



FACT SHEET

FAR TOO MANY NEW YORKERS ARE UNBANKED

National estimates show that 9.5 percent of Americans, including nearly one-quarter of the minority population, are “unbanked.” In New York City alone that means that close to 800,000 people lack banking services for one reason or another. They do not use banks when cashing checks, paying bills or transmitting money- let alone buying homes. Having greater access to banking services encourages New Yorkers who may not have banking relationships to become part of the financial mainstream. BDD bank branches can help provide the services necessary to stimulate local economies by enhancing access to capital for local businesses, promoting long-term economic development, fostering job creation and promoting community stabilization and revitalization.

WHAT ARE BANKING DEVELOPMENT DISTRICTS (BDDs)?

Section 96-d of the Banking Law, 'Banking Development Districts,' is designed to encourage the establishment of bank branches in areas with a demonstrated need for banking services. For communities undergoing or planning revitalization, there are few more potent symbols of hope than the opening of a new bank branch. It can be a key element to making revitalization a reality: facilitating access to the credit, investments and services that individuals, businesses and community institutions need to grow and prosper. A new branch signals confidence in the future, regardless of what may have taken place in the past.

ENRICHED BDD PROGRAM

In late 2004, the Banking Department, together with several New York City agencies formed the “*Banking Development Working Group*” to promote the newly established city BDD program. The working group identified eleven New York City communities that were decidedly lacking in bank services and developed a menu of additional state and city incentives to heighten the appeal of the program to banks as encouragement to locate a branch in one of the identified eleven communities. The BDDs established in one of these communities is known as an “Enriched BDD” because of the additional incentives. The incentives include providing a bank with help in identifying commercial space for locating the branch and reducing a branch’s real property taxes. A total of six “Enriched BDDs” have been designated as a result of the working group’s outreach efforts.

BDD APPLICATION PROCESS

In order to have an area designated as a BDD, a bank – in partnership with local government (county, town, city, or village) – must file an application, which can be downloaded from the Banking Department Website (<http://www.banking.state.ny.us/bddkit.pdf>).

Applicants must (1) clearly define the current and anticipated bank products and service needs of the community; (2) demonstrate that these needs are not currently being met by other nearby institutions; and (3) show that by coming into the community, the institution in question is prepared to specifically meet these unmet needs.

The New York State Superintendent of Banks approves all BDD applications and, in the case of Enriched BDDs, works with partner NYC departments and agencies to make additional incentives, such as real estate tax abatements and job creation credits available.

ELIGIBILITY CRITERIA FOR BANKS

Only commercial banks, savings banks, savings and loan associations, and trust companies may participate in the BDD program. Both state and federally chartered institutions are eligible.

TAKE ADVANTAGE OF THIS OPPORTUNITY TO BRING FINANCIAL SERVICES TO UNDERBANKED COMMUNITIES ACROSS NEW YORK STATE

While an institution may see the long-term potential of branching in a newly served area, there is often the short-term concern that it may take a number of years before it can attract enough retail deposits to become viable. The BDD program can make a real difference.

Banks that successfully apply for a BDD Designation are eligible to receive a maximum of \$10 million in subsidized deposits from the state of New York.



As of January 2010, 38 BDD designations have been granted throughout New York.

- 25 are in New York City
- 4 are in Buffalo
- 9 are in areas outside Buffalo/New York City

