

Communication from Public

Name: Public Bank LA Coalition

Date Submitted: 09/02/2025 09:29 AM

Council File No: 19-1235-S1

Comments for Public Posting: On behalf of over 70 organizations, we urge the LA City Council to allocate the funds needed to fully complete the public bank feasibility study. This modest investment will provide a roadmap to cut costs, safeguard public dollars, and build financial infrastructure that serves our communities before the next crisis. Please see the attached support letter.

September 2, 2025

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

Re: 19-1235-S1 and 25-0600-S16 Public Bank

Dear LA City Councilmembers,

On behalf of over 70 organizations representing workers and labor unions, affordable housing advocates, environmental and climate justice leaders, racial and immigrant justice groups, small businesses, neighborhood councils, faith leaders, and public banking advocates, **we urge the LA City Council to allot the \$355,000 needed to fully fund the public bank feasibility study.** While a small amount in terms of the budget, this is a critical step toward protecting Los Angeles's financial health by keeping our resources working for our residents.

Right now, **the City pays over \$1 billion each year in debt service to Wall Street banks, including hundreds of millions in fees.** Those same large banks decide what to do with the deposits we send them, in essence, using our tax dollars to provide loans that have nothing to do with helping our city. These dollars (both the fees and our deposits) should be kept in our community to not only save money, but to prioritize our local economy and priorities with the immense power that loans funded by our tax dollars create. A public bank can achieve these goals, and the feasibility study is the next step towards a stronger, more resilient future.

Beyond being a more responsible use of tax dollars, a public bank could provide much-needed protection against federal abuse of power. We are seeing how the federal government is pulling back support and cutting critical funding streams for disaster response, housing, climate investments, and CDFI programs, leaving local governments and communities further budget-constrained and on their own to meet urgent needs. While there is no single solution to the current situation, increasing our financial independence with a public bank would be a big step to protect the future of our city and residents.

The Council has already issued an RFP, selected consultants, and unanimously voted three times to fund this study. Seven Councilmembers have shown leadership by contributing \$15,000 each from their discretionary funds, totaling \$105,000, but the City still needs to allocate the remaining \$355,000 for the consultants to begin their work. **This modest investment will provide a roadmap to cut costs, safeguard public dollars, and build financial infrastructure that serves communities before the next crisis.**

A public bank would allow Los Angeles to finance projects at lower cost, keeping savings in the city rather than diverting them to private profits. **Even a half-percent reduction in borrowing costs could save \$10–25 million each year, adding up to hundreds of millions over time.**

Similar to municipally-owned utilities such as LADWP, a municipal bank would have its own governance and board, designed to serve the public rather than private investors. Just as

LADWP provides electricity and water while reinvesting revenues locally, a public bank would responsibly manage City funds, and transparently finance community priorities while keeping wealth circulating within our communities.

Other public institutions show what's possible. The Bank of North Dakota has **returned over a billion dollars to the state's general fund** while supporting farmers, small businesses, and infrastructure. A Los Angeles public bank could do the same for Angelenos at scale, helping us finance community development, all while lowering costs for taxpayers.

We urge you to allocate the remaining funds and move forward with the public bank feasibility study. This is a practical, forward-looking investment that could transform how the City manages its money and delivers for residents.

Thank you for your leadership.

Sincerely,

Public Bank LA Coalition

SEIU Local 721

Public Bank Los Angeles

ACCE Action Los Angeles

Inclusive Action for the City

Move LA

United Parents and Students

Destination Crenshaw

ACCE Action (Alliance of Californians for Community Empowerment)

ACT-LA (Alliance for Community Transit-Los Angeles)

Africa Town Enterprise

AFSCME District Council 36

Americans for Democratic Action (ADA) Southern California

Americans for Democratic Action Foundation of Southern California

Bend the Arc

Brotherhood Crusade

California Progressive Alliance

California Public Banking Alliance

CARECEN-LA (Central American Resource Center)

CHIRLA (Coalition for Humane Immigrant Rights)

CLUE (Clergy and Laity United for Economic Justice)

CoCo South LA (Community Coalition)

Community Power Collective

Courage California

Creating Justice LA

Democratic Socialists of America - Los Angeles

Destination Crenshaw
Eastside Leads
Elysian Valley Riverside Neighborhood Council
End Homelessness California
FIX LA
Friends of the Earth US
Greater Cypress Park Neighborhood Council
Green Party of Los Angeles County
Ground Game LA
Historic Highland Park Neighborhood Council
Housing Now! California
Inclusive Action for the City
Indivisible California
Inner City Struggle
International Union Of Operating Engineers (IUOE) Local 501
KIWA (Koreatown Immigrants Workers Advocates)
LA County Federation of Labor, AFL-CIO
LA Forward Institute
LA Voice
LAANE (Los Angeles Alliance for a New Economy)
LA/OC Building and Construction Trades Council, AFL-CIO
Librarians Guild
Little Tokyo Service Center
LIUNA Local 777
Living Urban Ventures
Los Angeles Black Worker Center (LABWC)
Los Feliz Neighborhood Council
McCarty Memorial Christian Church
Move LA
Movement Legal
National Day Laborer Organizing Network (NDLON)
Neighborhood Council Sustainability Alliance
Pasadena City College CORE Program
Public Bank LA (PBLA)
Public Bank Pomona Valley
Rise Economy
SAJE (Strategic Actions for a Just Economy)
SCOPE LA (Strategic Concepts in Organizing & Policy Education)
SEIU Local 721
SEIU-USWW
SoCal 350
South Asian Network
Southern Christian Leadership Conference

Sunrise Movement LA
Teamsters Local 911
Thai Community Development Center
The Academy of Financial Education
The Church Without Walls - Skid Row
The Democracy Collaborative, Joe Guinan, President
The Row LA
United Parents and Students (UPAS)
United Teacher Los Angeles (UTLA)
United to House LA
United Way LA
US Solidarity Economy Network
USC Credit Union
Venice Community Housing Corporation
Voices Neighborhood Council
Voters of Tomorrow CA

CC:

- Council President Marqueece Harris-Dawson
- President Pro Tempore Bob Blumenfield
- Councilmember Eunisses Hernandez
- Councilmember Adrin Nazarian
- Councilmember Nithya Raman
- Councilmember Katy Yaroslavsky
- Councilmember Ackley Padilla
- Councilmember Monica Rodriguez
- Councilmember Curren Price
- Councilmember Heather Hutt
- Councilmember Traci Park
- Councilmember John Lee
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- Councilmember Ysabel Jurado
- Councilmember Tim McOske