



Legislation Text

File #: 110650, **Version:** 0

110650

ORIGINAL

890493, 901974, 911795, 930357, 930358, 930841, 940518, 950419, 960586, 970624, 980598, 101551

THE CHAIR

Resolution relating to the City of Milwaukee's Socially Responsible Investment Program and the investment of City funds in financial institutions designated as eligible to participate in the investment program.

This resolution consolidates various resolutions adopted by the Common Council relating to the City's Socially Responsible Investment Program and the investment of City funds in financial institutions designated as eligible to participate in the investment program. The resolution also rescinds obsolete resolutions relating to the Socially Responsible Investment Program.

Whereas, The Fair Lending Action Committee, in its report Equal Access to Mortgage Lending: The Milwaukee Plan submitted to Mayor John Norquist and Governor Tommy G. Thompson in October, 1989, found that mortgage lending volume was disproportionately low for blacks and in predominantly black neighborhoods as compared to whites and predominantly white neighborhoods in the Milwaukee metropolitan area; and

Whereas, The lending practices of local financial institutions have a major impact on the City's tax base, homeownership, maintenance of properties, quality of life and overall economic viability of the City; and

Whereas, It is in the best interests of the City of Milwaukee that City funds are invested in a socially and economically beneficial way to the betterment of all segments of the community; now, therefore be it

Resolved, By the Common Council of the City of Milwaukee, that a Socially Responsible Investment Program shall be established under which City funds shall be invested in financial institutions which are compatible with the following goals:

1. Liquidity, safety and competitive returns on investments.
2. Increasing the amount and percentage of home mortgages made by financial institutions to City minority residents.
3. Increasing the amount and percentage of home mortgages made by financial institutions to City residents in census tracts identified as eligible for the Targeted Area Single Family Mortgage Loan Program.
4. Increasing employment opportunities for minority residents.

5. Increasing the amount of money available for small business loans in the Targeted Area Single Family Mortgage Loan Program area.

6. Increasing the amount of money available for student loans to residents of the Targeted Area Single Family Mortgage Loan Program area.

7. Increasing commitment by financial institutions to provide free technical assistance to potential home buyers and small business owners through existing home buying clinics and business incubators.

; and, be it

Further Resolved, That the City Comptroller, utilizing Home Mortgage Disclosure Act and Community Reinvestment Act data, shall prepare an annual Financial Institution Lending Report to the Mayor and Common Council, summarizing the number of residential mortgage loans made by each financial institution engaged in residential lending in the targeted area; and, be it

Further Resolved, That the City Comptroller shall request that each financial institution provide data on its lending activity in the targeted area concerning attainment of the goals specified above, and such data shall be summarized in the City Comptroller's Financial Institution Lending Report, particularly with respect to data on residential loans in the targeted area of the City and business loans to low- and moderate-income areas; and, be it

Further Resolved, That the City Treasurer shall annually designate, as financial institutions eligible for public depository status under the City's Socially Responsible Investment Program, those institutions placing in the top half of institutions in the City Comptroller's Annual Financial Institution Lending Report relating to residential loans in the targeted area and business loans to low- and moderate-income areas; and, be it

Further Resolved, That the City Treasurer may invest City funds only in those financial institutions designated eligible for public depository status under the Socially Responsible Investment Program; and, be it

Further Resolved, That the City Treasurer shall report annually to the Common Council the amount of City funds invested in financial institutions that have public depository status under the Socially Responsible Investment Program; and, be it

Further Resolved, That the following Common Council resolutions are rescinded: File Numbers 890493, 901974, 911795, 930357, 930358, 930841, 940518, 950419, 960586, 970624, 980598, 101551.

City Treasurer's Office
LRB 132110-1
Teodros W. Medhin/sd
8/31/2011