CITY OF PITTSBURGH

REQUEST FOR PROPOSALS ("RFP")
FOR DEPOSITORY SERVICES

DATED: September 24, 2014

In accordance with and subject to the provisions of the Pittsburgh Code, Title Two-Fiscal, Article III-Depositories, the City of Pittsburgh is soliciting proposals for the provision of depository services (a "Depository") for the period January 1, 2015 through December 31, 2015.

It is the responsibility of the entity responding to this Request for Proposal (the "Responder") to carefully read the entire Request for Proposal ("RFP"), which contains all provisions applicable to successful completion and submission of a proposal.

Any ambiguity, inconsistency or error discovered in this RFP or any requests for interpretations, questions, or concerns must be brought to the attention of the City's Department of Finance in writing (email is acceptable) no later than October 10, 2014 to Patrick Kelly at the below address. All interpretations or corrections issued in writing by the City will be considered binding and shall be sent to all known recipients of this RFP via email. Please forward any questions to:

Patrick Kelly
City of Pittsburgh
Department of Finance
414 Grant Street, 1st Floor
Pittsburgh, PA 15219
Telephone: 412-255-2578
E-mail: patrick.kelly@pittsburghpa.gov

PLEASE NOTE THE NEED TO COMPLY WITH RECENT CHANGES TO THE CITY OF PITTSBURGH CODE, AS FURTHER DESCRIBED IN SECTION I OF THIS RFP.

I. RECENTLY ENACTED CHANGES TO THE CITY CODE

Recently, the City of Pittsburgh enacted legislation which amended the City of Pittsburgh Code ("City Code"), Title Two-Fiscal, Article III-Depositories, Chapter 221-Contracts, by requiring financial institutions seeking to become City depositories make a commitment to community reinvestment and responsible banking. The legislation also instructs the City Controller to evaluate banks with which the City does business as to their success or failure in meeting this commitment. A copy of the revised City Code provisions is attached to this RFP as Exhibit C.

Some highlights of the revised City Code provisions include:

A. Any institution that desires a continuing or a new designation as a City depository is required to submit, at the time that institution initially applies to engage in such business and annually thereafter, unless otherwise specified, a sworn statement of

its financial condition, showing the amount of paid-in capital and surplus and its general financial condition. Such institutions must also submit information needed for evaluation of the policies and practices regarding housing and economic development of such depository or potential depository.

B. All financial institutions participating in the bid process must pledge to make their best efforts to develop responsible lending and financing opportunities to support residential and commercial development of the City's neighborhoods and execute a Community Reinvestment Plan which is to be submitted to the City. Examples of such efforts are provided at Section 221.02(b) of the City Code.

C. Pursuant to the City Code, for 2014, all depositories must submit a Community Reinvestment Plan. No depository shall be designated as an eligible depository unless it has executed a Community Reinvestment Plan.

D. The Director of Finance is prohibited from keeping any City funds on deposit, or from investing in in any bank, its affiliates, or other financial institution that makes predatory home loans, abusive payday loans, or other unscrupulous non-home loan or financial products. The Director of Finance is also prohibited from allowing City moneys to remain invested, or hereafter make investments in, stocks, securities, or other obligations of any business entity that makes predatory home and non-home loans, or has an affiliate that, or is an affiliate of a bank or other financial institution that makes predatory loans or securities collateralized by any interest in predatory home and/or non-home loans.

E. Each contract with a depository shall contain a requirement that the depository provide written notice to the Mayor and the Director of Finance ninety (90) days prior to the closing of any branch of such depository located within the City, and shall provide such notice within thirty (30) days prior to the opening of any branch of such depository located within the City.

F. The City Controller, on an annual basis, shall review and evaluate the information contained in the public sections of evaluations and reports of financial institutions prepared by federal and state agencies pursuant to the Community Reinvestment Act of 1977 ("CRA"), 12 U.S.C. § 2901 *et seq.* A financial institution must meet at least a satisfactory CRA rating in order to be deemed a qualified depository. The City Controller, on an annual basis, shall review and evaluate the information contained in the most recent disclosure statements filed by financial institutions. In addition, the City Controller shall review any information deemed necessary or desirable in evaluating the performance of financial institutions.

G. The City will generate a Responsible Banking and Neighborhood Reinvestment Score which shall be one of the factors, together with an analysis of the institution's overall financial health and range of services offered to the City, used to determine at which level the City will continue to do business with the financial institution. For more information, please see Title Two, Article III, Sections 221.07 and 221.08 of the City Code.

II. GENERAL INFORMATION:

A. ***Due Date***: An original copy (stapled in the top left corner) of the Proposal is due by **1:00 PM Eastern Standard Time on October 31, 2014** to Patrick Kelly at the above address.

B. ***Proposal Delivery***. Submittals shall be sent by U.S. Mail or Hand Delivery. Submissions may not be sent by fax. Applications sent by mail must be postmarked on or before the aforementioned October 31, 2014 due date. Proposals submitted after this deadline will not be considered. Proposals should be mailed to The City Controller, First Floor, 414 Grant Street, City-County Building, Pittsburgh, PA 15219-2468. In addition to the original copy, an additional emailed copy must be sent to Patrick Kelly at patrick.kelly@pittsburghpa.gov by the due date. The emailed copy should be in either Word or PDF format.

C. ***Format***. Proposals should be submitted on 8 ½" x 11" paper securely bound or stapled in the top left corner.

1. A Cover Sheet should be the first page of your proposal. It should be signed by the President, partner, or sole proprietor of the Responder transmitting the proposal indicating that the Responder agrees to and is bound by its Proposal as submitted unless modifications are mutually agreed to by the City and said Responder in writing referenced in a written Depository Agreement.

2. The Responder should feel free to attach additional pages, if necessary.

3. A completed Scope of Work/Exhibit A (attached hereto) shall also be included as part of your Proposal.

4. A completed Exhibit B (attached hereto) questionnaire with answers shall also be included as part of your Proposal.

5. In accordance with Title Two, Article III, Section 221.02(c) of the City Code, a Community Reinvestment Plan must be submitted with the Proposal.

D. ***Review Process and Selection Criteria***:

1. In accordance with the provisions of Title Two, Article III, Chapter 221 of the City Code, proposals submitted by Responders shall be evaluated by the Director of Finance based upon the Respondent's annual disclosures, the most recent rankings and recommendations provided by the Reinvestment Review Committee and any other factors deemed necessary for the good of the City. The Director of Finance shall submit the proposals from potential depositories to City Council with recommendations. Council shall authorize those proposals that meet the

standards set forth in the City Code and are most advantageous to the City. The Director of Finance and the City Council shall make every effort to recommend and authorize a diverse group of depositories which includes banks of all sizes.

