

Your Community Impact Statement has been successfully submitted to City Council and Committees.

If you have questions and/or concerns, please contact the Department of Neighborhood Empowerment at NCsupport@lacity.org.

This is an automated response, please do not reply to this email.

Contact Information

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The Board approved this CIS by a vote of: Yea(11) Nay(2) Abstain(0) Ineligible(0) Recusal(0)

Date of NC Board Action: 04/19/2021

Type of NC Board Action: For

Impact Information

Date: 04/30/2021

Update to a Previous Input: No

Directed To: City Council and Committees

Council File Number: 19-1235

Agenda Date:

Item Number:

Summary:



April 20, 2021

Los Angeles City Council
City Hall
200 N. Spring St.
Los Angeles, CA 90012

RE: AB 857/California Law/Municipal Bank of Los Angeles (MBLA)/Establishment/Public Bank License

Honorable Members of the Los Angeles City Council,

Empowerment Congress West Area Neighborhood Development Council (ECWA) recommends that the Los Angeles City Council advise, through its Economic and Jobs Development Committee, the City's Office of Finance to support the establishment of the Municipal Bank of Los Angeles (MBLA).

The Los Angeles public bank has the potential to improve critical aspects of community life, such as affordable housing, small business development, and infrastructure. Today, all city projects require money. Crucially, our city pays interest on every loan they take out with our tax dollars, which is paid to private commercial banks. A public bank would finance public works at a fraction of the price of private capital and operate according to a public mandate, serving the interest of the city and its people.

The MBLA would accept and insure city deposits, ensure liquidity, and provide all the banking and purchasing services the city requires. It would make prudent, targeted loans to the city itself, as well as to responsible parties in sectors of the local economy where capital would make a measurable difference in the lives of Angelenos.

The bank should contain the following elements in its charter: explicit social/environmental responsibility and anti-corruption clauses in its charter with bankers held accountable to public scrutiny, 100% transparency, and a board of directors that includes persons associated with community development and financial experts. These safeguards will ensure the most democratic bank possible.

A public bank will allow Los Angeles to create sound investments that will save money and allow our city to invest public deposits in fiscally, socially, and environmentally responsible activities. This type of control over funds allows investment opportunities directly benefiting the City, where opportunities include rebuilding our crumbling infrastructure, transitioning to a green energy grid, and bolstering environmentally friendly public transportation, among others.

In Solidarity,

Empowerment Congress West Area Neighborhood Development Council (ECWA)