

Testimony of Mayor Dannel Malloy - Federal Reserve Bank of New York

June 25, 1998

I am Mayor Dannel Malloy. I would like to begin by thanking you for the opportunity as the Mayor of Stamford, Connecticut to testify on behalf of Citibank. Stamford is the Connecticut headquarters for Citibank. Since the bank opened its first of seven branches only four years ago, I have been impressed with the Bank's commitment to be a major community force in Stamford and within the State of Connecticut.

As the Mayor of the 4th largest city in Connecticut with the 3rd largest concentration of Fortune 500 corporate headquarters in the country - I know first hand that corporate partners like Citibank are vital to continued urban growth. If Citibank's current activities are a reflection of broader available resources that result from the Citicorp/Travelers Group merger, then I can only look forward to stronger partnerships with the proposed Citigroup in Stamford and throughout the State.

To illustrate the depth of the Bank's commitment to the community, I would like to highlight **three key areas** of creative initiatives that Citibank has lead.

FIRST KEY AREA - EDUCATION

Citibank and the City of Stamford share a personal commitment to the excellence of public education for children of all ages.

Citibank has partnered to spearhead TWO Stamford School Readiness Programs.

These programs promise that all Stamford children will have an opportunity to be ready to learn before entering school. The initiatives are:

1. The Hillandale Child Development Center . - This will be the first program in the state to fully integrate state-of-the-art learning strategies with health, nutrition and parenting modules in a child care environment for pre-school children.
2. Success By 6 - Citibank is a key member of the Leadership Council. Success-By-6 will ensure that all children enter kindergarten with the foundation needed to prepare them to succeed in school.

In addition to the above educational activities Citibank:

- * Adopted the Hart Magnet School Read-A-Loud program
- * Received major awards for Junior Achievement of Southwestern Connecticut
- * Funded Connect'96 - Established Internet access for both Stamford High Schools.
- * Developed and implemented a summer associate program with The Urban League of Southwestern Connecticut.

SECOND KEY AREA- HUMAN AND SOCIAL SERVICE.

Two examples of leadership:

1. Citibank helped plan and fund with the City of Stamford, United Way and Infoline, The Infoline Referral Center. The center is a unique staffed "storefront" operation offering community agency information, access to caseworker services and job shopping through a Department of Labor kiosk. The referral center is the

result of the partners concern that people moving from welfare -to-work needed a place to connect with local, regional and statewide agencies that can help them become self-sufficient.

2. Sheryl Adkins Green , Citibank F.S.B. President will serve as Chair of the United Way of Stamford 1998-99 fundraising campaign which will raise over \$2 million for local agencies. This is another example of the personal commitment Citibank's senior management demonstrates.

THIRD KEY AREA - ACCESS TO CREDIT FOR LOW-AND MODERATE-INCOME AREAS AND HOUSEHOLDS.

Citibank is an active lender in all Stamford neighborhoods. The Bank has made substantial inroads into the Enterprise Zone with small business loans to help retain jobs and help businesses grow. Additionally, the leadership of the Community Development Loan Program is well recognized.

The bank became a pacesetter two years ago for new Connecticut banks when it committed \$1 million to the Housing Development Fund for affordable housing in the City and directed more than \$2 million in community development investments to Bridgeport, Norwalk and Stamford. Citibank loans have extended to statewide initiatives including a \$2 million loan for the Connecticut Preservation Loan Fund and an approval to fund \$3 million for a Child Care Loan Fund this month.

Citibank knows that money alone cannot build neighborhoods. Therefore, in 1995 the bank helped establish a Fairfield County Local Initiatives Support Corporation office located in Bridgeport.

I would like to conclude my testimony with Benefits of the proposed Merger for the community of Stamford and the State of Connecticut.

Unlike the traditional in-market bank merger that I have seen in Connecticut where physical locations overlap and savings are achieved by consolidation, the formation of Citigroup is different. This merger will not eliminate available resources as other mergers have; rather the combination will greatly increase the value and convenience for customers through offering access to a broader range of high quality financial services and products, all from one convenient location in Stamford and other Connecticut sites.

Additionally, the wide range of products and services offered by the combined company will add breadth and depth to the career opportunities in Connecticut. The stronger company will bring more jobs.

