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## RESOLUTION NO.

**WHEREAS**, the City seeks to utilize new technologies and innovations to improve government processes and better serve Austinites; and

**WHEREAS**, a public bank is a bank that is owned and operated by a public institution, such as a municipal government, and operated in the public interest; and

WHEREAS, a national movement is occurring of state and local entities creating public banks with the intent to create loans for a public purpose, re-invest city revenues locally, and provide non-predatory banking services for the public; and

WHEREAS, local cities, such as Philadelphia, San Francisco, and Los Angeles have filed legislation to create local public banks; and

WHEREAS, federal funding is becoming more available, such as, the Inflation Reduction Act of 2022 through the National Clean Investment Fund and Clean Communities Investment Accelerator; and

**WHEREAS**, a public bank can help support the investment of City revenues for local benefit in ways that are consistent with the City's values and policy goals; and

**WHEREAS**, a public bank supports the local economy and provides fair and equitable financial services to the City, businesses, and residents; and

**WHEREAS**, publicly owned banks, versus private banks, are legally obligated to operate in the interest of the public, meaning the community as a whole; and

WHEREAS, local governments pay oversized fees to private banks to manage their deposits and payments, and a public bank can provide services and credit "at cost," returning any profits to the public purse to be used for local development and services; and

**WHEREAS**, a public bank promotes economic development in the region, follows transparent, ethical, sustainable, and regenerative investment practices, and partners with local community banks and credit unions to strengthen existing financial institutions; **NOW**, **THEREFORE**,

### BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The City Manager is directed to create a feasibility study which includes requirements, legal barriers, benefits of a public bank compared to currently available banking and finance options, and potential governance models and business plans for establishment of a public bank.

#### **BE IT FURTHER RESOLVED:**

The City Manager is directed to provide an overview of existing City programs that may already accomplish the goals of a public bank.

#### BE IT FURTHER RESOLVED:

The City Manager is directed to include the following, but not limited to, in the feasibility study:

- credit access for small businesses, especially those owned by or employing residents in socioeconomically disadvantaged neighborhoods,
- affordable, below-market, and social housing finance,
- climate change mitigation and green energy investment,

- governance and accountability,
- transformative credit programs for preserving and developing local economic growth and worker and tenant ownership, and
- developing and promoting inclusive, low cost, privacy-respecting and consumer-friendly payments services.

# **BE IT FURTHER RESOLVED:**

The City Manager is directed to report back to Council by November 1, 2024.

ADOPTED:	 ATTEST:	
		Myrna Rios
		City Clerk