



September 3, 2017

The Honorable Paul Krekorian
Chair of the Budget & Finance Committee City of Los Angeles
200 N. Spring St.
Los Angeles, CA 90012

The Honorable Herb Wesson
President of the Los Angeles City Council
200 N. Spring St.
Los Angeles, CA 90012

Re: Wells Fargo Bank/Options for Divestment
Council File 17-0330

Dear Chairman Krekorian and President Wesson,

We, the members of Feel the Bern Democratic Club, Los Angeles, are in support of the Divest LA campaign to end the City of Los Angeles' financial ties with Wells Fargo for their complicit involvement in fraudulent conduct including: opening illegal bank accounts, targeting communities of color, and financing the Dakota Access Pipeline and Keystone XL Pipelines. The Club formally endorsed it the efforts and resolution of Divest LA on August 20, 2017.

The institutions that the City chooses to support with public funds is a reflection of its values, and it is therefore incumbent on the City to ensure that institutions sustained with taxpayer dollars support socially and environmentally responsible endeavors, and desist from doing business with institutions that violate ethics that Angelenos hold.

As the center for economic power and influence, the City of Los Angeles is tasked with an incredible opportunity to be a true leader in innovative policy and environmentalism- this requires that all financial endeavors of the City reflect these values. Los Angeles must therefore take the legislative steps to change the fundamental relationship between the City and big banks to ensure a similar situation does not repeat in the future. Local leaders must commit to baseline standards for socially responsible banking performance, and leverage the city's financial resources to penalize corruption and reward financial institutions for socially and environmentally conscious business practices, ensuring that consumers and communities thrive.

We also urge the City to develop an ethics standard for its investment portfolio. It is crucial for Los Angeles to take the lead and divest from socially and environmentally destructive institutions and reinvest into renewables, social good funds, and renewable energy in accord with the City's own goals of having a 100% renewable energy portfolio.

We commend Los Angeles City Council for taking its first courageous step towards full divestment. Los Angeles must now join dozens of other major cities like Seattle, Santa Monica, Philadelphia, and New York City, and dissolve its relationship with Wells Fargo, and move the City's money into a more ethical and responsible bank.

We also support the creation of a municipal public bank, as recently introduced on July 25th by Councilmembers Wesson, Krekorian, and Ryu, seconded by Councilmembers O'Farrell, Koretz, Bonin, and Cedillo. We urge the City of Los Angeles to create a strong socially and environmentally responsible public bank charter to ensure that taxpayer dollars are reinvested back into our communities, including affordable housing, local small businesses, and the city's transition to clean, renewable energy.

We look forward to witnessing the final vote to divest, which will pave a path towards a new era of accountability for financial institutions and corporations doing business with the City of Los Angeles.

Sincerely,

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CC:

Mayor Eric Garcetti
Councilmember Gil Cedillo
Councilmember Bob Blumenfield
Councilmember David Ryu
Councilmember Paul Koretz
Councilmember Monica Rodriguez
Councilmember Nury Martinez
Councilmember Marqueece Harris-Dawson
Councilmember Curren Price
Councilmember Mike Bonin
Councilmember Mitchell Englander
Councilmember Mitch O'Farrell
Councilmember Jose Huizar
Councilmember Joe Buscaino