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## Bank urged to support environment

*Anti-sprawl shareholders to ask Arundel firm to stop making loans in sensitive areas*

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An anti-sprawl group in Anne Arundel County has bought 100 shares in a local bank and plans to address its executives tonight in an effort to persuade them to stop making loans in environmentally sensitive areas.

Members of South Arundel Citizens for Responsible Development (SACReD), a Churchton-based group best known for fighting a Safeway planned for Deale, say they will attend Severn Bancorp Inc.'s annual meeting tonight armed with two resolutions. The first commits the bank to declining any loans within environmentally "critical areas," which generally border the bay or its tributaries. The second measure commits the bank to reviewing all previous loans in those areas and extricating itself from those deals.

Neither side expects the resolutions to pass -- the group filed its request after the deadline, and the resolutions are far too broad for a county with more than 500 miles of shoreline. But both sides say they hope the strategy opens up a dialogue to discuss responsible lending in a county that's rapidly losing much of its shoreline to development.

"We want them to realize that giving money to developers is affecting the bay adversely," said SACReD President Don Avery.

Activists buying shares in companies to gain a voice in protecting the environment is nothing new. Seven years ago, Greenpeace bought shares of BP Amoco stock in hopes of persuading the company to abandon its Arctic oil field. More recently, the Rainforest Action Network bought shares in the Weyerhaeuser paper company as part of a campaign to convince the firm to stop unsustainable logging in northern Ontario.

"It's a very effective method for forcing a company to listen to your objections or your ideas about the direction that it's going," said Sam Haswell, communications director of the San Francisco-based Rainforest Action Network. "If you are an investor in that company, you go in, and you usually have a guaranteed chance of getting heard."

Those meetings don't always go well -- last week, several activist shareholders were denied access to Weyerhaeuser's, and one was arrested. But with Severn Bancorp, South County activists are targeting an institution that is sympathetic to environmental causes.

The bank, which has four branches in the county, has spent \$20 million to build a new headquarters in Annapolis with a "green roof" to reduce runoff. Officials have given staff paid leave to plant trees and fix shorelines. For every new checking account opened, the bank donates \$5 to the **Chesapeake Bay** Foundation.

SACReD, which once commissioned a 12-foot-tall papier-mache effigy of former Anne Arundel County Executive Janet Owens with a sash proclaiming her the "Queen of Sprawl," picked the bank because it didn't think the bank's green practices went far enough. The group discovered that two projects it opposed -- a 31-home project in Deale called Elks Landing and a 15-home development in Shady Side known as Turtle Run -- are receiving loans from Severn. It approached the bank's chairman, land-use attorney Alan J. Hyatt, and he promised to look into it.

Hyatt said he did not know enough about those two loans to comment on them. But he said developers should be using extra caution when building in critical areas.

The 23-year-old Critical Area law is designed to protect land within 1,000 feet of the shoreline. Development may occur within that area, as long as the builder has a permit and follows certain criteria. Developers are not allowed to build within 100 feet of the shoreline, though exceptions are sometimes granted.

Even if SACReD hadn't missed the deadline, Hyatt said their resolutions wouldn't have passed because they're too restrictive.

"There is so much critical area in Anne Arundel County that it would be very difficult for Severn Savings Bank to operate with the restriction that it could not make any loan in the critical area," he said. "We need to have a little more dialogue before we reach a solution that we can live with."

Dru Schmidt-Perkins, executive director of the anti-sprawl group 1,000 Friends of Maryland, called SACReD's tactic "a very interesting move" that she hopes will encourage a larger discussion with financial institutions about responsible lending. Her group has been looking at ways to engage lenders in promoting Smart Growth.

"In the 1970s, we said to banks, 'You shouldn't be investing in South Africa, you shouldn't be investing in tobacco.' This seems to be an extension: 'You shouldn't be investing in encroaching development,'" she said.

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