2. City Council shall designate to the Director of Finance the active and inactive depositories for each ensuing year, specifying at least two (2) banks which shall be active depositories for general fund accounts, at least one (1) bank which shall be the active depository for bond fund accounts and other banks as Council shall deem necessary as active depositories for all other accounts.

3. The Mayor and the Director of Finance, upon City Council approval, will be authorized to enter into new, or to extend existing, contracts with the financial institutions designated by Council to act as depositories for the next ensuing fiscal year if the qualifications set forth in Title Two, Article III, Section 221.02 of the City Code are met.

4. The financial institution shall enter into a written Depository Agreement under its seal with the City to accept and comply with all the conditions and provisions of the City Code and contracts and must agree to accept all the City moneys tendered to it and to pay the interest, if any thereon, in accordance with the City Code, and to safely keep and pay over all such moneys deposited with it. By accepting the deposit and executing the agreement aforesaid, the financial institution shall be held to agree to these provisions for itself, its successors and assigns.

III. ADDITIONAL INFORMATION:

A. Responders are responsible for all costs associated with responses to this RFP. In no event shall the City be responsible for any costs related to the preparation of a response to this RFP or for attending any requested meetings contemplated in this RFP.

B. The City reserves and may exercise the following rights and options with respect to this selection process:

(1) To reject any and all proposals and reissue the RFP at any time prior to execution of a final contract, if, in the City's opinion, it is in the City's best interest to do so.

(2) To supplement, amend, substitute, or otherwise modify this RFP at any time prior to selection of one or more responders for negotiation and to cancel this RFP with or without issuing another RFP.

(3) To accept or reject any or all of the items in any proposal and award the contract in whole or in part if it is deemed in the City's best interest to do so.

As noted above, the City may also choose to select more than one Depository.

(4) To reject the proposal of any Responder who, in the City's sole judgment, has been delinquent or unfaithful in the performance of any contract with the City, is financially or technically incapable or is otherwise not a responsible proposer.

(5) To reject as informal or non-responsive, any proposal which, in the City's sole judgment, is incomplete, is not in conformity with applicable law, is conditional in any way, or deviates from the mandated requirements of the RFP.

(6) To waive any informality, defect, non-responsiveness and/or deviation from this RFP that is not, in the City's sole judgment, material to the proposal.

(7) To permit or reject, at the City's sole discretion, amendments (including information inadvertently omitted), modifications, alterations and/or corrections to proposals by some or all of the Responders following proposals submission.

(8) At the City's sole discretion, to request that some or all of the Responders modify proposals or provide additional information

IV. MISCELLANEOUS:

A. Conflict of Interest. By submission of a proposal to this RFP, Responder agrees that it presently has no interest and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of the services required under this RFP.

B. Fair Trade Certification. By responding to this RFP, the Respondent certifies that no attempt has been made, or will be made, by the Respondent to induce any other person or firm to submit or not to submit a submission for the purpose of restricting competition.

C. Debarment. This RFP is also subject to Section 161.22 of the City of Pittsburgh Code related to debarment from bidding on and participating in City contracts.

D. No proposal shall be accepted from, or contract awarded to, any individual or firm in which any City employee, director or official has a direct or indirect financial interest in violation of applicable City and State ethics rules. Entities that are legally related to each other or to a common entity which seek to submit separate and competing proposals must disclose the nature of their relatedness.

E. Pursuant to Section 161.36 of the Pittsburgh City Code, a Responder must

include a disclosure of any finder's fees, fee splitting, firm affiliation or relationship with any broker-dealer, payments to consultants, lobbyists, or commissioned representatives or other contractual arrangements of the firm that could present a real or perceived conflict of interest.

F. Through this RFP process, the City is seeking to award to one or more Depositories for the maximum public benefit. As such, the selected Depositories shall be based on a combination of selection factors and is not based on best price or best rates alone.

G. Veteran-Owned Small Business and MBE/WBE. Responders to this RFP agree to assist the CITY's efforts to encourage the participation of veterans, minorities, and women in City contracts by making a good-faith effort to utilize veterans, women, and minorities in performing the work required under this RFP.

V. EXHIBITS: The attached Exhibits A and B must be fully completed for consideration by City. In addition, Respondents must comply with the terms and requirement of the City Code, including those set forth in Title Two, Article III, Chapter 221, as found in the attached Exhibit C.

EXHIBIT A

To the Mayor and the Director of Finance of the City of Pittsburgh:

Subject to the provisions of the Pittsburgh Code, Title Two-Fiscal, Article III- Depositories, and pursuant to the advertisements which appeared in the Pittsburgh Tribune Review on Monday, September 29, 2014, the undersigned institution proposes and agrees hereby:

1. To Act as a depository for moneys of the City of Pittsburgh for a period of one (1) year beginning January 1, 2015 and continued with consent of both the City and the Depository.

2. To be a member of the appropriate Federal insurance agencies as of January 1, 2015 and to remain such a member through to December 31, 2015.

3. To deliver securities:

A. To a third party bank for safekeeping, as provided in the Pittsburgh Code, Section 223.03, "Securing City Deposits", for the security of the moneys on deposit.

B. To pool pursuant to Pennsylvania Act No. 72 of the Session of 1971.

C. When applicable, provide a letter of credit through the Federal Home Loan Bank.

One such method of collateralization must be selected at the time of City deposit. However, this method may be changed with written notice and subsequent approval of the City during the year. Moreover, the City may require a specific method of collateralization from a specific depository.

4. To compute and pay to the City of Pittsburgh interest on daily balances of all moneys of the City of Pittsburgh on Inactive Deposits in this institution at the maturity of each investment.

5. (A) To offer to the City at the time of quotation the highest per annum rate for investment instruments, the depository offers at that particular time of day, to any customer for comparable amounts (using the aggregate total of funds being invested by the City with the Depository that day), comparable maturities, comparable collateralization requirements and comparable investment vehicles, with interest to be calculated on the basis of actual days elapsed in year of 365 days or on such other basis acceptable to the City as is customary for the particular investment vehicle.

(B) Commercial Banks: To offer to purchase obligations of the U.S. Treasury, fully collateralized Certificate of Deposits, and Repurchase Agreements held in the name of the City for the account of the City of Pittsburgh, classified as open, overnight, or term transactions with a $l00,000 minimum investment with the certificate of deposit agreement collateral held in the name of the City of Pittsburgh. This is subject to

availability.

