

# **SAN FRANCISCO REINVESTMENT WORKING GROUP BYLAWS**

## **Article I – Identification**

### Section 1. Name

San Francisco Reinvestment Working Group (the “Working Group”)

### Section 2. Compliance with Applicable Laws

The Working Group shall comply with all applicable laws, including but not limited to the Ralph M. Brown Act (Cal. Government Code Section 54950 *et seq.*) and the San Francisco Sunshine Ordinance (San Francisco Administrative Code Section 67.1 *et seq.*) in publishing notices, agendas, and minutes and carrying out its operations and functions. Where publication or posting on a website is required, the Working Group shall use the Clerk of the Board’s website or another website designated by the Clerk of the Board.

## **Article II – Establishment and Mission of the Working Group**

The Board of Supervisors established the Working Group in July 2021 in Board Ordinance No. 87-21. The Working Group’s powers and duties are codified in San Francisco Administrative Code Chapter 5, Article XVI, sections 5.16-1 through 5.16-7.

The Working Group is responsible for advising the Board of Supervisors (the “Board”) and the Local Agency Formation Commission (“LAFCo”) regarding the establishment of a state-licensed public bank. The Working Group must submit to the Board and LAFCo a business and governance plan to establish a non-depository lending corporation wholly-owned by the City, designated as the “Municipal Finance Corporation” or MFC. Also, the Working Group must submit to the Board and LAFCO a separate business and governance plan for the MFC to become a state-licensed public bank.

## **Article III – San Francisco Reinvestment Working Group**

### Section 1. Membership

The Working Group has nine members. The President of the Board of Supervisors nominates seven members subject to approval by the Board of Supervisors. The remaining two members are the Controller or the Controller’s designee, and the Treasurer or the Treasurer’s designee. (Administrative Code § 15.6-5.)

### Section 2. Terms

The terms of all members of the Working Group began on April 21, 2022. Those terms will end when the Working Group terminates, unless the Board of Supervisors by ordinance provides for a different term. (Administrative Code § 5.16-6(e).)

### Section 3. Removal and Absences

Members may be removed by their appointing authorities at any time.

Additionally, any member, including the Chair or the Vice Chair, who misses three regular meetings of the Working Group within a six-month period without the written approval of the Chair, or the Vice Chair in case of the Chair's absence, at or before each missed meeting shall be deemed to have resigned from the Working Group 10 days after the third unapproved absence. The Working Group will ask the Clerk of the Board to inform the member's appointing authority of any such resignation. (Administrative Code § 5.16-6(j).)

The Working Group may vote to excuse an absent member from a Working Group meeting. If the Working Group does not take such a vote at the meeting or at a previous meeting, or if the absence has not been approved by the Chair or Vice Chair as provided in the preceding paragraph, then the minutes shall note that the absence is unexcused. Regular attendance at the Working Group meetings is critical to the Working Group's ongoing success.

### Section 4. Compensation

Working Group members shall serve without compensation from the City, except that members serving in Seats 8 and 9 shall receive their regular salaries for time spent on the Working Group because they are serving in an official capacity as representatives of their departments. (Administrative Code § 5.16-6(g).)

### Section 5. Purpose and Responsibilities

The Working Group has the following responsibilities:

1. Submit to the Board and LAFCo a business and governance plan for establishing and operating an MFC, and addressing the following aspects: (a) planned lending services, prioritizing investment in affordable housing production and preservation, Local Enterprise, and public infrastructure; (b) organization and management; (c) financial projections; and (d) funding requirements.
2. Submit to the Board and LAFCo a business and governance plan for the MFC to become a Public Bank. That plan must:
  - Meet the elements required in a business plan to be submitted as part of a public bank license application;
  - Include a study to assess the viability of the proposed public bank;
  - Use the following timeline: the MFC applies for a public bank license within three years of its establishment; becomes operational as a public bank within five years of its establishment; and provides comprehensive banking services to the City within five years after that;

- Establish lending priorities that promote economic security, affordability, environmental sustainability, and general well-being for all San Franciscans;
  - Recommend a governance and regulatory structure;
  - Recommend modifications of City laws and regulations;
  - Recommend whether and how to work with other government agencies as partners or customers; and
  - Make recommendations for capitalization and loan funding of at least \$300 million.
3. In the Working Group’s discretion, make additional recommendations for modifications of City laws and regulations.

## **Article IV – Officers**

### Section 1. Officers

The Working Group shall have two officers: a Chair and Vice Chair.

### Section 2. Term of Office

The terms of the Chair and Vice Chair appointed by the Working Group at its meeting on April 21, 2022 shall expire at the start of the Working Group’s first regular meeting of February 2023. Thereafter, if the Board of Supervisors extends the sunset date of the Working Group by ordinance, the term of each officer shall expire at the start of the Working Group’s first regular meeting each February.

### Section 3. Nomination and Election of Officers

A. The Working Group shall elect officers at the first regular Working Group meeting in February of each year beginning in 2023, if the Board of Supervisors extends the sunset date of the Working Group by ordinance. At that Working Group meeting, any Working Group member may nominate themselves or another Working Group member for the office of Chair or Vice Chair. A Working Group member nominated for an office may decline the nomination. Unless the Working Group member declines, all Working Group members nominated at that meeting shall be considered candidates for the office.

