

# National Banking on Staten Island

## The 100th Anniversary

by WALTER T. DORNFEST

(PART II)

The Port Richmond National Bank  
1902-1926

Staten Island National Bank and Trust Company  
1926-1957

**B**Y 1902, the long and successful operation of the First National Bank of Staten Island had proved to local businessmen that there was a profit to be made in national banking. Staten Island had witnessed a good deal of growth since the First National had opened its doors in 1886, creating a demand for new currency to finance business ventures.

The First National had successfully directed some of its activities toward Port Richmond, reinforcing the belief in some business circles that that was a prime area for a new bank. However, such opinions were by no means universal. While it was true that New York state officials pointed to Port Richmond as a "model village," having the best local government in the state, there were businessmen who felt that the population was not large enough to support a commercial banking institution on the north shore. But it was not native Islanders who initiated the first moves toward the foundation of the second national bank in the borough. Robert D. Kent and Ernest R. Moody of Passaic, New Jersey came to Port Richmond in 1901 for conferences with businessmen looking for local support in a banking venture. Both men had founded other banks in New York and New Jersey, and Staten Island had caught their attention as an area for potential growth.<sup>1</sup>

The meetings were successful and in January 1902 William J. Burlee of Port Richmond, leading a group of five associates, applied to the Comptroller of the Currency for the forms necessary to organize a national bank with a capital stock of \$100,000. Having received the materials, the organizing meeting for the

Port Richmond National Bank was held at 4 p.m. on March 12, 1902 at the office of the Burlee Dry Dock Company in Port Richmond. Directors were elected, and later that afternoon they held their first meeting. At that time the directors elected the officers of the bank: Charles E. Griffith, President; Robert D. Kent, First Vice-President; William J. Burlee, Second Vice-President and Ernest R. Moody, Cashier. A committee was also formed to secure a place of business for the new institution.<sup>2</sup>

Bank officials soon secured a three-year lease from the Manhattan Life Insurance Company on a property at the corner of Richmond Avenue and Richmond Terrace. By May 1, \$61,000 of capital stock had been paid in, charter number 6198 had been received from the Comptroller of the Currency, and the Port Richmond National Bank opened for business on May 5, 1902.<sup>3</sup>

The doubters who had felt that a bank could not survive in Port Richmond were proved wrong almost immediately. By the end of 1902 deposits totaled \$228,218 and by 1904 the institution had paid its first dividend, 6%, to the stockholders. Mr. Moody was an excellent manager. His good judgment helped local businesses to prosper and when in doubt about how to proceed in a questionable situation, he never hesitated to consult with leading citizens of the village for their advice and counsel.<sup>4</sup>

As with the First National Bank, the new institution chose to issue currency. Therefore, \$25,000 in United States Treasury Bonds were purchased to back the circulation. New ten and twenty dollar notes emblazoned with the name of the Port Rich-



Series of 1902 with red seal, signed by Moody and Griffith.



Series of 1902 with blue seal, plain back, Signed by Miller and Davidson.

mond National Bank appeared in Staten Island commerce, and the new enterprise was off to what was to be a long and successful operation.<sup>5</sup>

The Port Richmond National opened a new building on May 11, 1909 in the same location as its previous office at 115 Richmond Terrace. Three years later deposits had reached \$668,320 and they continued to grow steadily, reaching \$1,405,356 by 1922. During this entire period there is nothing in the local press to indicate that banking operations at the Port Richmond national were anything but normal. The office of the Comptroller of the Currency has not allowed the examination reports of this bank to be made public because the required fifty years have not passed since the bank was merged in 1957. However, the Comptroller's annual reports record steady growth.<sup>6</sup>

The bank applied for and was granted an extension of its charter for a second twenty-year period early in 1922, and at that time received permission from the Comptroller to increase its capital stock to \$200,000. Two years later, Ernest Miller succeeded to the position of cashier of the Port Richmond National upon the death of Mr. Moody.<sup>7</sup>

Events now began to transpire that would lead to the rapid growth of the bank into the leading institution of its type on Staten Island. In January 1926 the directors again voted to increase the bank's capital stock, this time to \$500,000. Plans were also made to seek the permission of the Federal Reserve Board for authority to do a trust business. This would make the bank the only one on the island that could legally be an executor, trustee, administrator or guardian of an estate. Anticipating the required approval, the bank rebuilt and expanded the rear half of its building in 1926, and moved the main entrance to 26 Richmond Avenue.<sup>8</sup>

