

Draft Resolution in Support of the Public Bank East Bay

Whereas, the City of Hayward currently banks with JPMorgan Chase Bank; and

Whereas, Chase's investments are not aligned well with Hayward's commitment to social and economic justice; and

Whereas, in 2019 the Public Banking Act passed the CA state legislature, and lays out the path for local governmental agencies to start public banks; and

Whereas, the state Department of Financial Protection and Innovation, the agency that licenses new banks, has issued its regulations for licensing public banks; and

Whereas, the Friends of the Public Bank East Bay has completed its Viability Study, and the Richmond City Council approved it on April 5; and

Whereas, it is anticipated that both Oakland and Berkeley will also approve the Viability Study in September and join Richmond as founding members of the Bank; and

Whereas, the Friends of the Public Bank East Bay has hired prominent banking attorney, Gary Findley, as their consultant to write the Bank's business plan; and

Whereas, Hayward would be welcome to contribute to the Bank's capital fund, as well as move our deposits from Chase to the Public Bank in due time; and

Whereas, moving our money from Chase to the Public Bank would help ensure that the Bank's investment policies would benefit Hayward and not Wall Street shareholders; and

Whereas, the Friends has not yet gotten firm commitments from the Alameda County Board of Supervisors; therefore

Be It Resolved, that the City of Hayward supports the mission of the Public Bank East Bay (<https://publicbankeastbay.org/vision>); and further

Be It Resolved, that the City of Hayward send the attached letter of support for the Public Bank East Bay to the Alameda County Board of Supervisors, effective immediately.

September 00, 2022

Alameda County Board of Supervisors
1221 Oak Street, #536
Oakland, CA 94612

Dear County Supervisors,

The Hayward City Council fully supports the creation of the Public Bank East Bay and urges you to formally endorse it as well.

The Friends of the Public Bank, a 501(c)(3), in March completed the state-mandated Viability Study which lays out the high-level plan for the Bank, specifically that the Bank will partner with community-based lenders like community banks, credit unions and Community Development Financial Institutions (CDFIs) to deliver affordable financing and emergency funding to small and worker-owned businesses in neighborhoods hit hardest by COVID-19 and environmental injustices. The Public Bank East Bay will invest in economic initiatives and projects that build wealth rather than extract it, such as permanently affordable housing, community-controlled renewable energy infrastructure, and refinancing municipal debt.

The Friends acknowledge that the governance plan for the Public Bank will have to be approved by the regulatory authorities, and therefore may change, but they are committed to ensuring that members of the most economically marginalized communities are represented on the Bank's Board and directly involved in shaping lending policies and governance. The Hayward City Council supports the mission of the Public Bank East Bay to democratize finance and use public money for public good, and urges the Board to also support the creation of the Bank.

Sincerely,
Hayward City Council