



**DATE:** November 1, 2022

**TO:** Mayor and City Council

**FROM:** Director of Finance

**SUBJECT:** Adoption of a Resolution Supporting Public Bank East Bay and Authorizing a Letter of Support to the Alameda County Board of Supervisors

## **RECOMMENDATION**

That the Council adopts a resolution (Attachment II) approving support of Public Bank East Bay, and letter of support to the Alameda County Board of Supervisors supporting participation in Public Bank East Bay (Attachment III).

## **SUMMARY**

This report provides an overview of Public Bank East Bay including a recommendation that Council adopts a resolution in support of the Public Bank East Bay and a letter of support to Alameda County Board of Supervisors. The Council Budget and Finance Committee reviewed this item on September 21, 2022 and recommended approval to Council.

## **BACKGROUND**

In September 2019, the California state legislature passed AB 857, the Public Banking Act. Public banking is a financial institution owned by public entities, such as cities and counties. Public banking is banking operated in the public interest, through institutions owned by the people through their representative governments. In November 2021, Public Bank East Bay provided the Council Budget and Finance Committee (Committee) with a presentation on its institution, an overview of how public banking works, and an overview of its model and next steps. In April 2022, Public Bank East Bay returned to the Committee with a presentation of the East Bay Viability Study and requested the Committee's support in moving forward with a draft resolution of support for the Public Bank East Bay and letter of support to the Alameda County Board of Supervisors. On September 21, 2022<sup>1</sup>, the Committee received staff-recommended revisions to the draft resolution and letter. The Committee reviewed the recommended revisions and recommended that the resolution and letter of support to the Alameda County Board of Supervisors be presented to the full City Council for consideration and adoption of the resolution.

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<sup>1</sup> [CITY OF HAYWARD - File #: ACT 22-087 \(Legistart.com\)](#)

## **DISCUSSION**

During the last fiscal year, Public Bank East Bay has presented the Committee with information about the services provided and requested support from the City of Hayward. In April 2022, a draft resolution in support of the Public Bank East Bay was presented to the Committee with a request to support the resolution and letter to be sent to the Alameda County Board of Supervisors on behalf of the City of Hayward. The Committee expressed support for the draft resolution and letter to the Alameda County Board of Supervisors fully supporting its participation in Public Bank East Bay, but did not support the commitment of the City of Hayward to participating in Public Bank East Bay at that time.

In September 2022, Public Bank East Bay returned to the Committee to review staff-recommended revisions to the draft resolution for consideration and feedback. During the September Committee meeting, staff recommended revisions to clarify the City's intentions and commitment to participating in Public Bank East Bay, while clearly defining the City's support for Alameda County in its participation in Public Bank East Bay.

This agenda item is a request for Council's consideration to adopt a resolution and letter to the Alameda County Board of Supervisors supporting participation in Public Bank East Bay. The resolution does not reflect the City's participation in Public Bank East Bay at this time.

## **ECONOMIC IMPACT**

This is an informational item and has no direct economic impact.

## **FISCAL IMPACT**

This is an informational item and has no direct fiscal impact at this point in time.

## **NEXT STEPS**

Should Council adopt the resolution and letter to the Alameda County Board of Supervisors supporting participation in Public Bank East Bay, staff will notify Public Bank East Bay of the actions taken by City Council and will share the resolution and letter with the Board of Supervisors.

*Prepared by:* Nicole Gonzales, Deputy Director of Finance  
Dustin Claussen, Director of Finance

*Reviewed by:* Dustin Claussen, Director of Finance

Approved by:

A handwritten signature in black ink, appearing to read 'Kelly McAdoo', with a long horizontal stroke extending to the right.

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Kelly McAdoo, City Manager