



ECOS

ENVIRONMENTAL
♦ COUNCIL ♦
OF SACRAMENTO

Post Office Box 1526 | Sacramento, CA 95812-1526

April 11, 2023

Mayor Steinberg and City Council Members
City of Sacramento
915 I Street, Sacramento, CA 95814

Sent via email

SUBJECT: Study to consider establishment of a Public Bank of Sacramento

Dear Mr. Mayor and Council Members:

At our ECOS MTG/Board on March 29, 2023, the Environmental Council of Sacramento passed the resolution below. The issue was brought to our attention by Sacramento Climate Coalition -- Chris Brown, Goli Sahba, and Doug MacPherson.

Thank you for considering our recommendation to initiate a study to consider establishment of a Public Bank of Sacramento. Many privately-owned banks have substantial investments in fossil fuels. A public bank could limit its investments to functions that serve the community. In California, AB 857 (Stats. 2019, ch. 442) creates a process for creation of up to ten public banks.

WHEREAS a municipal public bank in the City of Sacramento has the potential to improve the lives of city residents by enabling greater investment in affordable housing, small business development, renewable energy initiatives, and city infrastructure; and

WHEREAS a Public Bank of Sacramento would create a public and accountable source of capital for lending and investment in fiscally, socially and environmentally responsible activities that would allow investment in opportunities directly benefiting the City and its communities, such as rebuilding our crumbling infrastructure, transitioning to a 100% green energy grid, and bolstering environmentally friendly public transportation, among others: and

WHEREAS currently the city pays millions of dollars annually in debt services to private commercial banks for their services such as JPMorgan Chase where these banks invest Sacramento public funds in the oil industry and other markets antithetical to stated policy goals adopted by the city; and a public bank would finance public works at a fraction of the price of private capital and operate according to a public mandate thereby serving the interests of the City and its people, all while maintaining a fiduciary responsibility toward responsible financial management within an ethical framework with loyalty toward people and planet; and

WHEREAS a Public Bank of Sacramento would accept and insure city deposits, ensure liquidity, and provide all the banking and purchasing services the city requires; and make prudent, targeted loans to the City itself, community based small businesses with an emphasis on those that are traditionally underserved by commercial banking, and other responsible parties in

sectors of the local economy where capital would make a measurable difference in the lives of Sacramentans, and;

WHEREAS a Public Bank of Sacramento should contain the following elements in its charter making it ethical, sustainable, inclusive, profitable, and financially viable: 1) explicit social/environmental responsibility and anti-corruption clauses with those in charge held accountable to public scrutiny; 2) transparency of mandates, policies, and lending priorities; 3) a board of directors that includes persons associated with community development and financial experts; and 4) where these safeguards would ensure the most democratic bank possible.

THEREFORE, BE IT RESOLVED the Environmental Council of Sacramento (ECOS) urges the Sacramento City Council to promptly initiate a study to consider establishment of a Public Bank of Sacramento.

Sincerely,



Susan Herre AIA AICP
President of the Board of Directors

cc:

DSteinberg@cityofsacramento.org
ncuellar@cityofsacramento.org
District1@cityofsacramento.org
Sloloee@cityofsacramento.org
abjohnson@cityofsacramento.org
District3@cityofsacramento.org
KTalamantes@cityofsacramento.org
kvalenzuela@cityofsacramento.org
CConlin@cityofsacramento.org
CMaple@cityofsacramento.org
KSoto@cityofsacramento.org
eguerra@cityofsacramento.org
rjennings@cityofsacramento.org
district8@cityofsacramento.org
info@sacclimate.org
gsahba@gmail.com
dwmacpherson2000@gmail.com