In a related development, a committee of local leaders in Tompkinsville had been at work laying the foundation for a new national bank for that area. But with the imminent passage of the McFadden Act (1927), which would authorize national banks to operate branches, the Tompkinsville group decided it would be wiser to join with the Port Richmond National Bank to create an expanded institution.<sup>9</sup>

By May 1, 1926 all necessary authorizations for the expansion of its business had been received from the federal government, and on that date the Port Richmond National Bank became the Staten Island National Bank and Trust Company with a capital stock of \$500,000. On May 4th the Tompkinsville branch opened at 43 Victory Boulevard at the corner of St. Mark's Place with John A. Franklin as manager. The branch had a separate advisory committee of local businessmen and others elected by the Board of Directors, and in many ways functioned as an independent bank. It remained at Victory Boulevard until August 31,

1941 when the Staten Island National acquired the Bank of Manhattan and the Manhattan Safe Deposit Company building at 28 Bay Street, to which the office moved. This building has fulfilled many functions over the years including housing the library of Staten Island Community College as well as the first library of Richmond College. The structure still stands.<sup>10</sup>

All government bonds bearing the circulation privilege had been called for redemption in 1935 and at that time the Staten Island National, along with all other national banks, lost its right to issue currency.

Meanwhile, the bank had acquired its second branch on March 30, 1940 by absorbing the Tottenville National Bank, which had operated in that community since 1906. This acquisition brought total assets of the Staten Island National to \$6,000,000 and made possible larger loans to industry and individuals. A third branch was opened at 139 New Dorp Lane on July 5, 1950, and finally, with the acquisition on November 1, 1951 of the West New Brighton Bank which had been in business since 1920, the Staten Island National added the last office to its system.<sup>11</sup>

In March of 1956, a new building at 200 New Dorp Lane replaced the old New Dorp branch bringing a further improvement of services to Staten Islanders, and eight months later the bank's office in St. George moved to new facilities at 56 Bay Street.<sup>12</sup>

With the enormous potential for growth on Staten Island, especially considering the possibility of a bridge across the Narrows, a number of metropolitan banks began to make merger proposals to the Staten Island National. Its well-established system of five offices, its popularity and strong balance sheet made the Island bank an attractive buy-out candidate.<sup>13</sup>

The directors decided that an offer from The Chase Manhattan Bank, a state banking institution, was too advantageous to turn down. Staten Island National shares, of which there were 15,000 outstanding, were to be exchanged for Chase stock on the basis of one Staten Island National for six of Chase selling for about \$50 per share. The staff of the bank was to be retained, and an advisory committee composed of members of the Board of Directors and chaired by former President Miller would help to make the transition to a new management smoother.<sup>14</sup>

The Staten Island National directors voted in favor of the merger on May 14, 1957 and those of Chase followed suit the next day. The approval of the Island bank's stockholders was obtained by an overwhelming majority early in July, as was that of the Chase stockholders soon after. All former branches of the Staten Island National opened for business as Chase offices on July 22, 1957 under Vice President Robert Whytock, thus marking the resignation of another national bank charter on Staten Island.<sup>15</sup>

**OFFICERS****Chairmen of the Board**

J. Frederick Smith ..... 1949-57

**Presidents**

Charles E. Griffith ..... 1902-08

William J. Davidson ..... 1908-27

J. Frederick Smith ..... 1928-49

Ernest Miller ..... 1949-57

**Vice Presidents**

Robert D. Kent ..... 1902-(04)

William J. Burlee ..... 1902-(09)

J. Frederick Smith ..... 1904-28

Ernest R. Moody ..... 1909-23

John F. Bruns ..... (1923)-(34)

George M. Matthius ..... 1932-(56)

Ernest Miller ..... 1936-49

W. Earle Laing ..... 1949-57

Fred O. Harris ..... 1949-57

William G. Henning ..... 1949-57

Harry H. Robinson ..... 1951-(56)

