

City of Philadelphia



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

(Resolution No. 051161)

RESOLUTION

Calling on the Office of the City Treasurer to commission an annual study of lending disparities by city depositories.

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

WHEREAS, Economic viability and competitiveness comes from strengthening, and providing opportunities within, all areas of the City; and

WHEREAS, In June of 2005, City Council unanimously passed a resolution hiring the National Community Reinvestment Coalition (NCRC) to conduct a comprehensive lending study for the City of Philadelphia; and

WHEREAS, NCRC's recently released study concluded that "when separately analyzing home purchase, home improvement and refinance loans, racial disparities remain greater than income disparities"; and

WHEREAS, African-Americans received less than 20 percent of all home loans in 2003 - although African-Americans comprised over 40 percent of the city's population; and

WHEREAS, The portion of small business loans in all minority census tracts (African-American, Hispanic, and Asian) was only 34.8 percent in 2003, while the minority population comprised over half of the City; and

WHEREAS, The smaller businesses with less than \$1 million in annual revenues comprised a majority (58.1 percent) of all small businesses - but received less than a third of small business loans in 2003; now therefore

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RESOLUTION NO. 051161 continued

RESOLVED, BY THE COUNCIL OF THE CITY OF PHILADELPHIA, That the Office of the City Treasurer shall commission an annual study of lending disparities by city depositories and produce a report deliverable to the Mayor and the City Council. The annual report shall include a comprehensive analysis of home lending, small business lending, and branching patterns as well as the measurement of the community reinvestment and fair lending performance of banks receiving City deposits.

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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 first of December, 2005.

Anna C. Verna
PRESIDENT OF THE COUNCIL

Patricia Rafferty
CHIEF CLERK OF THE COUNCIL

Introduced by: Councilmembers Goode and Ramos

Sponsored by: Councilmembers Goode, Ramos, Rizzo, DiCicco, Council President Verna, Tasco, Blackwell, Reynolds Brown, Kenney, Kelly, Nutter, Krajewski and Miller