B. The Working Group shall vote on the office of Chair, with each member voting for one of the candidates. If one candidate receives five votes, that candidate shall be elected as Chair. If no candidate receives five votes, the Working Group may have additional discussion and votes, the Working Group may reopen nominations, and candidates may withdraw their candidacy. After the Working Group selects a Chair, the Working Group shall vote on the office of Vice Chair following the same procedure.

C. If the office of the Chair is vacated before the expiration of a term, the Vice Chair shall serve as Chair until the next regular meeting. The Working Group shall elect a Chair at that meeting to fill the vacancy. If the Vice Chair is elected as Chair, the Working Group shall elect a new Vice Chair at that meeting. If the office of Vice Chair is vacated before the expiration of a term, the office shall remain vacant until the next regular meeting, at which time the Working Group shall elect a new Vice Chair.

#### Section 4. General Duties and Responsibilities of the Chair

The Chair shall preside at all meetings of the Working Group. The Chair, working with the Working Group staff, shall oversee the preparation and distribution of the agenda for all Working Group meetings. The Chair shall also perform such other duties as may be assigned by the Working Group. Unless the Working Group assigns a different member, the Chair (or the Chair's designee) shall serve as the Working Group's spokesperson and liaison to the media and City departments, agencies and commissions, as necessary.

#### Section 5. General Duties and Responsibilities of the Vice Chair

The Vice Chair shall perform the duties and responsibilities that may be delegated by the Chair. In the absence of the Chair, the Vice Chair shall perform the duties of the Chair as described above.

### **Article V – Administrative and Clerical Support**

The Clerk of the Board will provide clerical and administrative support for the Working Group, including posting agendas and minutes online, circulating agenda materials to Working Group members, and assisting with the administration of meetings. The Clerk of the Board will select and supervise the staff that supports the Working Group.

### **Article VI – Meetings**

#### Section 1. Quorum

At all meetings of the Working Group, the presence of five members shall constitute a quorum. Regardless of the number of members present, the affirmative vote of at least five members shall be required for the approval of any matter unless otherwise provided in these Bylaws.

#### Section 2. Public Participation

Consistent with its mission and as required by law, the Working Group shall hold meetings open to the public and encourage the participation of interested persons. Each meeting agenda shall provide an opportunity for members of the public to directly address the Working Group on items of interest to the public that are within the Working Group's jurisdiction but not on the Working Group's agenda.

#### Section 3. Meeting Minutes

The Clerk of the Board shall record the minutes of every meeting. The minutes shall be approved by the Working Group at a subsequent meeting.

#### Section 4. Record Retention

The Working Group shall utilize the Clerk of the Board's record retention and destruction policy.

#### Section 5. Meetings

The Working Group's regular meetings will occur on the third Thursday of each month at 3:00 p.m. The Working Group will meet remotely until it is authorized to meet in person under the Mayor's COVID-19-related emergency orders or other City law. Thereafter, the Working Group will establish a physical room location for its regular meetings, and will modify these Bylaws accordingly. The Chair may schedule a special meeting at any time, subject to applicable noticing requirements. Additionally, the Working Group by vote of at least five members may schedule a special meeting at any time, subject to applicable noticing requirements.

#### Section 6. Future Agenda Items

The agenda of each regular Working Group meeting shall include an item for the Working Group to discuss and approve items for future meeting agendas.

#### Section 7. Parental Leave Policy

Administrative Code Chapter 67B authorizes members of the Working Group to take parental leave in certain circumstances. The terms of the parental leave policy are set forth in Administrative Code Section 67B.1. That section is incorporated by reference into these bylaws. The Clerk of the Board shall provide a copy of Section 67B.1 to each member of the Working Group when the member assumes office. Any member who intends to take parental leave under this policy must inform the Clerk of the Board and the Chair of the Working Group in writing. To the extent feasible, the member's written notice shall state the beginning and end dates of the leave and whether the member intends to participate in Working Group meetings remotely during the leave. But the notice is not binding on the member and does not limit the member's rights under the parental leave policy, but rather is intended to aid the Clerk of the Board and the Chair in planning the work and the meetings of the Working Group while the member is on parental leave.

### **Article VII – Voting and Abstention**

The Working Group will act by motion. Any Working Group member may make a motion orally during a meeting, and any other member may second that motion. All motions must receive a second before the Working Group votes.

Each member present at a Working Group meeting shall vote "yes" or "no" on all motions, unless the either (1) the member is excused from voting by a motion adopted by a majority of the

members present, or (2) the member has a legal conflict of interest that prohibits the member's participation in the vote. To determine whether a member has a legal conflict of interest in a particular matter, the member should consult with the City Attorney's Office.

### **Article VIII – Parliamentary Procedures**

Unless the Charter, City law, or these Bylaws provide to the contrary, the Working Group's parliamentary procedure shall be governed by Robert's Rules of Order.

### **Article IX – Amendment of Bylaws**

The Working Group may amend these Bylaws by a majority vote of the Working Group, provided that a description or copy of any substantive proposed amendments are circulated in writing to all Working Group members and noticed to the public at least ten days prior to such meeting.