(C) All other lending institutions not considered a Commercial Bank: To offer to purchase fully collateralized Certificates of Deposits for the account of the City of Pittsburgh.

(D) 1. For those institutions desiring to bid market rate: (subject to the provisions specified in this proposal, i.e. 5. (B)).

2. For those institutions desiring to bid a fixed rate:

Fully collateralized Certificates of Deposit whose rate is fixed with the maturities of:

_____% 7 to 13 days

_____% 14 to 29 days

_____% 30 to 59 days

_____% 60 to 89 days

_____% 90 to 119 days

_____% 120 to 179 days

_____% 180 days to 1 year

_____% 1 year

Each institution pledges to engage in an active secondary market on all securities held for the account of the City of Pittsburgh, other than securities issued by such institutions itself.

(E) Non-Pool collateral must be in direct obligation of the U. S. Treasury or obligations guaranteed both principal and interest by the full faith and credit of the Federal Government held in safekeeping in the name of the City of Pittsburgh unless an investment agreement provides to the contrary. Substitution of collateral must be authorized in writing prior to the time of the actual substitution.

(F) Banks shall advise the City in writing of any changes or proposed changes instituted by the Federal Government Regulatory Board or its agencies.

(G) If applicable, Master Repurchase Agreements will be negotiated and entered into separately from said Depository Agreement. However, the Institution must be a designated City Depository for the current year.

6. (A) To be eligible for City of Pittsburgh Demand Deposits, Depositories must have a satisfactory or better Community Reinvestment Rating as set forth in the Community Reinvestment Act of 1977 ("CRA"), 12 U.S.C. § 2901 *et seq.*, and demonstrated commitment to the City of Pittsburgh and its citizens. Preference in terms of demand deposits shall be given to qualifying institutions that have earned an Outstanding CRA rating.

(B) Any lending institution accepting deposits of City money as a depository hereunder hereby pledges, in writing, as follows:

> **"We pledge not to arbitrarily reject mortgage loans for residential property within a specified geographic area in Pittsburgh because of the location and/or age of the property. We also pledge to make loans available on residential property regardless of race and income status."**

(C) Depositories shall attach and make part of this proposal all information requested in Exhibit B regarding Community Reinvestment Activity.

7. Quarterly independent bank rating service reports:

Each successful Responder, upon request, whether an active or inactive depository, shall provide to the City at the Responder's cost, a quarterly report from qualified bank rating services. The rating service may also include the Quarterly Financial condition reports which are submitted to regulatory agencies.*

***FINANCIAL STATEMENTS MUST BE OF THE BANK ONLY AND NOT OF THE PARENT OR HOLDING COMPANY OR CORPORATION.**

8. (A) To offer banking services on the compensation balance method of payment calculated on quarterly or semi-annually basis as agreed upon between the Depository and the City, direct fees or a combination of fees and compensating balances, including, but not limited to: wire transfers, lockbox, holding accounts, coin and currency services, automated bank reporting service, safekeeping, account analysis, account reconciliation, business checking accounts, demand deposit accounts and treasury management systems, availability schedule updates and local clearing house information, credit card programs, and all trust services. In addition, a listing of all current banking fees including ATM user fees should be attached to and incorporated herein to this proposal.

(B) The compensating balance earnings shall be computed and offered to the City as the Bank offers to all of its customers.

(C) All fees for banking services shall be set January 1, 2015 and remain fixed until December 31, 2015 and shall not be subject to change unless agreed to in writing by both parties.

9. To come into, and remain in compliance with, Title Two, Article III, Chapter 221-Contracts of the City Code, during the calendar year of 2015. This includes compliance with Section 221.02(d) of the City Code regarding investment in Northern Ireland.

10. As required by Title Two, Article III, Section 221.02 of the City Code, to attach and make part of this proposal, a sworn statement of the Responder's financial condition, showing the amount of paid-in capital and surplus and its general financial condition, as well as information needed for evaluation of the policies and practices regarding housing and economic development of such depository or potential depository. The information shall be reported

for the institution and its affiliates and subsidiaries in the aggregate.

11. All Depositories must provide the City Treasurer with all Home Mortgage Disclosure Statements, and Community Reinvestment Act statements.

12. Responders must also attach certification of membership in the appropriate Federal Insurance Agency.

13. It should be noted that the City will require all successful Responders to provide proof of:

(a) Membership to Federal Reserve Pool Agreement as per Act 72 of l97l or Membership to Federal Home Loan Bank and,

(b) Federal Tax Identification Number, and

(c) Ability to provide safekeeping for collateral posted in manners not part of any letter of credit or pool arrangements. The City will further require successful Responders to allow inspection of collateral or other measures deemed appropriate by the Director of Finance to verify the pledging of securities or collateral, to be held in the name of the City, at any time. Collateral reports specifying securities used will be due by the third business day of each month for the preceding month.

14. All monthly and quarterly reports not submitted with the proposal should be mailed to:

Margaret L. Lanier, Treasurer
Department of Finance
414 Grant Street
Pittsburgh, Pennsylvania 15219

15. Each active depository shall have a capital and surplus of at least one million dollars ($1,000,000.00) The active and inactive deposits in any bank shall never at any time be in excess of forty (40) percent of its capital and surplus, as shown by the last statement filed by the bank with the Treasurer. The inactive deposits in any mortgage lending institution shall at no time be in excess of forty (40) percent of its net worth, as shown by the last statement filed by the mortgage lending institution with the Treasurer.

_____	_____
Depository	**Authorized Officer**
_____	_____
Date	**Date**

Exhibit B - Community Reinvestment Information

The City of Pittsburgh recognizes that each financial institution focuses on different core areas of Community Reinvestment, and requests complete and measurable responses in the following areas of neighborhood revitalization programs. Pursuant to the City of Pittsburgh Responsible Banking Ordinance, Title II (Fiscal), Article III (Depositories), Section 221.02, any institution that desires a continuing or new designation as a City depository shall submit information for the evaluation of policies and practices regarding housing and economic development of such depository, or potential depository within City of Pittsburgh neighborhoods.

Please note that for Exhibit B, we are only concerned with the statistical data from institutional operations within the boundaries of the City of Pittsburgh.

