



## NEW YORK CITY BANKING COMMISSION

66 John Street, New York, NY 10038

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Karen A. Cassidy, *Secretary*

### NYC Banking Commission Meeting Minutes May 31, 2017

#### Attendees:

- Laura Anglin, Chief Administrative Officer, Representative of the Mayor
- Karen A. Cassidy, Asst. Commissioner and Treasurer, Representative of the Commissioner of the Department of Finance (DOF)
- Brian Cook, Asst. Comptroller for Economic Development, Representative of the Comptroller
- Bashar Assana, DOF, Treasury Division, Banking Commission Support
- Antonio Whitaker, DOF, Treasury Division, Banking Commission Support
- Adam Rabiner, DOF, Treasury Division, Banking Commission Support
- Eva Gambino, DOF Treasury Division

- I. The roll was called.
- II. The minutes from the May 11, 2017 meeting were unanimously accepted. Laura Anglin motioned to approve and Brian Cook seconded the motion.
- III. Karen Cassidy read the following resolutions to the Commission for a vote:

#### **RESOLUTION NO. 1 – 2017 Approval of 20 NYC Depository Banks**

**WHEREAS**, pursuant to Section 1524 of the New York City Charter, the Banking Commission is responsible for designating banks that are permitted to hold City funds; and

**WHEREAS**, pursuant to Title 22 of the Rules of the City of NY (RCNY) § 1-03(b), the term of a designation shall be for a period of no longer than two years, unless the Banking Commission by majority vote extends such designation period; and

**WHEREAS**, the following 20 banks have submitted the required documents and meet the requirements to become NYC Depository Banks:

Amalgamated Bank  
BankUnited  
Bank of America

Capital One Bank  
Citibank

East West Bank

Flushing Bank  
Habib American (HAB) Bank  
HSBC Bank

Israel Discount (IDB) Bank  
JPMorgan Chase Bank  
Modern Bank

Mitsubishi UFJ Financial Group (MUFG) Union Bank  
Popular Community Bank  
Signature Bank

State Street Bank  
Toronto Dominion (TD) Bank  
The Bank of New York Mellon

US Bank  
Victory State Bank

Therefore, be it;

**RESOLVED**, the Banking Commission hereby approves the designation of these 20 banks as NYC Depository Banks for a two-year period.

Dated May 31, 2017

*Resolution No. 1 was unanimously approved by all three representatives.*

- IV. Prior to the reading of the resolution, Brian Cook read a prepared statement from Comptroller Scott M. Stringer. In addition, Brian Cook made a statement thanking the Banking Commission Treasury staff for their work. Laura Anglin echoed that statement.

**RESOLUTION NO. 2 – Conditional Designation of Wells Fargo as a NYC Depository Bank**

**WHEREAS**, pursuant to Section 1524 of the New York City Charter, the Banking Commission is responsible for designating banks that are permitted to hold City funds; and

**WHEREAS**, pursuant to the Title 22 RCNY § 1-03(e)(1)(ii), a NYC Depository Bank must maintain a minimum state CRA rating of "2" or its equivalent as determined by the New York State Banking Department and a minimum Federal CRA rating of "Satisfactory" or its equivalent as determined by the appropriate federal regulator; and

**WHEREAS**, The U.S. Office of the Comptroller of the Currency, Wells Fargo Bank's federal regulator, downgraded the bank's CRA rating from "Outstanding" to "Needs to Improve"; and

**WHEREAS**, Wells Fargo's Federal CRA rating of "Needs to Improve" does not meet the minimum federal CRA rating of "Satisfactory" or its equivalent; and

**WHEREAS**, the Banking Commission is authorized to designate as a City Depository a Bank that does not meet the requirements for designation where the deposit of City monies in such bank is necessary to obtain essential services that are not reasonably obtainable elsewhere; and

**WHEREAS**, It would be extremely disruptive to the tax and other revenue collection function and cash flow of the City of New York if the Department of Finance were suddenly unable to use the Depository services of Wells Fargo for the annual processing of millions of transactions and billions of dollars of city funds, therefore, be it;

**RESOLVED**, the Banking Commissioners hereby approves Wells Fargo as a Depository Bank under the Necessity Exception.

Dated May 31, 2017

*Resolution No. 2 was unanimously approved by all three representatives.*

**RESOLUTION NO. 3 – Denial of Application of Santander Bank as a NYC Depository Bank**

**WHEREAS**, pursuant to Section 1524 of the New York City Charter, the Banking Commission is responsible for designating banks that are permitted to hold City funds; and

**WHEREAS**, pursuant to the Title 22 RCNY § 1-03(e)(1)(ii), a NYC Depository Bank must maintain a minimum State CRA rating of "2" or its equivalent as determined by the New York State Banking Department and a minimum Federal CRA rating of "Satisfactory" or its equivalent as determined by the appropriate federal regulator; and

**WHEREAS**, the U.S. Office of the Comptroller of the Currency, Santander Bank's federal regulator, downgraded Santander Bank's CRA rating from "Satisfactory" to "Needs to Improve" in its most recent CRA performance evaluation; and

**WHEREAS**, Santander Bank's Federal CRA rating of "Needs to Improve" does not meet the minimum Federal CRA rating of "Satisfactory" or its equivalent, therefore, be it;

**RESOLVED**, the Banking Commission hereby denies the application of Santander Bank as a NYC Depository Bank.

Dated May 31, 2017

*Resolution No. 3 was unanimously approved by all three representatives.*

**RESOLUTION NO. 4 – Santander Bank BDD Deposit Withdrawal**

**WHEREAS**, on March 21, 2017, the New York State DFS notified the NYC Department of Finance that the OSC was withdrawing its BDD deposit from Santander Bank's Red Hook branch in Brooklyn; and

**WHEREAS**, OSC's decision to withdraw its funds from Santander Bank's Red Hook branch is due to the bank's OCC Needs to Improve CRA rating, therefore, be it;

**RESOLVED**, that the City of New York will withdraw its \$5 million BDD deposit from Santander Bank's Red Hook branch.

Dated May 31, 2017

*Resolution No.4 was unanimously approved by all three representatives.*

Laura Anglin moved to adjourn the meeting. Brian Cook seconded the motion. Karen Cassidy declared the meeting adjourned.

  
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Karen A. Cassidy, Secretary

November 30 2017  
Date