

Communication from Public

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ENGINEERS & ARCHITECTS ASSOCIATION

April 29, 2021

VIA EMAIL

The Honorable Chair, Nury Martinez
200 N. Spring St., Suite 470
Los Angeles, CA 90012

RE: Council File 19-1235

On behalf of the over 5,250 city employees who are members of the Engineers and Architects Association (EAA), our Union strongly supports the creation of a public bank for the City of Los Angeles.

Nearly 50 percent of the cost of all infrastructure projects goes toward paying interest and fees to private banks. This not only means less for our hard working member's salaries and benefits, but also for the critical public investments and services that our members support in their respective City Departments. The City Council has the opportunity to create another option by choosing to act on the creation of a publicly controlled, state-chartered bank. The proposal for the Los Angeles Public Bank can provide the city a means to meet it's banking needs, services, and deposits at lower interest, while recycling investments back into our communities.

Our members include city workers that commit their careers to researching and carrying out Los Angeles's policies that tackle urgent problems such as planning capacity for affordable and workforce housing and reducing the city's contribution to climate change. There is a strong interest amongst our members in alternative financing that lowers the cost of providing critical services and infrastructure, not only so they can afford housing, but for the benefit and equity of all the city's residents. The LA Public Bank could finance urgent public services such as the creation and rehabilitation of affordable and workforce housing, public transportation infrastructure, support for local businesses, and other needed solutions to address the climate and housing crises.

The LA Public Bank could also partner with community banks and credit unions that lend responsibly to localities to increase the availability of credit in areas that large commercial banks are not serving, especially and historically in the underserved communities of color.

EAA has a new generation of members that grasps the enormity of our systematic failures and the future that looms ahead if we fail to take necessary bold steps. We need our leaders to be willing to break from the unsustainable financial models of the 20th Century and boldly chart a course that will lead to a more resilient and sustainable Los Angeles that can provide for all of our residents and workers. EAA stands in full support!

In solidarity, on behalf of EAA Board of Governors,

Marleen Fonseca
Executive Director, EAA