

# Econometric Analysis

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## Financial and Banking Needs Assessment



Econsult Solutions, Inc. (ESI) was retained in 2015 by the **New York City Department of Finance** to perform an assessment of the city's financial and banking needs. This work needed a needs assessment report and numerous maps and spreadsheet tools.



This assessment evaluates how well banks that do business with New York meet the financial and banking needs of the city. It was designed to inform the city about its needs regarding home lending, small business lending and bank branch locations to determine if those needs are being met and low and moderate-income communities have fair access to these important financial products and services. This report includes data that was analyzed by the ESI team, as well as information collected at various public meetings in each of New York's five boroughs. Among the assessment's findings:

- Low-income neighborhoods experienced higher denial rates and higher proportions of subprime lending than upper-income neighborhoods, and, among the five boroughs, these differences were most pronounced in the Bronx and in Brooklyn.
- Neighborhoods in which racial and ethnic minorities represent 50 percent or more of the residential population received a lower share of business lending than neighborhoods in which racial and ethnic minorities represent less than 50 percent of the residential population, and, among the five boroughs, these differences were most pronounced in the Bronx.
- Bank branch location density was lower and check cashing location density was higher in neighborhoods in which racial and ethnic minorities represent 50 percent or more of the residential population and in low-income neighborhoods, as compared to neighborhoods in which racial and ethnic minorities represent less than 50 percent of the residential population and in upper-income neighborhoods, and, among the five boroughs, these differences were most pronounced in Manhattan.

### Key Technical Applications

Economic Impact Analysis

Geospatial Analysis

### Project Information

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