



# ***PNC Community Development Banking***

***TFEC Presentation  
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# PNC's Commitment to Low and Moderate Income (LMI) Communities

## **Who is a typical LMI consumer?**

- College students, seniors, teachers, civil employees, many working Americans

*In keeping with a long tradition of exceptional community service, PNC, through Community Development Banking, delivers on the organization's commitment to leadership in community development lending and investment, services, financial education and affordable housing programs.*





# Building Better Communities

## **CDB Team role:**

- Provide financing expertise to community-based organizations or real estate developers
- Provide direct support and services to LMI communities
- Reinforce PNC's position in the community as a strong and sincere corporate citizen
- Ensure that PNC is a trusted partner in the communities we serve
- Build strong relationships with non-profits, public and private developers and other key stakeholders whose focus is the (LMI) consumer or community.

## **Range of activities include those focused on:**

- Affordable Housing
- Revitalization and Stabilization of LMI Areas
- Economic Development
- Community Services

## **Relationship development that goes beyond banking and support services:**

- Work with local, state and federal government agencies
- Assist in locating alternative sources of technical, financial or investment support

# Community Development Lending & Investing



## **Community Development Lending - a commitment to building a better community**

- PNC responds with creativity and flexibility
- Collaborates with local, state and federal agencies
- Economic development or revitalization projects
- Working Capital financing is also provided to businesses, both profit and non profit, located in LMI areas.

## **Community Development Investments — stimulating community development & economic revitalization**

- Provides strategic investments into community based organizations
- Provides nontraditional capital for high-impact development projects
- Provides capital for reinvestment into local businesses.





# Financial Education and Empowerment

## **PNC's Educational Activities**

- Community outreach classes
- Branch educational activities
- Adult education with 15 proprietary workshops on a variety of topics
- The most commonly taught courses are also available in Spanish

## **Partnership with American Bankers Association (ABA)**

- Deliver the ABA's Teach Children to Save education series
- Tailored for children from kindergarten through 12th grade



## **Annual Service**

- PNC staff performs over 1,000 financial education activities
- Serves approximately 10,000 consumers through retail service area

## **Empowering LMI consumers**

- Financial success
- Commitment to increasing opportunities
- Outreach
- Charitable giving
- Technical assistance

# Affordable Housing and Home Ownership

PNC is committed to helping our customers not only **obtain** homeownership, but to **sustain** it. We offer *Affordable Mortgage programs* with special product features to help low/moderate income communities with their home ownership goals.



- Offers home buyer education programs
- Classes include:
  - Budgeting
  - Credit management
  - Shopping for a mortgage
  - Settlement

# Community Development Services

## Community Consultants

- 25 staff members within the PNC Retail market
- Deliver direct services to LMI communities
- Purpose: act as a local go-to person for financial education, LMI consumer programs and community needs
- Serves as a content expert and advisor
- Manages relationships with local non-profits & service agencies
- Serves on non-profit boards, loan committees and advisory councils



# Charitable Investments



- Provides charitable support to non-profit organizations that assist LMI consumers and communities
- PNC's purpose: make LMI neighborhoods a more pleasant place to live
- Identifies financial needs within LMI neighborhoods
- Advocates millions of dollars in PNC Foundation funding
- Activities include local events, fundraisers and celebrations



# Capacity Building Organization Expense Containment/Control

## **Mission: Needs Assessment – Current and Future Trends**

- What is the need/demand for the service you offer now and in the future
- How will Public Policy Federal/State/Local effect your organization?
- Merger?

## **Collaboration – Shared Administrative Staff Model & Community Assets**

- Is there an opportunity to share administrative staff/HR/Training/Maintenance with another organization
- Can a Community Asset Resource pool be created?

## **Own or Lease space – Pros/Cons**

- Overhead/payment in lieu of taxes carrying costs, capital expenditures, insurance
- Long Term Asset vs. Lease
- Virtual Offices

# Capacity Building Organization Expense Containment/Control

## **Service Delivery Model-Technology-Web Based Platforms**

- On Line “Virtual” Meetings/Web Based Trainings (CBT’s)
- Cross Train Staff multiple job functions
- Cooperative Transportation?

## **Collaboration with Organizations-Symbiotic Relationships**

- Contract Employee/organizations
- Referral Network/Incentive-non and for profit partnerships

## **Professional and Overhead Collaborative Cooperation**

- Employee Benefits, Health Care, Retirement, Flex Schedule, Cooperative Insurance/Energy Consortiums
- Shared Staff model

# Capacity Building Revenue Growth/ Diversification

## Mission-Needs Assessment-Current and Future Trends

- What is the need for the service you offer now and in the future
- How will Public Policy Federal/State/Local effect revenue
- Mission Drift-Following the Funding.....

## Non-Profit and For-Profit Affiliate-Does it Make Sense

- Is the mission of your organization conducive to a for profit affiliate
- Business Plan for cost/revenue comparison/sharing
- Limited Partnerships with For-Profits?

## Fee For Service Model

- Is there demand from the consumer, private or public sector
- Understand market niche, competition-business plan

# Capacity Building Revenue Growth/ Diversification

## Organizational Capacity

- Role of Board in Fund Raising-Give or Get Policy
- Development Position-Fund Raising
- Merger?

## Fundraising-Sponsorships vs Grants vs Tax Credits

- Capital Campaigns When and Why?
- Sponsorships, Grants, and Tax Credits
- Fundraising multi-event overload

## Multi Organizational Collaboration for Funding

- Collaborative Grant writing
- Consortiums-MOU-\$'s follow client



# Capacity Building Board of Directors

## **Board Development/Capacity**

- Determine Current Board Skill Sets and those Needed
- Diversify the Board to reflect the organizations constituents
- Understand the value statement for a Board member

## **Governance**

- Do your By-Laws address term limits
- Term Limits Pros/Cons

## **Board of Directors-Give or Get \$ Policy**

- What is a Give or Get Policy
- Pros/Cons of Give or Get

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