Edward Daniels ..... (1956)-57

Raymond M. Isenegger ..... (1956)-57

Edward R. O'Mara ..... (1956)-57

**Cashiers**

Ernest R. Moody ..... 1902-23

Ernest Miller ..... 1924-49

W. Earle Laing ..... 1949-57

Parenthesis: year approximate

**FOOTNOTES**

1. Staten Island National Bank and Trust Company, *Fifty Years of Service to Staten Island* (Staten Island: SINB&TC, 1952), p. 3. *Staten Islander*, Apr. 21, 1922; Jan. 27, 1926.
2. Comptroller of the Currency, *Application to Organize a National Bank* (Form 339), Jan. 6, 1902. *Staten Islander*, Jan. 22; Mar. 15, 1902.
3. *Fifty Years of Service*, pp. 3, 5, 7. Comptroller of the Currency, *Certificate of Payment of Capital Stock*, Sept. 23, 1902.
4. Comptroller of the Currency, *Annual Report, 1902*, p. 898. *Fifty Years of Service*, p. 9. *Staten Islander*, Apr. 19, 1922.
5. Don C. Kelly, *National Bank Notes* (Oxford, Ohio: Paper Money Institute, 1981), p. NY-30.
6. *Staten Islander*, May 15, 1909. Comptroller of the Currency, *Annual Report, 1912*, p. 561; *Annual Report, 1922*, p. 545.
7. *Certificate to Extend Charter*, notices, *Staten Island News*, Mar. 11 to Aug. 12, 1922. *Staten Islander*, Jan. 12, 1924. Ernest R. Moody to Comptroller of the Currency, Jan. 18, 1922.
8. *Staten Islander*, Jan. 27, 1926. Notice to the Comptroller of the Currency, Mar. 16, 1926.
9. *Staten Islander*, Feb. 6, 1926.
10. Comptroller of the Currency, *Certificate of Change of Corporate Title*, May 1, 1926. *Fifty Years of Service*, p. 9. *Staten Islander*, Jan. 27; Apr. 27, 1926.
11. *Fifty Years of Service*, pp. 1, 10.
12. *Staten Island Advance*, Mar. 9; Nov. 23, 1956.
13. *Advance*, May 14, 1957.
14. *Ibid.*
15. *Advance*, May 14, 15; July 10, 23, 1957.

**THE PAPER COLUMN**

by Peter Huntoon

**Additions and Corrections**

The relationship between National Banks and Corporate Extensions and Reorganization of National Banks: Paper Money, vol. xxv, p. 97-118, 131.

page 102, omitted from end of last column:

plates were actually made before passage of the act. The earliest

page 114, 1921-2 plate date for 6162 Berwick, PA should be: Feb 27, 1922

page 114, state for 6172 Monticello should be: Indiana

Significance of plate dates on National Bank notes: Paper Money, vol. xxv, p. 67-71.

The circuitous logic behind the reassignment of charter number 20 to the Fifth-Third National Bank of Cincinnati, Ohio, in place of charter 2798 is discussed on page 70. All the facts presented there are accurate except that the Comptroller did not authorize the reassignment. Apparently the linkage was too tenuous for him to feel comfortable unless he was acting under greater authority. Congress was responsible for this reassignment with the following act:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Comptroller of the Currency be, and he is hereby, authorized and directed to issue to the Fifth-Third National Bank of Cincinnati, Ohio, charter number 20 in lieu of their present charter number 2798, said charter number 20 being the original charter number of the Third National Bank of Cincinnati, Ohio, which bank was merged and consolidated with the Fifth National Bank of Cincinnati, Ohio, in the year 1908, under the name of the Fifth-Third National Bank of Cincinnati, Ohio, said consolidated bank having succeeded to all the assets, good will, rights, privileges, and emoluments of the said Third National Bank of Cincinnati, Ohio. (Approved February 26, 1913).

The reassignment was made by the Comptroller on March 5, 1913.

19-year banks and the National Bank Act of February 25, 1863: Paper Money, vol. xxv, p. 163-165.

The statement is made that the Act of February 25, 1863 \$5 face plates were faithfully matched with Act of February 25, 1863 back plates. This is not accurate. Tom Conklin advises that he has a \$5 Original Series note from the First National Bank of Hobart, NY (193) L777290-3004-D that has an Act of February 25, 1863 face plate but an Act of June 3, 1864 back plate. His note was printed during the winter of 1873-4.

**New Address for Editor  
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