

09-0234



February 23, 2010

The Honorable Richard Alarcon  
Los Angeles City Council, District 7  
Chair, Jobs and Business Development Committee  
200 N. Spring Street, Room 425  
Los Angeles, CA 90012

**RE: Divestiture of Deposits**

Dear Councilmember Alarcon:

Established in 1924, the Central City Association (CCA) is L.A.'s premier business advocacy association whose 450 members employ over 350,000 people in the Los Angeles region. On behalf of CCA and the Los Angeles Area Chamber of Commerce, we respectfully offer this letter of opposition to the City of Los Angeles' proposal to enact an ordinance to allow divestiture of deposits.

Collectively, the banking industry contributes an incredible amount of resources to communities, including foreclosure counseling, housing assistance, small business development and educational programming, among many others. All banks in California are already subject to existing and newly implemented laws and regulations at the state and federal levels to encourage financial institutions to improve lending and banking services across the local communities that they serve.

Especially in this time of budgetary crisis, we respectfully discourage the City from adopting any new regulations that will put a further strain on limited City resources, for little benefit. This area is already heavily regulated by state and federal agencies, and scarce City resources will be required to monitor and process the reports recommended by the Chief Legislative Analyst.

We ask that you save the City's limited resources for core services, and that you allow recently enacted state and federal regulations to work before imposing additional, duplicative measures. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Carol E. Schatz".

Carol E. Schatz  
President & CEO  
Central City Association

A handwritten signature in black ink, appearing to read "Gary Toebben".

Gary Toebben  
President & CEO  
Los Angeles Area Chamber of Commerce

cc: The Honorable Paul Krekorian, Vice Chair, Jobs and Business Development Committee  
The Honorable Bernard C. Parks, Jobs and Business Development Committee