



County of Cayuga

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New Banking Development District Will Be Established in Union Springs

Cayuga County and the Village of Union Springs are excited to announce a 10 million dollar investment to provide greater access to banking in New York's underserved communities. The Department of Financial Services (DFS) has approved the Village of Union Springs in the Town of Springport, Cayuga County, as a new Banking Development District (BDD). The approved BDD and branch will provide access to retail banking services and products for local businesses and residents, including many retirees.

"New York's BDD program delivers banking services to underserved communities," said **Keith Batman, Legislator (District 7)**. "Through this program, the Department of Financial Services and Generations Bank will provide affordable banking products and services for low-to-middle-income residents."

New York State's Banking Development District program, administered by DFS, is designed to encourage the establishment of bank branches in areas across New York State where there is a demonstrated need for banking services. To encourage bank participation in the BDD program, \$10 million in subsidized public deposits and other benefits are made available to banks that open or maintain a branch or improve products and services offered in an underserved community. Banks that successfully apply for a BDD designation are eligible to receive below-market-rate deposits from the State of New York. These deposits are intended to lower the financial risk that the branch may incur when opening in an underserved community.

The new BDD in the Village of Union Springs will allow an existing branch of Generations Bank, located at 19 Cayuga Street, to preserve access to banking services in the village, particularly for the area's seniors, residents of limited financial means, and businesses. The area's population of persons 65 years and over grew from 17.9% of the village's population during the 2007-2011 ACS period to 19.1% for the 2012-2016 ACS period, and persons over 65 are now the largest segment of the population in the village. Under DFS's supervision, the bank will provide financial education on topics that meet the needs of the residents of the BDD, including establishing and building credit, budgeting, first-time homeownership, writing a business plan, and establishing business projections.

The Village of Union Springs Mayor Bud Shattuck said: "As a Mayor in a small upstate village, filled with great people and expectations, I offer a very heartfelt voice of gratitude for this Banking Development District opportunity. Providing financial options to underserved residents and creating small business development and jobs is key to keeping our pass-through community whole. As we transition from a past of light manufacturing to a vibrant tourist-based village on one of New York State's most beautiful lakes (Cayuga Lake), this investment will go a long way in funding and educating many in ways they may not have viewed possible. Thank you to all at the New York State Department of Financial Services who worked so hard for the Village of Union Springs and our community."

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