

MEMORANDUM OF UNDERSTANDING
Community Reinvestment and Financial Wellness

This Memorandum of Understanding (“Agreement”) is entered into as of _____ 2024 among KeyBank N.A. (“Bank” or “KeyBank”), and the City of Cleveland (“City”) (collectively the “Parties”).

WHEREAS the Parties share the goal of serving the City of Cleveland, particularly those within low-to-moderate income (“LMI”) and/or majority minority neighborhoods (Definitions: Exhibit A); and

WHEREAS, the Parties wish to enter into a joint commitment outlined in this MOU (which will serve as the “Community Reinvestment Initiative Agreement”) regarding community reinvestment within the City containing provisions acceptable to the Director of Community Development in order to continue depository status under 178.05 Ord. No. 868-2019. Passed 8-21-19, eff. 8-26-19), detailing their various responsibilities for the commitment.

The ability of KeyBank to meet the commitments set forth within the MOU is subject to favorable market, legal and regulatory conditions during the applicable time periods as well as other assumptions, risks, and uncertainties, many of which are outside of the control of KeyBank.

The Bank and the City agree to the following:

- A) Maintain semi-annual appointments between the Parties to share progress made and plan collaborative opportunities.
- B) The Bank will provide community lending and investments metrics to the City on an annual basis using an agreed upon metrics and reporting template (Metrics & Reporting Template: Exhibit B).
- C) The Bank will amend metrics and reporting based on the 1071 Rulemaking, following the mandatory compliance date for KEYBANK under regulation (12 CFR §1002), updated 2023 CRA Modernization Rule, and other federal regulatory changes as they could impact some reporting metrics and timelines.

The Bank commits to the following Community Reinvestment and Financial Empowerment initiatives:

Home Lending

- 1. Provide affordable lending products (such as Key Community Mortgage, FHA, VA Loans, and Special Purpose Credit Programs) with the goal of supporting lending in LMI and majority minority and census tracts.
- 2. Provide small dollar (\$100,000 or less) residential mortgages in LMI and majority minority areas.

Small Business

- 1. Offer a small business technical assistance program that provides guidance, mentorship, and resources to help small businesses thrive, promoting economic development and job creation.
- 2. Offer small business wellness review to analyze and coach business owners in their financial journey. Through this process, KeyBank helps small businesses utilize products and services

applicable for their small business needs. This can include leveraging outside resources and capitalizing on opportunities afforded to businesses located in LMI neighborhoods.

3. Explore opportunities to create a special purpose credit program focused on providing access to capital for minority-owned businesses in LMI and/or majority minority neighborhoods.
4. Offer a referral program with Community Reinvestment Fund, a national Community Development Financial Institution, where declined small business applications will be referred to CDFIs for a second look at approval through the CDFI.

Community Development/Affordable Housing

1. Provide real estate financing for affordable housing (single-family scattered development and multifamily housing) and community development loans and investments.
2. Provide equity investments through Key Community Development Corporation (KCDC), in low-income housing, historical rehabilitation, small business investment companies (SBICs) and community development venture capital funds.
3. Provide CDFI Loans to qualified financial intermediaries providing small business, affordable housing, and homeownership loans and investment opportunities.

Underbanked Products & Services

1. Provide a “Bank On” certified deposit product and participate in the Cleveland Bank On Coalition.
2. Provide “Bank On” aggregated data to the Bank On National Data Hub.
3. Offer a secured credit card with the goal of helping Cleveland residents build their credit history.

Community Development Services & Volunteering

1. Pursue a partnership with the City of Cleveland and Cleveland Metropolitan School District to provide financial empowerment programs, workshops, and resources to empower students with essential financial skills.
2. Continue to provide financial empowerment workshops on topics related to personal finance, small business and home buyer education to Cleveland’s LMI and majority minority neighborhoods.
3. Continue to actively encourage its employees to volunteer their time and expertise by serving on boards and commissions.

Philanthropy

1. Provide grants and community development services to local community development financial institutions (CDFIs), community development corporations (CDCs), and non-profit organizations.
2. Provide philanthropic grants to majority Black and/or Hispanic led or serving organizations.
3. Actively seek opportunities to provide grants that leverage and augment the City of Cleveland's investments.