As I stated at the beginning of my testimony, I believe that the merger of Citicorp and Travelers Group will only enhance the Bank's deep commitment of human and financial capital to Stamford and the State of Connecticut.

Thank You.



STEPHEN B. KAUFMAN
Assemblyman 82nd District

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I am Assemblyman Stephen B. Kaufman and I represent the 82nd Assembly District in the Bronx. My districts' boundaries Co-op City, Throggs Neck, Eastchester Gardens, Westchester Square and Castle Hill Avenue.

I am here today to tell you that Citibank has demonstrated again and again its commitment to the social and economic well-being of the Bronx, and as the borough undergoes a renaissance in many of its neighborhoods, Citibank has been there to play a major role.

Citibank has focused its resources, technical assistance, leadership and grants to foster business development, home ownership, comprehensive economic development and educational programs for schoolchildren, high school students, and college students, as well as welfare to work participants.

Citibank fervently seeks to ensure that the unique needs of senior citizens are not only met, but also exceeded through superior service and customer satisfaction. In fact, Citibank's work with legislators like myself and community leaders led to innovative and creative initiatives that have resulted in safer, more convenient alternatives to accomplish their banking.

For example, while responding to the need for greater education around direct deposit and familiarity with using the phone for banking. Citibank also discovered and responded to the need for transportation services and protection against con games.

In response to concerns expressed by seniors in the Pelham Manor/Co-op City area, Citibank offered to present its consumer education series to seniors on a range of issues from how to use ATM's and PC banking; how to access basic checking; how to call into its phone service and speak with a representative; and how to protect themselves from con games. Citibank consumer educators worked one-on-one with seniors to teach them what to watch for and how to protect themselves. From one of these sessions with seniors at Co-op City's Einstein Loop Senior Center, Citibank learned of seniors' concerns over access to their branch and a discomfort with direct deposit.

As a result of this meeting, when the Citibank branch closed in Co-op City, Citibank set up a free shuttle bus so seniors could continue to bank with Citibank at another branch. The shuttle bus also allowed time for the seniors to do shopping at a nearby mall. Through this initiative, every participant in the shuttle bus program is signed up for direct deposit, showing that seniors will respond when you take the time to work with them. Through the consumer education program, Citibank also worked one-on-one with senior citizens who travel often to Puerto Rico and Florida. Many seniors were not aware that Citibank offers free bill payment services through its 1-800 service

line. In one instance, a senior was able to avoid surcharges on her rent when she was in Puerto Rico by having Citibank pay her bills. Overall, Citibank consumer educators have conducted over 600 seminars in English and Spanish, 20% of which were conducted in the Bronx in senior citizen centers, schools, hospitals and local businesses.

Beyond the bricks and mortar of its branches, however, Citibank uses the strength of its human resources to invest time, leadership and technical assistance to community groups and residents. In my own district, Citibank staff has volunteered for the 45th Precinct's "Night Out Against Crime" and other health fairs in Co-op City and Throggs Neck assisting in the creation of KidCare ID Cards for hundreds of area schoolchildren. Citibank has also co-sponsored with me a wonderful summer bus trip for senior citizens who were treated to an all day picnic and barbecue. Citibank staff spent the entire day with me at the barbecue pit, cooking and making sure that over 150 seniors had a great day to remember. This is surely dedication to the community.

Staff at the Citibank branch on Castle Hill Avenue found out I was sponsoring a teddy bear drive for the physically and emotionally abused children who are brought into the Montefiore Child Protection Center and immediately took up my cause and collected over 200 teddy bears for the children. These are the kind of wonderful people who are the backbone of this institution. Citibank has worked hand-in-hand with many community associations in my district on numerous different issues. Citibank has also participated in Read Aloud programs in schools in my district and has also

taken part in a clothing drive for people making the transition from welfare to work. In my community, Citibank has surely made a difference.

In the Bronx last year, through its Partnership in Progress program, Citibank committed \$150,000 to three creative and innovative community development corporations for the creation of affordable housing, commercial stores and community revitalization.

For 25 years, Citibank has had a long standing commitment to improving the quality of life in the communities it serves. It is clear from these activities in my Assembly district and also those throughout the Bronx that Citibank demonstrates its pledge to CRA by providing access to the highest quality financial services and products, making them available to everyone regardless of where they live or how much they earn. I look forward to continuing my office's strategic partnership with Citibank to effect positive change in the Bronx.