

East Palo Alto finally gets a bank

By Millicent Mayfield

STAFF WRITER

EAST PALO ALTO — A neighborhood bank is something residents of most cities take for granted, but it took more than 15 years of patience before East Palo Alto got one — and it opened today.

"The demographics have changed," said Ricardo Noguera, manager of the city's Redevelopment Division. "More businesses are moving in and banks are seeing East Palo Alto as a good place to be."

California Bank & Trust, a San Diego-based company, courted East Palo Alto for about three years before the city granted them the 4,200-square-foot space it now occupies in the Ravenswood 101 Shopping Center at 1735 East Bayshore Blvd.

Banks have historically shunned the city that earned the status of murder capital of the country in 1992. But redevelopment efforts and a decline in crime rates have provided banks the security they need to move in.

"This is what redevelopment is all about; bringing services into the community," Noguera said. "Institutions in the past that have shunned this city are back."

Banks are also encouraged through the Community Reinvestment Act, which was passed by Congress in 1977 and requires financial institutions to meet the needs of the low- to moderate-income communities they serve.

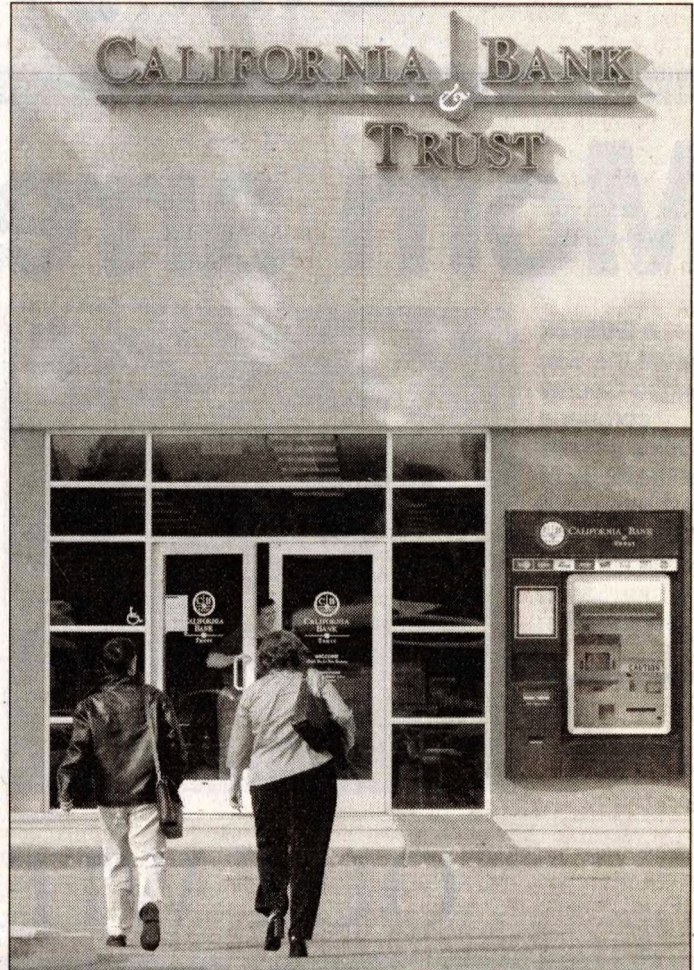
However, the most likely incentive is the fact that East Palo Alto is a virtually untapped market filled with more than 23,000 potential banking customers.

"We felt that it was a very good business decision, because there are no other full-service banks there," said Chuck Laham, marketing communications manager for CB&T.

CB&T, a subsidiary of Zions Bancorporation, is the sixth-largest commercial bank and the third-largest small business lender in California. With 75 branch offices, it controls \$6.9 billion in assets.

The East Palo Alto branch opened with little fanfare and just a few customers this morning, but a grand opening ceremony is scheduled around the beginning of April. To attract customers, the bank is offering free checking for a year if an account is opened by May 31.

For more information call the East Palo Alto branch of CB&T at 289-1900.



JOHN GREEN — Staff

CALIFORNIA BANK and Trust opened for business today in East Palo Alto.