Section I: Financial and Lending Data

(1) Residential Lending Information

The Lending Data for each type *(applied for and originated during the previous calendar year)* shall be provided for the entire City, and for each census block group if recorded at this census level by the candidate institution, or at the census tract level if the candidate institution does not record data at the block group level. Respondents should report the following categories:

A. One- to four-family home purchase loans, both federally insured and conventional loans *(grouped by census tract income level);*
B. Refinancing of home loans;
C. Home improvement loans;
D. Home equity loans;
E. Multi-family loans;
F. Loans to non-occupant owners of single family housing;
G. Modifications of distressed loans and type of modification, including interest rate reductions, principal reduction, or repayment plans in which the outstanding loan amount increases. Indicate whether the modification was executed under the Federal Home Affordable Modification Program ("HAMP"), another federal program, or the institution's own modification program. *(This section will only be applicable once new federal Home Mortgage Disclosure Act ("HMDA") stipulations are enacted);*
H. Defaults and delinquencies on home loans. *(This section will be reported only for the entire City, not for each census tract);*
I. Real Estate Owned properties.
J. Loans and investments in historic preservation neighborhoods.

(2) Small Business Lending Information

The total number and the total dollar amount of small business loans originated during the previous calendar year in the aggregate for the entire City of Pittsburgh, grouped according to income level of the Census tract where the business is located and revenue size.

The total number and the total dollar amount of small business loans originated during the previous calendar year in the aggregate for minority business enterprises in the entire City.

Loans to small businesses with revenues above $1 million shall be reported separately from loans to small businesses with revenues under $1 million. *(The City depository will use the same data reporting procedures that are federally mandated by the Community Reinvestment Act of 1977 ("CRA"), 12 U.S.C. § 2901 et seq. for reporting small business loans).*

(3) Community development loans and investments
The number and dollar amount of community development loans and investments including loans and investments for affordable housing, small business development, economic development, and community facilities (a) for the entire City, and (b) for each census block group within the City if recorded at this census level by the candidate institution, or at the census tract level if the candidate institution does not record data at the block group level.

The CRA act of 1977 defines community development as; 1) Affordable housing for low- or moderate-income individuals; 2) Community services targeted to low- or moderate-income individuals; 3) Activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administrations Development Company or Small Business Investment Company programs or have gross annual revenues of $1 million or less, or 4) Activities that revitalize or stabilize low- or moderate-income geographies.

A community development loan has the primary purpose of community development. For each loan and investment, the institution shall indicate if the loan or investment was for affordable housing, small business development, community facilities, and other such categories as defined by the CRA.

(4) Branches and deposits
The number of branches by census tract income level, ATMs, and number and dollar amount of deposits for the entire City as of June 30th of the preceding year, including the location of each branch.

(5) Consumer Loan Data
The number and dollar amount of consumer loans for the entire City and for each census block group if recorded at this census level by the candidate institution or at the census tract level if the candidate institution does not record data at the block group level. Price information shall be reported in a manner similar to the federally mandated reporting requirements for HMDA data. *(This shall only be reported by those financial institutions that choose to collect the relevant data for CRA consideration).*

(6) Most Recent Annual Report, including financial data, or SEC 10-K report with quarterly financial updates and other subsequent filings.

(7) Most Recent "Community Reinvestment Act Performance Evaluation" issued by the federal regulatory agency authorized to conduct such evaluations.

(8) Total Number of Loans made by the financial institution.

(9) Total Amount of Loans made by the financial institution.

(10) Total Number of Loans made to residents of the City of Pittsburgh.

(11) Total Amount of Loans made to residents of the City of Pittsburgh.

Section II: Community Reinvestment Plan

Pursuant to the City Code, for 2015, any institution that desires a continuing or new designation as a City depository must submit a Community Reinvestment Plan. Eligible depositories shall submit their Community Reinvestment Plans to the Controller's office for record keeping purposes. Limited purpose banks may submit a Community Reinvestment Plan consistent with their CRA designation that may include only their community development lending, investment, or service activities.

The Plan shall include current and proposed initiatives, services, products, and areas of activity that address the financial needs of the City of Pittsburgh, its residents *(including low- to moderate-income and minority residents)*and businesses *(including women and minority owned businesses)* offered by the financial institution. Respondents should report within the submitted Community Reinvestment Plan, in what manner do current and proposed initiatives, services, products, and areas of activity correspond to the following categories:

(1) Small Consumer Loans, including those that serve as an alternative to payday loans;

(2) Affordable check cashing and other transactional services used by consumers with limited banking accounts or experience;

(3) Participation in City-sponsored neighborhood development programs and consortiums;

(4) Equitable contributions to community based non-profit organizations in the City that engage in neighborhood development;

(5) Provision of full service banking in City neighborhoods, including branches, services and technologies;

(6) Plans to provide and market loans and investment products that help create loans throughout the City, *(including low- to moderate-income neighborhoods and low- to moderate-income consumers)***;**

(7) Plans to provide and market loans and investment products that help create loans to residents of historic communities to promote and enhance housing stock and improve quality of life;

(8) Plans to engage with Community Housing Development Organizations (CHDO) to assist with the development, financing and investment of affordable housing;

(9) Plans to engage with Community Development Financial Institutions (CDFI) to assist with, but not limited to, the development, financing and investment of affordable and market rate housing, and to assist with the development, financing and investment of women and minority owned businesses;

(10) The Community Reinvestment Plan shall also indicate how the depository will match or exceed peer performance in lending and investment to the target groups.

<u>Section III:</u> (Optional) Please provide any other appropriate information articulating your bank's commitment to Community Reinvestment within the City of Pittsburgh and its neighborhoods.

EXHIBIT C

Ordinance amending and supplementing the Pittsburgh Code, Title Two—Fiscal, Article Three—Depositories, Chapter 221—Contracts, by requiring financial institutions seeking to become City depositories to make a commitment to community reinvestment and responsible banking and instructing the City Controller to evaluate banks with which the City does business as to their success or failure in meeting this commitment.

The Pittsburgh Code, Title Two – Fiscal, Article Three – Depositories, Chapter 221 – Contracts, is hereby amended and supplemented as follows:

CHAPTER 221: - CONTRACTS

§ 221.01 - DEFINITIONS

As used in this Chapter, certain terms are defined as follows:

