Start Association.

The program includes PNC Foundation grants to early childhood organizations, employee volunteerism, advocacy efforts and educational materials for children, parents and educators. In addition to providing a variety of resources to parents and caregivers at many events and functions throughout Philadelphia, the PNC Grow Up Great Program launched a \$2 million Vocabulary Building Pilot Project in North Philadelphia. The "Words at Play" program is collaborative project led by the Free Library of Philadelphia, in partnership with the Franklin Institute, the Kimmel Center, the Philadelphia Museum of Art, and the Philadelphia Zoo. Designed to help families better prepare their young children for school, the programming has already impacted several hundred families with vocabulary development and early literacy skill resources at a variety of events.

Full-time PNC employees are given 40 hours of paid time off each year to volunteer for Grow Up Great. Through this volunteerism, PNC has conducted pre-school collection drives, built new pre-school libraries at nine partner Head Start centers and filled those bookshelves with thousands of new pre-school books.

For the past 15 years, PNC has been the presenting sponsor of the First Up Conference for Early Childhood Educators, which is the largest professional development event for early childhood education

professionals and providers in the Greater Philadelphia Region. A unique component of the alliance is First Up's incorporation of PNC Grow Up Great partners into their conference programming. PNC employee volunteers were onsite at the conference, greeting attendees and sharing all of the no-cost educational resources PNC has developed for pre-school teachers to use in the classroom.

Since 2016, PNC has partnered with the Mayor's Office of Education and Children's Village to help provide professional development and management training to Head Start and Pre-School Directors, to help improve the quality and operational efficiency of their programs.

PNC continues to participate in Pennsylvania's Educational Improvement Tax Credit program. Through use of state tax credits, we have contributed nearly \$20 million to non-profit scholarship and educational improvement organizations since the programs inception.

PNC's commitment also extends to higher education. PNC's \$1 million grant created the first-ever PNC Professorship in Early Childhood Education at Temple University's College of Education. With Dr. Barbara Wasik in the position, Temple is assisting young children both through existing alliances with city schools and an ambitious research agenda focusing on early childhood education and literacy.

Commitment to Local Businesses:

PNC committed support to the World Meeting of Families and Papal Visit in 2015, the Democratic National Convention in 2016, and the NFL Draft in 2017.

PNC is an active member of the Greater Philadelphia Chamber of Commerce, and sponsors a number of programs through the Chamber including: The Small Business Award, The Paradigm Awards, The Arts & Business Council.

PNC provides support to Visit Philadelphia, and is an annual sponsor of the annual Hospitality Leaders Luncheon.

PNC annually supports the Independence Business Alliance's Business Leaders Luncheon and provides a \$10,000 grant to an LGBT-owned business that demonstrates a well-defined plan for growth, including innovation, sustainability, and ongoing contribution to the community.

PNC has supported businesses in the Philadelphia community through branch hosted events designed to educate and support their growth. Events included panel discussions on marketing, human resource management and obtaining credit.

PNC salutes the businesses in our community during the month of May which has been designated nationally as Small Business Month. During this month we invite our business customers and the community at large to participate in webinars which range in topics but include "How to Grow your Business" and "How to take a Small Business and Grow to an Industrial Player".

During the month of May, we are hosting our annual Women in Business Blitz. For one week, teams across lines of business meet with women in business, women of influence and decision makers in small businesses. In Philadelphia we have more than 60 teams participating with a goal of meeting with more than 300 women in our business community. Our theme this year is "Unlocking Opportunities." Discussions will be focused on managing cash flow through all aspects of the business operating cycle so the business is well positioned to capitalize on any opportunities that are presented.

- 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.**

PNC is proud of its lending and investment record in Philadelphia and is committed to its local communities. We recognize that individuals, and particularly LMI individuals, may face challenges in achieving homeownership and financial success due to a lack of affordable housing, limited financial resources or poor credit history. For this reason, we provide significant financial support for affordable housing, homebuyer assistance, financial counseling and other programs to assist Philadelphia residents achieve homeownership and financial success.

In Philadelphia, from 2018 through 2019, PNC:

- *Financed over \$250 million in community development loans and investments.*
- *Provided more than \$50,000 in closing cost assistance grants to over 20 home buyers.*
- *Helped prepare over 170 people for homeownership through 2 Homebuyer Clubs in partnership with different community-based agencies across Philadelphia.*
- *Provided more than \$100,000 to housing counseling agencies in the Philadelphia Region.*
- *Worked with agencies to encourage low income savers to plan for the future through Individual Development Accounts.*

PNC Bank offers a wide array of residential home purchase and refinance mortgages to help homeowners achieve homeownership and their financial goals.

These products include:

- *Fixed and adjustable rate conforming mortgages, including Fannie Mae's HomeReady® Mortgage and Freddie Mac's Home Possible® Mortgage;*
- *Federal Housing Administration (FHA) and Veterans Administration (VA) guaranteed mortgages; and*
- *Jumbo (non-conforming) mortgages.*

PNC Bank also offers the PNC Community Mortgage, a product developed specifically for low- and moderate-income (LMI) borrowers and for properties located within LMI census tracts. Because this loan is held in PNC's portfolio, and not subject to any secondary market investor requirements, borrowers can qualify with only a 3% down payment (with flexible down payment options and no mortgage insurance requirement) using alternative credit history information (such as rental payments).

In addition, PNC Bank offers home equity lines of credit and home equity installment loans to assist customers improve and remain in their home, or meet other financial needs.

PROJECT H.O.M.E.

Since its beginning in 1988, Project H.O.M.E. has been a leader in providing comprehensive and effective services to persons who experience chronic homelessness. Since its inception, under the leadership of Sister Mary Scullion, the organization has been a leader in Philadelphia in responding to the root causes of homelessness by helping to rebuild low-income neighborhoods and by engaging in political advocacy to bring about positive public policies for low-income and homeless persons.

PNC Bank has had a longstanding history with Project HOME and the communities in which it provides services. In 2004, PNC Bank established a \$2.5 million major alliance with Project H.O.M.E under the State of Pennsylvania Neighborhood Assistance Project (NAP) tax credit program and in 2014 the commitment was extended for an additional 1.25 million. Under the alliance, PNC Bank is providing support to the organization's comprehensive neighborhood revitalization efforts and the additional \$1.5 million is payable over a six-year period.

APPENDIX I

Please refer to the following website for the 2018 PNC Financial Services Group Annual Report:

<http://phx.corporate-ir.net/phoenix.zhtml?c=107246&p=irol-reportsannual>

(Please note that the Annual Report provides information for PNC Financial Services Group).

APPENDIX II

LONG TERM STRATEGIC PLAN

PNC Bank's long-term strategic plan is as follows:

1. Maintain a strong level of community development activities within the City of Philadelphia
2. Continue PNC Bank's historical track record of exceeding our annual community reinvestment goals for activities within the low to moderate communities in the City of Philadelphia.
3. Continue PNC Bank's strong track record of investing within the City of Philadelphia as evidenced by the following:

Strategic alliances, generous grants and loans, financial education, volunteer support and products that meet the needs of individuals from all works of life are the hallmarks of PNC Bank's commitment to Philadelphia's citizens, neighborhoods and overall economic vitality of this city of brotherly love.

PNC Bank has long been committed to forming groundbreaking alliances that strengthen the economic fabric of Philadelphia, and help thousands of individuals become stronger, more independent citizens. Our approach is a holistic one, in which we use combinations of Community Financial Commitments, Corporate Contributions, Community Development, Financial Education and Banking Services.