New York City - 25 BDD Branches		
Brooklyn - 8 BDD Branches		
Designated	Bank	BDD Geography
January 31 2008	Amalgamated Bank	A portion of Sunset Park in Brooklyn.
September 4 2007	Amalgamated Bank	A portion of Bedford-Stuyvesant and Stuyvesant Heights in Brooklyn.
July 6 2007	Capital One Bank <i>(formerly North Fork Bank)</i>	A portion of Clinton Hill, Fort Greene and Bed-Stuy in Brooklyn.
May 22 2006	Cross County Federal Savings Bank	A portion of Greenpoint and Williamsburg in Brooklyn.
May 23 2005	TD Bank <i>(formerly Commerce Bank)</i>	A portion of Windsor Terrace, Borough Park, Kensington, Flatbush, E. Flatbush, Lefferts Gardens & Midwood in Brooklyn.
January 20 2004	City National Bank of New Jersey	A portion of the East New York section of Brooklyn.
October 10 2000	BANK CLOSED Carver Federal Savings Bank <i>(formerly Community Capital Bank)</i>	A section of Sunset Park in Brooklyn.
July 13 2000	Sovereign Bank <i>(formerly Independence Community Bank)</i>	A section of Red Hook in Brooklyn.
Bronx - 5		
Designated	Bank	BDD Geography
April 11 2008	Amalgamated Bank	Community Board 5 in the Bronx.
September 26 2006	Ridgewood Savings Bank <i>(formerly City & Suburban Federal Savings Bank)</i>	A portion of the Soundview area in the Bronx.
March 10 2006	Ridgewood Savings Bank	A portion of the Williamsbridge area of the Bronx as a BDD.
November 14 2000	Citibank <i>(formerly European American Bank)</i>	Community Board 3 in the Bronx.
July 31 2000	Hudson Valley Bank <i>(formerly New York National Bank)</i>	Community Board 1 in the Bronx.

Manhattan - 7

Designated	Bank	BDD Geography
August 2007	Capital One Bank (formerly North Fork Bank)	A portion of East Harlem in Manhattan.
May 3 2006	Capital One Bank (formerly North Fork Bank)	A portion of the Lower East Side of Manhattan.
February 8 2006	Citibank, N.A.	A portion of Central Harlem in Manhattan.
January 5 2006	Banco Popular North America	A portion of the Lower East Side of Manhattan.
December 1 2005	Carver Federal Savings Bank	A portion of Northern Harlem in Manhattan.
July 24 2001	Amalgamated Bank (formerly New York National Bank)	Roosevelt Island in Manhattan.
March 9 2001	Carver Federal Savings Bank	A portion of South Central Harlem.

Queens - 3

Designated	Bank	BDD Geography
September 18 2006	Amalgamated Bank	A portion of Long Island City in Queens.
March 7 2005	New York Community Bank	A portion of Corona Heights, Queens.
April 9 2004	Carver Federal Savings Bank	A portion of the South Jamaica section of Queens.

Staten Island - 2

Designated	Bank	BDD Geography
July 21 2005	Victory State Bank	A portion of Stapleton and Rosebank in Staten Island.
December 16 2002	Victory State Bank	The St. George section of Staten Island.

Buffalo - 4

Designated	Bank	BDD Geography
October 26 2006	First Niagara Bank	A portion of South Ellicott in Buffalo.
July 7 2006	M&T Bank	A portion of the Jefferson area of Buffalo.
December 15 2005	First Niagara Bank (formerly Greater Buffalo Savings Bank)	A portion of the West Side of Buffalo.
July 23 2002	First Niagara Bank (formerly Greater Buffalo)	The Masten District and a portion of the University District in Buffalo.

	Savings Bank)	
Other - 9		
Designated	Bank	BDD Geography
February 27 2008	City National Bank of New Jersey	Portion of New Cassel, Town of North Hempstead in Nassau County.
August 10 2007	Upstate National Bank	Town of Theresa in Jefferson County.
April 19 2006	Savannah Bank, NA	The Town of Mentz, in Cayuga County.
April 11 2006	Adirondack Bank	The Village of Holland Patent and a portion of Oneida County.
February 27 2006	Walden Federal Savings and Loan Association	The Town of Mount Hope, including the Village of Otisville.
September 1 2004	Pioneer Savings Bank	The Village of Green Island.
June 25 2001	The Lyons National Bank	The Village of Jordan, Onondaga County.
July 27 2000	BANK CLOSED Herkimer County Trust Bank	The Village of Oriskany in Oneida County.
April 8 1999	KeyBank (formerly Union State Bank)	A portion of Spring Valley in Rockland County.