(a) ***ACTIVE DEPOSITORY*** is defined as a financial institution that holds city assets in an account which allows those assets to be withdrawn at any given time by the city.
(b) ***BANKS*** refers to banks and trust companies.
(c) ***CENSUS TRACT INCOME LEVEL*** as a percentage of metropolitan statistical area median, upper level refers to greater than or equal to 120%, middle level refers to less than 120% but greater than 80%, moderate refers to less than 80% but greater than 50%, and low refers to less than 50% but greater than .01%.
(d) ***CITY DEPOSITORY*** means a financial institution receiving municipal deposits.
(e) ***CITY MONEYS*** are funds of the City and other funds for which the City or any officer or employee thereof shall act as custodian or trustee, wherein the legal or equitable title in such funds shall belong to persons, copartnerships, corporations or the federal or state government, or any agency or political subdivision thereof other than the city.
(f) ***COMMUNITY DEVELOPMENT INVESTMENT*** means an investment that has as its primary purpose community development as defined in the Community Reinvestment Act (CRA).
(g) ***COMMUNITY DEVELOPMENT LOAN*** means a loan that has as its primary purpose community development as defined in the CRA, and is not otherwise collected and reported for consideration as a consumer, home or small business loan by the financial institution.
(h) ***COMMUNITY HOUSING DEVELOPMENT ORGANIZATION*** is a not-for-profit community-based service organization whose staff members have the capacity to develop affordable housing for the community it serves and which meets the certification requirements set forth in the Code of Federal Regulations Title 24 Part 92.
(i) ***COMMUNITY REINVESTMENT PLAN*** is a two-year plan describing community reinvestment goals.
(j) ***FULL SERVICE BANKING*** means banking services as defined by the Federal Deposit Insurance Corporation (FDIC) in their Summary of Deposits Reporting Instructions that may include but are not limited to accepting deposits, making loans, opening and closing accounts, having a loan officer on site, normal business hours, full-time staff, phone, PC or web access, and may offer safe deposit facilities.
(k) ***IN-ACTIVE DEPOSITORY*** is defined as a financial institution that holds city assets in an account which does not allow those assets to be withdrawn for whatever period of time designated by the account stipulations.
(l) ***LENDING INSTITUTIONS*** are banks and mortgage lending institutions as defined herein.
(m) ***LIMITED PURPOSE BANK*** means banks and trust companies that, because of their business structure, are designated by their primary bank regulatory

agency as either "Limited Purpose" or "Wholesale" for compliance with the CRA, or do not have a branch office within the City of Pittsburgh.
(n) ***LOW-INCOME*** means less than fifty percent (50%) of the median income for the Metropolitan Statistical Area.
(o) ***LOW- TO MODERATE-INCOME*** means at least fifty percent (50%) but less than eighty percent (80%) of the median income for the Metropolitan Statistical Area.
(p) **MIDDLE INCOME** means at least eighty percent (80%) but less than one hundred and twenty percent of the median income for the Metropolitan Statistical Area.
(q) **UPPER INCOME** means greater than one hundred and twenty percent of the median income for the Metropolitan Statistical Area.
(r) ***MINORITY BUSINESS ENTERPRISE*** means a business for which more than fifty percent (50%) of the ownership or control is held by one or more minority individuals and more than fifty percent (50%) of the net profit or loss accrues to one or more minority individuals.
(s) ***MORTGAGE LENDING INSTITUTIONS*** are state and federal savings and loan associations, building and loan associations, savings banks and mutual thrift institutions which make in excess of thirty (30) percent of all their residential mortgages by number in the City in the twelve (12) months immediately preceding the month in which their bid is offered.
(t) ***NEIGHBORHOOD DEVELOPMENT*** means an organized, community-based effort involving government, non-profit neighborhood groups, financial institutions, private individuals and resident leadership with the purpose of revitalizing residential, commercial and industrial areas in **neighborhoods.**
(u) ***PREDATORY LENDER*** means a business entity that, through itself and/or an affiliate has made, issued or arranged, or assisted others in so doing, within any 12 month period, predatory loans that comprise 5% of the total annual number of loans made, issued or arranged, or 5% of the total annual number of loans which the business entity has assisted others in so making, issuing or arranging.
(v) ***PREDATORY LOAN*** means a threshold or high cost loan that was made under circumstances that involve fraudulent or deceptive acts or practices, including fraudulent or deceptive marketing and sales efforts to sell high cost loans.
(w) ***HISTORIC PRESERVATION NEIGHBORHOOD*** means a neighborhood that has received a local historic designation and/or a national historic designation.
(x) ***COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION (CDFI)*** means a mission driven financial institution which creates economic opportunity through providing credit and financial services to underserved markets and populations.
(y) ***MINORITY LEAD COMMUNITY ORGANIZATION*** means a community organization for which at least 51% of the board is comprised of minority representation.

§ 221.02 - REQUIREMENTS FOR QUALIFICATION

Any institution that desires a continuing or a new designation as a city depository shall submit at the time that institution initially applies to engage in such business and annually thereafter, unless otherwise specified, to the Director of Finance and the City Controller a sworn statement of its financial condition, showing the amount of paid-in capital and surplus and its general financial condition.

Any institution that desires a continuing or a new designation as a city depository shall also submit at the time that institution initially applies to engage in such business and annually thereafter, unless otherwise specified, to the Director of Finance and the City Controller the following information needed for evaluation of the policies and practices regarding housing and economic development of such depository or potential depository. The information shall be reported for the institution and its affiliates and subsidiaries in the aggregate. The information shall be reported for the City of Pittsburgh in a format set by the Director of Finance, unless otherwise specified.

(a) Financial and Lending Data

(1) *Residential Lending Information*. The total number and the total dollar amount of residential loans for one- to four-family dwellings applied for and originated during the previous calendar year in each of the following categories:

A. One- to four-family home purchase loans, both federally insured and conventional loans grouped by census tract income level;
B. Refinancing of home loans;
C. Home improvement loans;
D. Home equity loans;
E. Multi-family loans;
F. Loans to non-occupant owners of single family housing;
G. Modifications of distressed loans and type of modification, including interest rate reductions, principal reduction, or repayment plans in which the outstanding loan amount increases, and an indication of whether the modification was executed under the federal Home Affordable Modification Program (HAMP), another federal program, or the institution's own modification program. This section will only be applicable once new federal HMDA stipulations are enacted;
H. Defaults and delinquencies on home loans. This section will be reported only for the entire City, not for each census tract;
I. Real Estate Owned properties.
J. Loans and investments in historic preservation neighborhoods.

The residential loans for each type shall be provided for the entire City, and for each census tract block if recorded at this census level by the candidate institution, or at the census tract level if the candidate institution does not record data at the block group level. Fixed rate loans shall report separately from adjustable rate loans.

(2) *Small Business Lending Information*. The total number and the total dollar amount of small business loans originated during the previous calendar year (a) for the entire City, (b) for each census tract block within the City if recorded at this census level by the candidate institution, or at the census tract level if the candidate institution does not record data at the block group level, and (c) for minority business enterprises in the entire City (once new stipulations are enacted under the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub.L. 111-203). Loans to small businesses with revenues above $1 million shall be reported separately from loans to small businesses with revenues under $1 million. The City depository will use the same data reporting procedures that are federally mandated by the Community Reinvestment Act for reporting small business loans. (Pub.L. 95-128, title VIII of the Housing and Community Development Act of 1977, 91 Stat. 1147, 12 U.S.C. § 2901, 12 C.F.R. Part 25, Subpart B .42).

