

Communication from Public

Name: Lionel Mares

Date Submitted: 09/20/2021 10:03 PM

Council File No: 19-1235

Comments for Public Posting: As a CD 6 constituent, living in Sun Valley, I am respectfully asking for your support of the Los Angeles Public Bank. A public bank creates a public and accountable source of capital for lending and investment in fiscally, socially, and environmentally responsible activities—it will improve the lives of city residents and LA communities by enabling greater investment in affordable housing, small business development, green new deal initiatives, and city infrastructure. A Public Bank will: Expand financial services for the more than 1 in 4 households in LA who are unbanked or underbanked, leaving them to rely on predatory PayDay Loans and check cashing services. Directly and cost-effectively fund affordable housing, including social housing and community land trusts, to address our homelessness and housing affordability crises. Invest in green infrastructure and renewable energy that aligns our City's funds with its climate goals. Create thousands of infrastructure jobs. Help small businesses and build equity for communities of color. Make our taxpayer dollars go further by reducing the city's borrowing costs. Please support the initiative in Council File: 19-1235. Thank you, Lionel Mares, MPA

09/20/2021

VIA EMAIL

The Honorable Nury Martinez
Los Angeles Council President
200 N Spring St, Ste 470 Los Angeles, CA 90012

Dear Council President Martinez:

RE: Support the Los Angeles Public Bank

On behalf of **Public Bank L.A.**, we strongly support the creation of a public bank for the City of Los Angeles, and we would like to encourage you to schedule Council File 19-1235 for a vote by City Council. This motion authorizes the City of Los Angeles to hire a consultant to develop the business plan for the City's public bank.

A municipal public bank in the City of Los Angeles has the potential to improve the lives of city residents by enabling greater investment in affordable housing, small business development, green new deal initiatives, and city infrastructure. With a governance structure led by City electeds and residents, and overseen like any other bank by the state, the public bank would create a public and accountable source of capital for lending and investment that benefits the City and its communities, like rebuilding our crumbling infrastructure.

A public bank would finance public works at a fraction of the price of private capital by leveraging local funds rather than borrowing from outside the City, and it would operate under a public mandate that would tie the City's finances to an ethical investment framework and fiduciary responsibility. The motion under consideration is just the first step in designing the bank's operations and governance structure. After the plan is developed, it will come back to the Council for a vote and will be implemented by the City upon receipt of state approval.

The Municipal Bank of Los Angeles will allow our city to:

1. Save Money — The City of Los Angeles pays \$100 million a year in banking fees and interest and spends over \$1.3 billion in debt servicing to borrow money from Wall Street banks. A public bank will create another option to allow the City to leverage its own funds instead of depending exclusively on the interests of private, disparate shareholders.

2. Develop Our Community — The public bank can support local lending to small businesses, affordable housing non-profits, and infrastructure projects, helping keep money local and support community economies.

3. Invest Money in an Ethical Way — A public bank creates a multi-generational source of capital that invests on a longer term than any election cycle. It will serve as a foundational tool

to address generations of racial inequality and exclusion.

4. Promote Democracy and Transparency — A public bank will bring democracy and transparency to the investment of public funds, allowing for more targeted financial activities that support local communities.

Small and medium-sized businesses remain the core economic driver for long term economic stability for Los Angeles families. A Bank of Los Angeles would be able to multiply the impact of the \$600 million that the City will receive from the federal government next spring, by leveraging those funds into targeted recovery loans. This would allow the city to quickly and efficiently distribute assistance to individuals and make low-interest loans to businesses, utilities, and school districts to help with recovery efforts.

Our prosperity as a city coming out of this pandemic depends on us prioritizing our local economy while serving the public good — that starts with institutions that support working people. The City of Los Angeles should take yet another historic step forward for our community by beginning to develop the framework for its public bank. We encourage you to schedule this motion for a vote.

Sincerely,

Lionel Mares, MPA

cc:

Councilmember Gil Cedillo
Councilmember Paul Krekorian
Councilmember Bob Blumenfield
Councilmember Nithya Raman
Councilmember Paul Koretz
Councilmember Monica Rodriguez
Councilmember Marqueece Harris-Dawson
Councilmember Curren Price
Councilmember Mark Ridley-Thomas
Councilmember Mike Bonin
Councilmember John Lee
Councilmember Mitch O'Farrell
Councilmember Kevin de León
Councilmember Joe Buscaino

Communication from Public

Name: Lionel Mares

Date Submitted: 09/20/2021 11:08 PM

Council File No: 19-1235

Comments for Public Posting: Dear Council President Nury Martinez, and City Councilmembers, As a CD 6 constituent, living in Sun Valley, I am respectfully asking for your support of the Los Angeles Public Bank. A public bank creates a public and accountable source of capital for lending and investment in fiscally, socially, and environmentally responsible activities—it will improve the lives of city residents and LA communities by enabling greater investment in affordable housing, small business development, green new deal initiatives, and city infrastructure. I support the creation of a Public Bank. Because many Banking institutions, today, charge fees and charges to consumers. Many consumers are low-income and cannot afford to pay to keep a Savings and Checking Account. I am a Bank of America customer, and the BoA charged me a fee for not "meeting" the minimum requirements. I understand from personal experience the negative effects Bank fees have on working-class Americans and residents. Therefore, I strongly urge you to create a Public Bank in Los Angeles. A Public Bank will benefit many people and the city as a whole because the city will save money in the long term. We should NOT rely on private banks to do business. It is costly and costs money. A Public Bank will: - Expand financial services for the more than 1 in 4 households in LA who are unbanked or underbanked, leaving them to rely on predatory PayDay Loans and check cashing services. - Directly and cost-effectively fund affordable housing, including social housing and community land trusts, to address our homelessness and housing affordability crises. - Invest in green infrastructure and renewable energy that aligns our City's funds with its climate goals. - Create thousands of infrastructure jobs. Help small businesses and build equity for communities of color. - Make our taxpayer dollars go further by reducing the city's borrowing costs. Please support the initiative in Council File: 19-1235. Thank you, Lionel Mares, MPA cc: Councilmember Gil Cedillo Councilmember Paul Krekorian Councilmember Bob Blumenfield Councilmember Nithya Raman Councilmember Paul Koretz Councilmember Monica Rodriguez Councilmember Marqueece Harris-Dawson Councilmember Curren Price Councilmember Mark Ridley-Thomas Councilmember Mike Bonin Councilmember John Lee Councilmember Mitch O'Farrell Councilmember Kevin de León

Councilmember Joe Buscaino

09/20/2021

Dear Council President Nury Martinez,

As a CD 6 constituent, living in Sun Valley, I am respectfully asking for your support of the **Los Angeles Public Bank**.

A public bank creates a public and accountable source of capital for lending and investment in fiscally, socially, and environmentally responsible activities—it will improve the lives of city residents and LA communities by enabling greater investment in affordable housing, small business development, green new deal initiatives, and city infrastructure.

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- Expand financial services for the more than 1 in 4 households in LA who are unbanked or underbanked, leaving them to rely on predatory PayDay Loans and check cashing services.
- Directly and cost-effectively fund affordable housing, including social housing and community land trusts, to address our homelessness and housing affordability crises.
- Invest in green infrastructure and renewable energy that aligns our City's funds with its climate goals.
- Create thousands of infrastructure jobs.
- Help small businesses and build equity for communities of color.
- Make our taxpayer dollars go further by reducing the city's borrowing costs.

Please support the initiative in [Council File: 19-1235](#).

Thank you,

[Lionel Mares](#), MPA