

CITY OF LOS ANGELES  
INTER-DEPARTMENTAL CORRESPONDENCE

0220-02221-9006

Date: February 27, 2012

To: The City Council  
The Mayor

From: Miguel A. Santana, City Administrative Officer



Reference: C.F. No. 09-0234

Subject: **PROPOSED RESPONSIBLE BANKING ORDINANCE - SUPPORT LETTER  
FROM BANK OF AMERICA**

The City Administrative Officer administered a pilot program, in which 22 firms on the Qualified List for Underwriters (C.F. No. 10-1763), approved by the Mayor and Council, were requested to provide their affiliates local lending information. In follow up to this request, Bank of America has provided a letter in support of disclosing their affiliates' residential, small business and community development lending information (Attachment 1). A support letter was also provided by JP Morgan Securities, LLC (Attachment 2).

## Attachments

MAS: HTT: DM: 09120156

Date: 2-27-12Submitted in BF CommitteeCouncil File No: 09-0234Item No. 1Deputy: E. Polst

**ATTACHMENT 1**

**Correspondence from Bank of America  
dated February 24, 2012**

February 24, 2012

Mr. Miguel A. Santana  
City Administrative Officer  
City of Los Angeles – Office of the City Administrative Officer  
200 North Main Street, City Hall East, Room 1500  
Los Angeles, CA 90012

Dear Mr. Santana –

Since our founding in California more than one hundred years ago, Bank of America has established a strong tradition of civic engagement and meeting the financial service needs of the residents and businesses in the communities that we serve. Bank of America respects the City's desire to partner with financial service firms that demonstrate a record of supporting Los Angeles residents and community development in the city. The Bank believes that your recommendations relating to additional information under the proposed Responsible Banking Ordinance are a reasonable means of furthering this goal.

Bank of America is proud of our record in the Los Angeles community. In the City of Los Angeles in 2010, Bank of America:

- *Completed over 6100 loan modifications and prevented more than 8400 foreclosures.* The Bank has partnered on housing initiatives – including providing foreclosure prevention information to underserved communities – with key organizations in the region including Los Angeles Neighborhood Housing Services, Korean Churches for Community Development, New Economics for Women and the Asian Pacific American Legal Center.
- *Made over 2000 small business loans totaling over \$98 million.* In addition to direct lending, the Bank invests in community development financial institutions (CDFIs) in the Los Angeles-region such as Valley Economic Development Corporation, PACE, Los Angeles LDC, and the Low Income Investment Fund to provide financing and technical assistance to businesses that are unable to qualify for traditional bank financing.
- *Committed over \$225 million in community development lending and investment.* The Bank's recent community development efforts include financing for the YWCA Urban Jobs Corp Center, investment in the Downtown Women's Center's "Project Home" development; financing of the Lorena Apartments in East Los Angeles with its 112 units of affordable housing; and support of a mixed-use affordable housing project on Adams & Central.
- *Operated 64 branches with over \$16.2 billion in deposits.*

Bank of America remains committed to supporting the financial services needs of the residents and businesses in Los Angeles.

Respectfully,



Mike Kimball

SVP, Bank of America

**ATTACHMENT 2**

**Correspondence from J.P. Morgan Securities LLC  
dated February 7, 2012**

J.P.Morgan

Alex Burnett  
Managing Director

February 7, 2012

Mr. Miguel A. Santana  
City Administrative Officer  
City of Los Angeles – Office of the City Administrative Officer  
200 North Main Street, City Hall East, Room 1500  
Los Angeles, CA 90012

Re: J.P. Morgan's Proposal to Provide Underwriting, Remarketing and Investment Banking Services

Dear Mr. Santana:

In connection with our response to the City of Los Angeles' (the "City") RFP to Provide Underwriting, Remarketing and Investment Banking Services, on November 7, 2011, J.P. Morgan provided to the City Administrative Officer (the "CAO") certain information regarding our lending activities in the Los Angeles area. Pursuant to Attachment 1 – LENDING INFORMATION – Section A., we submitted detailed answers to Question 1 through 7, disclosing requested information on our residential, small business, and consumer lending operations as well as our community development loan and investment activity. Furthermore, we described our retail banking operations in the Los Angeles area, including providing the number of branches and the amount of deposits for residents.

J.P. Morgan is extremely proud of our record of service for the community and to residents of the City of Los Angeles. In 2010, JPMC completed over 4,700 modifications of distressed loans (including the reduction of principal), and prevented more than 7,400 foreclosures in the City of Los Angeles. J.P. Morgan is also the Number #1 Small Business Lender in Los Angeles. In 2010, JPMC made over 8,300 small business loans totaling more than \$112 million in the City of Los Angeles. Of these totals, 275 loans totaling \$12.7 million were made to businesses with revenues under a \$1 million.


In accordance with your request, J.P. Morgan is prepared to continue to provide lending information based on census tracts. We respect the City's need to ensure that current and prospective financial services firms demonstrate a record of supporting Los Angeles residents and community development in the City. We believe J.P. Morgan's record in this regard is particularly strong and we eagerly await the opportunity to evidence of our record in the community.

J.P. Morgan continues to deem such information confidential, non-public, proprietary and/or commercially sensitive. As such, this information does not carry any right of publication or disclosure, in whole or in part, to any other party, without the prior consent of J.P. Morgan.

**Alex Burnett**  
Managing Director

Please do not hesitate to contact me or Gary Hall (415-315-5652) with questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Alex Burnett", written in a cursive style.

R. Alexander Burnett  
Managing Director  
Head of West Region  
J.P. Morgan Securities LLC  
Investment Banking – Public Finance