(3) *Community development loans and investments*. The number and dollar amount of community development loans and investments including loans and investments for affordable housing, small business development, economic development, and community facilities (a) for the entire City, and (b) for each census tract block within the City if recorded at this census level by the candidate institution, or at the census tract level if the candidate institution does not record data at the block group level. The definition of community development is that of the federal Community Reinvestment Act regulations. For each loan and investment, the institution shall indicate if the loan or investment was for affordable housing, small business development, community facilities, and other such categories as defined by the CRA.

(4) *Branches and deposits*. The number of branches, ATMs, and number and dollar amount of deposits for the entire City as of June 30th of the preceding year, including the location of each branch.

(5) *Consumer loan data.* The number and dollar amount of consumer loans for the entire City and for each census tract block if recorded at this census level by the candidate institution or at the census tract level if the candidate institution does not record data at the block group level. Price information shall be reported in a manner similar to the federally mandated reporting requirements for HMDA data. This shall only be reported by those financial institutions that choose to collect the relevant data for CRA consideration.

(6) The most recent annual report, including financial data, or SEC 10-K report with quarterly financial updates and other subsequent filings.

(7) The most recent "Community Reinvestment Act Performance Evaluation" issued by the federal regulatory agency authorized to conduct such evaluations.

Except where otherwise specified, the information shall be made on forms provided by or prescribed by the Director of Finance.

(b) All financial institutions participating in the bid process pledge to make the best efforts to:

1. Develop responsible lending and financing opportunities to support residential and commercial development of the City's neighborhoods and execute the Community Reinvestment Plan submitted to the City.

Such efforts shall include, but are not limited to:

A. The presence of identifiable trained loan officer professionals with a clearly defined focus on "neighborhood development" finance;

B. Cooperation with and support of non-profit neighborhood development organizations in the successful implementation of "neighborhood development" finance, through vehicles such as grants, below-market financing and equity investments;

C. A willingness to participate in the financing of publicly-subsidized neighborhood development projects;

D. A commitment to affirmatively market and make available banking services throughout the City's neighborhoods;

E. A commitment to safe and sound financial products and investments, adhering to federal and local anti-discrimination laws, and a commitment to affirmatively serving communities of color and low- to moderate-income communities;

F. The submission of the information required by this statute to the Director of Finance and the City Controller on an annual basis.

(c) Community Reinvestment Plan

Every two years current city depositories and any eligible financial institution seeking to become a city depository shall submit a Community Reinvestment Plan. Limited purpose banks may submit a Community Reinvestment Plan consistent with their CRA designation that may include only their community development lending, investment, or service activities. The Plan describes current and proposed initiatives within the City of Pittsburgh to address the financial needs of the City, its residents and businesses, including low- to moderate-income and minority residents, and shall include, to the extent offered by the financial institution, qualitative discussion of the following services, products, and areas of activity:

(1) Small consumer loans, including those that serve as an

alternative to payday loans;

(2) Affordable check cashing and other transactional services used by consumers with limited banking accounts or experience;

(3) Participation in City-sponsored neighborhood development programs and consortiums;

(4) Equitable contributions to community based non-profit organizations in the City that engage in neighborhood development;

(5) Provision of full service banking in City neighborhoods, including branches, services and technologies;

(6) Plans to provide and market loans and investment products that help create loans throughout the City, including in low- to moderate-income neighborhoods and to low- to moderate-income consumers;

(7) Plans to provide and market loans and investment products that help create loans to residents of historic communities to promote and enhance housing stock and improve quality of life;

(8) Plans to engage with CHDOs to assist with the development, financing and investment of affordable housing;

(9) Plans to engage with CDFI's to assist with, but not limited to, the development, financing and investment of affordable and market rate housing, and to assist with the development, financing and investment of women and minority owned businesses.

(10) The Community Reinvestment Plan shall also indicate how the depository will match or exceed peer performance in lending and investment to the target groups.

No depository shall be designated as an eligible depository under this statute unless it has executed a Community Reinvestment Plan. Eligible depositories shall submit their Community Reinvestment Plans to the Controller's office for record keeping purposes.

(d) (1) Any bank or other lending institution desiring to qualify as a depository of funds shall invest in the stocks, securities or other obligations of any company doing business with or actually operating in Northern Ireland subject to the provisions of this subsection.

(2) On or before January 1 of each year, those City officials and the departments which have fiduciary responsibility for the investment of City moneys shall determine the existence of affirmative action taken by companies actually operating in Northern Ireland to eliminate ethnic or religious discrimination based on actions taken for:

A. Increasing the representation of individuals from underrepresented religious groups in the workforce including managerial, supervisory, administrative, clerical and technical jobs;

B. Providing adequate security for the protection of minority employees both at the workplace and while traveling to and from work;

C. The banning of provocative political emblems from the workplace;

D. Publicly advertising all job openings and making special recruitment efforts to attract applicants from underrepresented religious groups;

E. Providing that layoff, recall and termination procedures should not in practice favor particular religious groupings;

F. The abolition of job reservations, apprenticeship restrictions and differential employment criteria, which discriminate on the basis of religion or ethnic origin;

G. The development of training programs that will prepare substantial numbers of current minority employees for skilled jobs,

including the expansion of existing programs and the creation of new programs to train, upgrade and improve the skills of minority employees;

H. The establishment of procedures to assess, identify and actively recruit minority employees with potential for further advancement; and

I. The appointment of senior management staff members to oversee affirmative action efforts and the setting up of timetables to carry out affirmative action principles.

(3) Consistent with sound investment policy, any bank or lending institution accepting deposits as a depository hereunder shall invest its funds in the manner that the investments in companies doing business with or actually operating in Northern Ireland shall reflect the advances made by the companies in eliminating discrimination according to the principles set forth in this subsection.

(4) *Identification of companies.* United States companies, their subsidiaries or affiliates operating in Northern Ireland shall be identified by cumulative reference to the documents and directories of U.S. Corporations in Northern Ireland, compiled by the Investor Responsibility Research Center and to relevant publications by the United States Department of Commerce. (Ord. 15-1988, eff. 8-15-88)

§ 221.03 - DEPOSITS AND INVESTMENTS IN INSTITUTIONS PRACTICING PREDATORY LENDING PROHIBITED

The Director of Finance shall not keep any City funds on deposit in any bank, its affiliates, or other financial institution that makes predatory home loans, abusive payday loans, or other unscrupulous non-home loan or financial products.

