

AN ORDINANCE

01-0-0745

BY *Lee Morris*

**AN ORDINANCE TO PROHIBIT ALL BUSINESS ENTITIES AND THEIR AFFILIATES, WHICH HAVE BEEN ABUSIVE, UNSCRUPULOUS AND MISLEADING IN THEIR LENDING PRACTICES FROM DOING BUSINESS WITH THE CITY OF ATLANTA; AND FOR OTHER PURPOSES.**

**WHEREAS**, citizens from many lower and moderate income neighborhoods in Atlanta have been unable to access legitimate financing for home purchases and renovations, allowing predatory lenders to thrive; and

**WHEREAS**, these predatory lenders are charging exorbitant fees and interest rates and are persuading citizens to incur mortgage debt in excess of their needs or ability to pay; and

**WHEREAS**, these predatory lending practices appear to be targeting elderly and vulnerable borrowers; and

**WHEREAS**, holding the business entities and their affiliates to a higher standard of compliance and professional conduct is a first step toward sending a message to the lending community as a whole that predatory lending is not an acceptable business practice in the City:

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA hereby ordains as follows:**

**Section 1.** To prohibit business entities and their affiliates which have been abusive, unscrupulous and misleading in their lending practices from doing business with the City of Atlanta.

**Section 2.** To prevent predatory lenders and those persons providing referrals and services to those lenders from taking advantage of city programs designed to encourage home ownership and home repair.

**Section 3.** That any Atlanta banking institution receiving City funds for deposit has taken steps to ensure neither the bank, nor any affiliate in which it has a majority interest, is engaged in predatory lending practices, and that it is not supporting such practices by other financial institutions, and that it is willing to take the initiative to educate citizens about how to protect themselves from predatory lending practices.

**Section 4.** All ordinances or parts of ordinances in conflict herewith are hereby repealed.

**01-0-0745**  
(Do Not Write Above This Line)

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**FILED BY  
CITY COUNCIL  
SEP 17 2001**

- CONSENT REFER
- REGULAR REPORT REFER
- ADVERTISE & REFER
- 1st ADOPT 2nd READ & REFER
- PERSONAL PAPER REFER

Date Referred *5/7/01*

Referred To: *Finance and Executive*

Date Referred

Referred To:

Date Referred

Referred To:

First Reading

Committee \_\_\_\_\_  
 Date \_\_\_\_\_  
 Chair \_\_\_\_\_  
 Referred to \_\_\_\_\_

Committee *FIN EXEC*  
 Date *5-16-01*  
 Chair \_\_\_\_\_  
 Action: \_\_\_\_\_  
 Fav, Adv, Hold (see rev. side) \_\_\_\_\_  
 Other: \_\_\_\_\_  
 Members \_\_\_\_\_  
 Refer To \_\_\_\_\_

Committee \_\_\_\_\_  
 Date \_\_\_\_\_  
 Chair \_\_\_\_\_  
 Action: \_\_\_\_\_  
 Fav, Adv, Hold (see rev. side) \_\_\_\_\_  
 Other: \_\_\_\_\_  
 Members \_\_\_\_\_  
 Refer To \_\_\_\_\_

Committee \_\_\_\_\_  
 Date \_\_\_\_\_  
 Chair \_\_\_\_\_  
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 Fav, Adv, Hold (see rev. side) \_\_\_\_\_  
 Other: \_\_\_\_\_  
 Members \_\_\_\_\_  
 Refer To \_\_\_\_\_

Committee \_\_\_\_\_  
 Date \_\_\_\_\_  
 Chair \_\_\_\_\_  
 Action: \_\_\_\_\_  
 Fav, Adv, Hold (see rev. side) \_\_\_\_\_  
 Other: \_\_\_\_\_  
 Members \_\_\_\_\_  
 Refer To \_\_\_\_\_

FINAL COUNCIL ACTION  
 2nd  1st & 2nd  3rd  
 Readings  
 Consent  V Vote  RC Vote

CERTIFIED

**CERTIFIED**  
**SEP 17 2001**

ATLANTA CITY COUNCIL PRESIDENT

*Richard H. Pate*

**CERTIFIED**  
**SEP 17 2001**

*Spaul*  
DEPUTY MUNICIPAL CLERK

MAYOR'S ACTION