

# The News Journal

## Low-income credit union approved Stepping Stones to open in Wilmington

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**WILMINGTON** -- A credit union aimed at serving low-income city residents in search of a loan will be opening in the coming months, providing an alternative to the high [rates](#) demanded by "payday lenders."

Stepping Stones Federal Credit Union will be a key facet of the Delaware [Community Reinvestment Action Council's](#) ongoing efforts to give poor Wilmington residents more "mainstream" banking options and broader sources of business-building financing.

"The reason why we started seven years ago looking at a credit union is because our communities are so underbanked that they are prey to predatory lenders," said Rashmi Rangan, executive director at DCRAC, who learned Tuesday morning that the group's charter [application](#) had been approved by the National Credit Union Administration. "I'm excited, I am in seventh heaven. ... But we've got a lot of work cut out for us."

Because it won designation as a "low-income" credit union, Stepping Stones will be able to accept deposits from people and institutions outside of its membership area, which now includes the approximately 72,700 people who live, work, worship, volunteer, attend school or transact [business](#) in Wilmington. It also will have access to special federal community development loan programs.

To qualify for its low-income status, a majority of Stepping Stones' members must be people who earn 80 percent or less of the median family [income](#) for the metropolitan area.

Initially, Stepping Stones plans to offer multiple savings accounts, including regular [shares](#), club accounts and share certificates. Personal loan products will include signature, used auto and share-secured loans, and will be available within the first 12 months of operation. Planned future services include share drafts and travelers checks.

The credit union will be located at 601 N. Church St., at DCRAC headquarters. While it expects to begin accepting deposits within 60 days, its full operations probably will be coming online gradually, with a grand opening sometime next spring.

"We've never run a bank, so we have to learn a lot about day-to-day operations," Rangan said. "We'll make an announcement in a short time that we are open for business."

As an organization, DCRAC's mission is to ensure "equitable treatment and equal access to credit and capital for the under-served populations and communities" of Delaware through advocacy, education, legislation and outreach.

As DCRAC won the charter approval Tuesday, the group also announced that Amy Walls of Discover Bank has been awarded the group's James H. Sills Jr. Community Reinvestment Act Leadership Award for championing "[innovation](#)" and reinvestment in low and moderate income communities."

The group also named Melissa Allman, staff attorney at Community Legal Aid Society, the recipient of its Excellence in Community Service Award.

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