The Director of Finance shall not allow City monies to remain invested, or hereafter make investments in, stocks, securities, or other obligations of any business entity that makes predatory home and non-home loans, or has an affiliate that, or is an affiliate of a bank or other financial institution that makes predatory loans.

The Director of Finance shall not allow City monies to remain invested, or hereafter make investments in, securities collateralized by any interest in predatory home and/or non-home loans.

Any divestiture required by this section shall be completed within six months of a determination by the Director of Finance or the City Controller that a business entity makes predatory loans, or has an affiliate that, or is an affiliate of a bank or other financial institution that makes predatory loans. During the six-month period, the Director of Finance shall make regular reports to the City Council concerning the progress of divestiture. If, prior to expiration of the six-month time limit for divestiture, the Director of Finance determines that completion of divestiture within the six-month time limit will necessitate substantial losses to the City then the Director of Finance shall request from City Council an extension of time within which to complete divestiture.

§ 221.04 - NOTICE OF PROPOSED BRANCH CLOSINGS

Each contract with a depository shall contain a requirement that the depository provide written notice to the Mayor and the Director of Finance ninety (90) days prior to the closing of any branch of such depository located within the City. The notice shall identify the location of the branch, the date on which it is anticipated that the branch will close and the reasons for closing the branch.

§ 221.05 - NOTICE OF PROPOSED BRANCH OPENINGS

Each contract with a depository shall contain a requirement that the depository provide written notice to the Mayor and the Director of Finance thirty (30) days prior to the opening of any branch of such depository located within the City. The notice shall identify the location of the branch and the date on which it is anticipated that the branch will open.

§ 221. 06 – CREATION OF REINVESTMENT REVIEW COMMITTEE (RRC)

The city shall create a Reinvestment Review Committee, a committee that shall act in an advisory capacity to the Director of Finance. The City Controller shall compile the provided information and prepare a report comparing the banking and lending institutions to their peers. The committee shall assist the City Controller in evaluating the performance of financial institutions; assess the Community Reinvestment Plan and make formal recommendations to the Director of Finance.

(a) The RRC shall be composed of 9 members, including:

(1) The Director of Finance,
(2) The executive director of the Urban Redevelopment Authority,;
(3) The director of the Mayor's Office of Neighborhood Initiatives,;
(4) The Finance Committee Chair of City Council
(5) Two members of City Council, appointed by the President of Council,;
(6) The City Controller, who shall serve as Chair, or his/her representative;
(7) Two members of community-based organizations whose principal purpose is community and/or economic development appointed by City Council and approved by the Mayor. Of the two appointees, one must be a representative of a minority lead community organization.

The Director of Finance, Executive Director of the Urban Redevelopment Authority, Director of the Mayor's Office of Neighborhood Initiatives, Council Finance Committee Chair, and City Controller shall serve for the duration of their tenure. All other members shall serve 4 years, or two review processes.

(b) A vacancy shall have occurred if:

(1) A member's term has expired.
(2) A member is deemed ineligible due to the failure to meet the membership qualifications.
(3) A member submits a formally written resignation communicated concurrently to the Mayor and the City Council
(4) A vacancy results from a member's death.

(c) Upon a vacancy, the following procedure shall be followed to fill the vacant seat:

(1) The chair will submit a written communication to City Council and the Mayor informing them of the vacancy or vacancies and requesting a new nomination.
(2) If a vacancy exists for more than sixty (60) days without written notice from the chair, Council shall forward its nomination within thirty (30) days following conclusion of the sixty (60) day period in which the Chair failed to provide written notice of a vacancy. If Council fails to submit a nomination within the thirty (30) day period, the incumbent is automatically appointed for a subsequent term for vacancies that result from expired terms. For all other vacancies, the Chair of the RRC shall appoint the vacant seat.
(3) The Mayor shall make all appointments to fill vacancies from nominations provided by City Council via resolution. Council shall provide three recommendations per vacancy to the Mayor within 30 days of receiving written notification from the chair.
(a) If the Mayor fails to approve one of the nominees within

thirty (30) days, Council reserves the right to confirm a qualified nominee via resolution within fifteen (15) days following conclusion of the thirty (30) day period in which the Mayor failed to approve a nominee. The appointment shall be made from the list of three (3) nominees that was submitted by resolution to the Mayor.

(b) If Council fails to confirm a qualified nominee via resolution within fifteen (15) days following conclusion of the thirty (30) day period in which the Mayor failed to approve a nominee, the Chair of the RRC shall appoint the vacant seat.

§ 221. 07 - EVALUATION OF FINANCIAL INSTITUTIONS

The City Controller, on an annual basis, shall review and evaluate the information contained in the public sections of evaluations and reports of financial institutions prepared by federal and state agencies pursuant to the Community Reinvestment Act of 1977, as amended. A financial institution must meet at least a satisfactory CRA rating in order to be deemed a qualified depository.

The City Controller, on an annual basis, shall review and evaluate the information contained in the most recent disclosure statements filed by financial institutions pursuant to this Article. In addition, the City Controller shall review any information deemed necessary or desirable in evaluating the performance of financial institutions

For financial institutions with a CRA rating of satisfactory or higher, the RRC, on an annual basis, shall provide input on the score of the overall financial and community reinvestment performance of financial institutions under contract with the City. For each financial institution receiving City deposits, The City Controller shall assign a numerical score between 1 and 5, with 1 being poor performance and 5 being excellent performance, for each of the following criteria. Financial institutions shall be evaluated only on those criteria which are relevant to their activities.

(1) Qualitative evaluation of the financial institution's performance as it relates to the stated goals of the institution's most recent Community Reinvestment Plan.

(2) The City's average return on investment with the institution, commensurate with the services being provided.

(3) The percentage of one- to four-family home purchase loans to low income and low- to moderate-income borrowers within the City of Pittsburgh in the preceding year.

(4) The percentage of one- to four-family home loans to borrowers purchasing in low- to moderate-income census tract blocks within the City of Pittsburgh in the preceding year by low, Low-to Moderate, Middle and Upper Income, if recorded at this census level by the candidate institution or at the census tract level if the candidate institution does not record data at the block group level.

(5) The percentage of home improvement loans to borrowers in low- to moderate-income census tract blocks within the City of Pittsburgh in the preceding year by low, Low-to Moderate, Middle and Upper Income, if recorded at this census level by the candidate institution or at the census tract level if the candidate institution does not record data at the block group level.