Community Sponsorships

1. Provide up to \$3 million in sponsorships throughout Cleveland to support community efforts of non-profit organizations, and support churches, non-profits, and Community Development Corporations (CDCs) to host community events sponsored by with KeyBank, focused on

fostering stronger relationships and building trust between the community and financial institutions. These sponsorships would support financial empowerment.

Diversity, Equity, and Inclusion

1. Maintain the presence of trained personnel in mortgage and commercial lending and investments with a defined focus on “neighborhood development” financing in LMI and minority neighborhoods as defined in section 178.04 of the codified ordinances of Cleveland.
2. Provide community lending days at Public Square, E.105th, and E.36th, and offer 1:1 financial wellness review for City of Cleveland employees at Public Square branch.
3. Continue efforts to increase representation of people of color and women in senior leadership ranks, consistent with Key’s footprint-wide public commitments.

City agrees to:

- A) The Department of Community Development will conduct annual research on all lending activity of the bank in the city and continue to make research derived from publicly available data publicly available to residents at the Cuyahoga County aggregate level, through a mutually agreed upon template.
- B) Keep any nonpublic information provided to it by KeyBank pursuant to this Agreement confidential. The City shall not disclose and will direct its employees and representatives not to disclose, any nonpublic information except: (i) as required by any law, regulation, order, or rule of any governmental, regulatory, or supervisory authority, or in connection with any judicial, administrative or other proceeding, or a request by any regulatory or supervisory authority to whose jurisdiction the City is subject. In such an event, the City shall notify KeyBank in advance of such disclosure to allow KeyBank time to take action if reasonably necessary to prevent or protect the disclosure.
- C) The City will submit a letter to the Bank's public file annually outlining accomplishments and/or poor performance aside from CRA evaluations resulting from this collaboration and partnership.
- D) The City can fulfil additional partnership opportunities, offer additional mayoral support and promote the successful outcomes of this and further commitments.
- E) Deploy appropriate funds to lead the initiatives and programs determined by both parties.

Parties contemplate that future amendments to this understanding may be necessary or appropriate and the Parties agree that this understanding may be amended, with such amendments as are mutually satisfactory to the parties, and as are in accordance with all parties’ legal requirements.

Non-binding Agreement. The Parties acknowledge that this MOU is not a binding and enforceable contract. The below signatures indicate that all parties acknowledge and agree to the terms described above.

KeyBank, its authorized member

DATE

Justin M. Bibb
Mayor, City of Cleveland

DATE

Exhibit A

Definitions

"Low- to Moderate-Income" means less than eighty percent (80%) of the area median income for the 17420 Cleveland-Elyria, OH Metropolitan Statistical Area.

"Majority Minority Neighborhoods" means Statistical Planning Areas (SPAs) in the City with more than fifty percent (50%) non-white population.

"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 urban neighborhoods.

Exhibit B

Reporting

KeyBank will ensure delivery of the various community investment data at the Cuyahoga County aggregate level in addition to meeting its regulatory obligation under existing federal law, the City can expect that:

- KeyBank submits its Home Mortgage Disclosure Act (HMDA) data annually by March 1 for the prior calendar year. This data is typically made available to the public in late Q2, early Q3 on the Consumer Financial Protection Bureau's (CFPB) website www.consumerfinance.gov. Upon receiving a written request from the City, Key can provide this data after the filing deadline but before it is released on the CFPB website.
- KeyBank submits its Small Business lending data annually by March 1 for the prior calendar year. The CRA disclosures are typically made available to the public in Q4 on the FFIEC's CRA disclosure website at www.ffiec.gov/craadweb/DisRptMain.aspx and entering KeyBank's respondent ID, 14761. Key can provide this data after June 30 upon request from the City.
 - Small business lending required by § 1071 of the Dodd-Frank Act once available following the mandatory compliance date for KEYBANK under the regulation (12 CFR §1002).
- KeyBank is required to publish branch location information annually by April 1 in the bank's Public File. Key's public file is available at www.key.com.

In addition, KeyBank will provide the City with the following information, upon request from the City.

- KeyBank's Community Development Loans, Community Development Investments, CRA Qualified Service (Volunteer) Hours, and Philanthropic given this is not publicly available data. However, KeyBank will commit to providing this information at the Cuyahoga County aggregate level for the city of Cleveland after June 30 of each year of the agreement.

The reporting template is to be recommended by KeyBank and agreed upon with the City of Cleveland.