

**SAN FRANCISCO REINVESTMENT
WORKING GROUP
MINUTES**

REMOTE MEETING VIA VIDEOCONFERENCE

(remote public access provided via teleconference)

December 15, 2022 - 3:00 PM

Regular Meeting

Present: Rafael Morales, Jennifer Finger, Liz Dwyer, Michelle Pierce, Christin Evans, Sylvia Chi, Fernando Marti*, Amanda Fried (TTX), and Anna Van Degna (Controller).
(*Arrived after roll call)

The San Francisco Reinvestment Working Group (SF RWG) met remotely in a regular session through videoconferencing, and provided public comment through teleconferencing, on Thursday, December 15, 2022.

HR&A, the public banking consultants hired to work with the RWG, are required by contract to read a disclaimer before they present. The disclaimer can be accessed here: [Disclaimer](#)

1. Call to Order and Roll Call

On the call of the roll, Rafael Morales, Jennifer Finger, Liz Dwyer, Michelle Pierce, Christin Evans, Sylvia Chi, Amanda Fried (TTX), and Anna Van Degna (Controller) were noted present.

A quorum was present.

2. Findings to allow Teleconferenced Meetings Under California Government Code, Section 54953(e)

The policy analyst provided brief remarks on the findings that must be approved in order to allow the Working Group to continue meeting remotely for the next 30 days.

Public Comment: None.

Member Finger, seconded by Member Van Degna, moved that the Resolution adopting findings required by Assembly Bill 361 that: 1) the Committee has considered the circumstances of the state of emergency; 2) the state of emergency continues to directly impact the ability of policy body members to meet safely in person; and 3) state or local officials continue to impose or

recommend measures to promote social distancing be APPROVED. The motion carried by the following vote:

Ayes: 9 - Morales, Finger, Dwyer, Pierce, Chi, Fried, Van Degna, Marti, and Evans

Action: Resolution APPROVED

3. Approval of the RWG Minutes from the November 17, 2022, Regular Meeting

Chair Evans inquired whether any Working Group member had any corrections to the minutes of the November 17, 2022, Regular Meeting of the San Francisco Reinvestment Working Group.

Member Fried, seconded by Member Pierce, moved to APPROVE the minutes of the November 17, 2022, Regular Meeting of the San Francisco Reinvestment Working Group. The motion carried by the following vote:

Ayes: 9 - Morales, Finger, Dwyer, Pierce, Chi, Fried, Van Degna, Marti, and Evans

Public Comment: None.

Action: Minutes APPROVED

4. Presentation on Research Conducted by the Budget Legislative Analyst (BLA) on Fiscal Policy and Public Banking and on Research Conducted by the Office of the Treasurer and Tax Collector

Karl Beitel, Senior Analyst from the Budget and Legislative Analyst (BLA), and Amanda Fried, Chief of Policy and Communications from the Office of the Treasurer & Tax Collector (TTX), presented. Khalid Samarrae, SF RWG Policy Analyst, introduced the presentation. Working Group members engaged in discussion with presenters.

- The Treasurer's Office will not weigh in on specific investment recommendations as part of the RWG process, as it is difficult to discuss what investments the Treasurer will make into an entity that does not yet exist.
- The Mayor and the BOS can appropriate unassigned General Fund balance subject to certain approvals from the Controller's Office. TTX does not have any jurisdiction over the use of funds, just their safekeeping and investment. Any appropriation, including the reappropriation of an unassigned General Fund balance, is under the authority of the BOS and Mayor.
- There are benefits to consolidating all City lending programs into a non-depository Municipal Finance Corporation (MFC). The BOS and Mayor can appropriate funding for an MFC. Investment Pool funds cannot be invested into an MFC by TTX.
 - To determine if there are any possibilities for use of the Investment Pool funds into an MFC, the BLA will write a memo outlining a recommended process and submit it to the City Attorney for review.

- The BOS can authorize TTX to invest in securities with a longer than 5-year term, however, the BOS cannot require TTX to do so. TTX has jurisdiction over the safekeeping and investment of the Investment Pool.

Public Comment:

- Reina Tello, from People Organizing to Demand Environmental and Economic Rights (PODER), encouraged by the RWG's discussion today, asks the RWG to consider how a public bank could fund student loans.
- Jackie Fielder, member of the San Francisco Public Bank Coalition (SFPBC), suggested measuring the economic benefits and savings from the activities of a public bank and weighing that against the costs of creating a public bank .
- Rick Girling, member of the SFPBC, appreciated the RWG's discussion and urged moving forward with a sense of urgency.

There was no action taken.

5. Presentation by HR&A Team on the Updates on the Regulatory Agencies Materials, Updates to the Work Plan and Feedback-schedule, and Updates to the Community Outreach Report

Giacomo Bagarella from HR&A Advisors presented on HR&A's proposed feedback and deliverable schedule and the community outreach effort. Mr. Bagarella also discussed the outline for the business and governance plan and viability study for the public bank, discussed next steps for the HR&A Team, and identified potential areas of RWG support in preparing the deliverables.

Gary Findley from Gary Steven Findley & Associates, a subcontractor of HR&A Advisors, stated that the draft governance plan for a public bank was submitted for pre-application review to the FDIC and CDFPI. Mr. Findley also stated that he has submitted a letter to the U.S. Federal Reserve on whether municipalities (cities and counties) are considered bank holding companies for the purposes of creating a public bank. Mr. Findley recommended a capitalization amount and timeline for the public bank based on regulatory expectations.

Members of the Working Group engaged in discussion with the consulting team.

Public Comment:

- Misha Styer, District 7 resident, thanks RWG for their work and appreciates the Community Outreach Report, but wishes there was more on the vision for a public bank.
- Rick Girling (SFPBC) urges moving up the timeline for a San Francisco Public Bank.
- Reina Tello (PODER), appreciates the Community Outreach Report, but wishes there was more on equity and community investment, and encourages looking at different type of insurance to support undocumented community.

There was no action taken.

6. Presentation by the Public Banking Policy Analyst on Potential Funding Sources

Khalid Samarrae, SF RWG Policy Analyst, presented on possible revenue sources for a public bank. Working Group members engaged in discussion with presenters.

Public Comment: None.

There was no action taken.

7. Public Comment

Public comment:

- None.

There was no action taken.

8. Future Agenda Items

Chair Evans opened the floor to Working Group members to suggest potential future agenda items:

- Chair Evans stated that she may invite someone from the Bank of North Dakota to present at a future meeting.

Public Comment: None.

There was no action taken.

9. Adjournment

There being no further business, the SF RWG adjourned at the hour of 5:15pm.

N.B. The Minutes of this meeting set forth all actions taken by the SF RWG on the matters stated, but not necessarily in the chronological sequence in which the matters were taken up.