(6) The percentage of small business loans to businesses located in low- to moderate-income census tract blocks within the City of Pittsburgh in the preceding year if recorded at this census level by the candidate institution or at the census tract level if the

candidate institution does not record data at the block group level.

(7) The percentage of small business loans to businesses within the City of Pittsburgh in the preceding year as defined by section 221.02(a)(2) under "Requirements for Qualification".

(8) The dollar amount of community development loans as a percentage of market share within the City of Pittsburgh in the preceding year.

(9) The dollar amount of community development investments as a percentage of market share within the City of Pittsburgh in the preceding year, which includes dollar amount of grants and loans invested into CHDOs and CDFI's.

(10) The dollar amount of CRA eligible grants and investment (state tax credits) as a percentage of market share within the City of Pittsburgh in the preceding year.

(11) The number of bank branches in low- to moderate-income census tract blocks as a percentage of the total number of branches within the City of Pittsburgh.

(12) Every two years the City Controller may establish additional evaluation criteria to better understand the overall impact the bank or financial institution has on the City. Examples include, but are not limited to, staff volunteer hours towards community and economic development, philanthropic work, etcetera.

The numerical scores for each of the criteria listed above shall be averaged together to obtain an overall numerical score of 1 to 5 for each financial institution. This shall be the institution's "Responsible Banking and Neighborhood Reinvestment Score." A draft of the scores awarded for each category and the final score shall be submitted as a memo to each financial institution evaluated and each institution shall be provided a thirty (30) day period for further discussion with the City Controller. At the end of this thirty (30) day period a final score shall be decided upon.

The institution's Responsible Banking and Neighborhood Reinvestment Score shall be one of the factors, together with an analysis of the institution's overall financial health and range of services offered to the City, used to determine at what level the City will continue to do business with the financial institution. An institution which receives a score of 3 to 5 shall be deemed a qualified depository, while an institution which receives a score of 1 or 2 shall be deemed unqualified.

Upon review of the City Controller's report, the RRC may recommend to the City Controller one of the following, with the City Controller responsible for making the final recommendation:

(1) Increasing the level of City banking business held by a financial institution that scores in the top 10% of local reinvestment performance; and

(2) Withdrawing City banking business from a financial institution that scores in the bottom 10% of local reinvestment performance; and

(3) Taking other such steps, consistent with sound fiscal practice and applicable law, as may be necessary or desirable.

The City Controller's annual evaluation of financial institutions under contract with the City shall be presented as a report to the Director of

Finance within thirty (30) days of completion. This report shall include a detailed accounting of each institution evaluated, the criteria each institution was evaluated on, the numerical score awarded for each category, the final Responsible Banking and Neighborhood Reinvestment Score, a designation of "qualified" or "unqualified", and a set of recommendations made by the RRC. A summary report shall be presented to the City Council within thirty (30) days of completion. The information presented in this summary report shall be limited to a list of each financial institution evaluated, the criteria that each institution was evaluated on, and a designation of "qualified" or "unqualified" for each institution.

§ 221. 08 – EVALUATION OF FINANCIAL INSTITUTIONS REVIEW PERIOD

The first year of the City Controller's evaluation process (2013) shall be considered a "review period" to determine if the process is effective in achieving the desired results and if the data collected is sufficient to make recommendations. The recommendations made in this review period shall not be used to increase or decrease funding levels for any City depository.

Beginning in 2014 the City Controller's recommendations shall be presented and considered
pursuant to this Article.

§ 221. 09 - AWARD OF BANKING BUSINESS

The Director of Finance shall issue a Request for Proposals/Request for Qualifications (RFP/RFQ) for depository services once each year.

The Director of Finance, upon receipt of proposals, shall evaluate them based upon their annual disclosures, the most recent rankings and recommendations provided by the RRC, and any other factors deemed necessary for the good of the City. The Director of Finance shall submit the proposals from potential depositories to City Council with recommendations. Council shall authorize those proposals that meet the standards set forth in this Article and are most advantageous to the City. The Director of Finance and the City Council shall make every effort to recommend and authorize a diverse group of depositories which includes banks of all sizes.
Council shall designate to the Director of Finance the active and inactive depositories for each ensuing year, specifying at least two (2) banks which shall be active depositories for general fund accounts, at least one (1) bank which shall be the active depository for bond fund accounts and other banks as Council shall deem necessary as active depositories for all other accounts.

The Mayor and the Director of Finance, upon Council approval, are authorized to enter into new or to extend existing contracts with the financial institutions designated by Council to act as depositories for the next ensuing fiscal year if the qualifications set forth in Chapter 221.02 of this Article are met.

The financial institution shall enter into a written agreement under its seal with the City to accept and comply with all the conditions and provisions of this Title and contracts and agrees to accept all the City moneys tendered to it and to pay the interest, if any thereon, in accordance with this Title, and to safely keep and pay over all such moneys deposited with it. By accepting the deposit and executing the agreement aforesaid, the financial institution shall be held to agree to these provisions for itself, its successors and assigns.

City monies shall not be deposited in any bank which has not been designated by Council as herein provided

§ 221.10 - LOCK BOX SYSTEM

The Treasurer is hereby authorized to establish a "lock box" system with a bank which Council has designated as a depository and with which the City has entered into a depository contract, whereby the bank will deposit, including but not limited to incoming real estate tax payments, water bill payments, and delinquent sewage payments, withheld Earned Income tax (PGH-40) payments, mercantile tax payments, business privilege tax, and institution service privilege tax and amusement tax, parking tax, personal property tax and any other tax or license or fees, into a temporary interest-bearing holding account and will forward the accompanying tax or billing document and a copy of the check or other means of payment to the Treasurer's Office for routine processing, following which, if the payment is proper, a single check shall be drawn on the temporary interest-bearing holding account for deposit in the proper City account. Any temporary interest-bearing account shall be subject to audit at any time by the City Controller. Whenever the bank deposits incoming tax payments in a lock box system holding account, the bank is deemed an agent of the City for the purpose of the collection of the tax and, as such, is bound by the provisions of statutes and ordinances governing collection of the taxes, including provisions of confidentiality.

§ 221.11 - HOLDING ACCOUNT

The Treasurer is hereby authorized to establish a holding account with a bank which Council has designated an inactive depository and with which the City has entered into an inactive depository contract, whereby the Treasurer will deposit incoming payments of self-assessed taxes into a temporary interest-bearing holding account. Following the routine processing of the related tax documents, a single check shall be drawn on the temporary interest-bearing holding-account for deposit in the proper City account. The temporary interest-bearing account shall be subject to audit at any time by the City Controller.