

# Public Bank LA Toolkit



## Funding Our Future: A Toolkit for Activists Working to Reclaim LA's Public Dollars from Wall Street

*The California Public Banking Act gives cities like Los Angeles the power to create public banks that are publicly owned and accountable to the communities they serve. A public bank would keep our dollars in LA instead of sending them to Wall Street, and would invest in affordable housing, sustainable infrastructure, public schools, and small businesses in underserved neighborhoods.*

*This toolkit includes an overview of public banking and resources to help you spread the word and support building a socially and environmentally responsible public bank in Los Angeles.*

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## What's a Public Bank?

A municipal public bank is a city-owned financial institution that keeps public funds within the community. Unlike Wall Street banks, which focus on private profits, public banks prioritize the needs of the people and the city.

By cutting the high costs of bank interest and fees, a public bank will enable the city to reinvest in crucial local projects like affordable housing, green energy, and infrastructure projects, public services, and support for communities of color that big banks have long neglected. Money generated in the city will stay local, supporting sustainable development and a more just, resilient economy.

A public bank can prioritize socially and environmentally responsible investments, aligning with the city's values and long-term goals. It's about using our financial resources to directly benefit residents and improve the quality of life in Los Angeles.

- The [California Public Banking Act](#) (AB 857, 2019) established a legal framework allowing cities to create public banks and reinvest taxpayer funds locally. This first-of-its-kind legislation enables city and regional governments to own and operate banks. Public banking regulations were finalized by the state in 2022.
- The LA Public Bank will be a non-profit financial institution, owned by the city, focused on community needs like affordable housing and green energy, not profit for private shareholders.
- Unlike private banks, which prioritize executive pay and shareholder profits, public banks use their resources to address local priorities such as affordable housing and infrastructure. Instead of lining the pockets of private bankers, public banks reinvest their profits back into the community.
- A public bank operates as a non-profit entity, managed by an independent board of directors. Qualified bankers and financial experts oversee operations, ensuring sound financial management and safeguarding of public funds.
- Since it operates as a non-profit entity independent of elected officials, the public bank doesn't pose a risk to the city's financial health.
- Public banks benefit from tax-exempt status, which lowers operational costs and allows them to allocate more resources to community projects and lending.

- As wholesale banks with low overhead, public banks can centralize public financing by merging funding sources, streamlining, and accelerating lending for community initiatives.
- California public banks are designed to partner with local financial institutions, including community banks, credit unions, and community development financial institutions (CDFIs). This collaboration expands the lending capacity of local institutions, offering lower interest rates and providing more accessible credit for small businesses, all while addressing municipal financing needs.
- The LA Public Bank will leverage city assets up to ten times, offering low-interest loans and greatly expanding financial resources for community development.



## Flyer on Public Bank LA

Check out our [printable flyer here](#) in English and Spanish!

## FAQs on Public Banking

Check out our FAQs on Public Banking [HERE](#).

For more information, here's our [Resource Booklet](#).

## Spread the Word

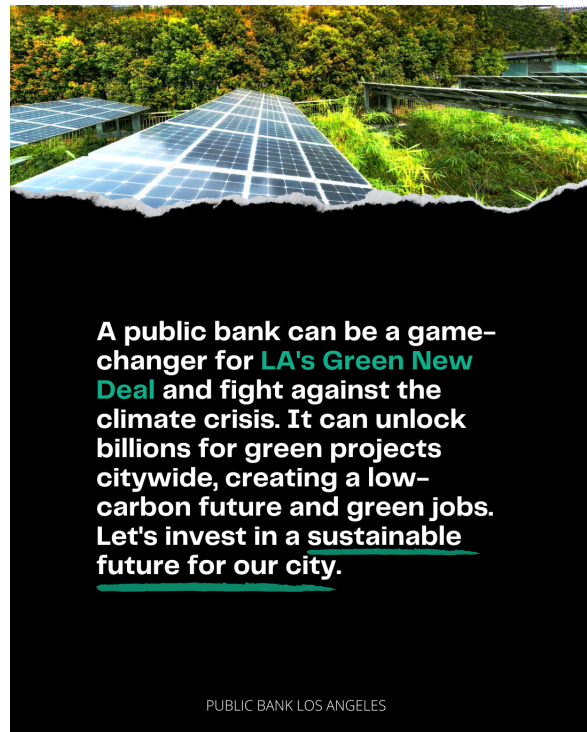
We want to make sure every community knows about this historic opportunity to create the Los Angeles Public Bank. Help spread the word!

### Share our Video

- Click [HERE](#) to watch our 2-minute public banking explainer video.

### Sample Graphics




Click [HERE](#) to download 11 different graphics.



**Sample Posts (Tweets, Instagram, Facebook, etc.)**  
**Tag us @publicbankla so that we can re-share!**

Hashtags: #PublicBankLA #PeoplesBank #PeopleOverProfit


Owned by LA residents, the public bank provides key support for affordable housing, infrastructure, small businesses, and clean energy and climate projects. Benefits include saving millions in banking fees, generating revenue, and investing in local priorities.



-  Financing for affordable housing
-  Green energy investments
-  Credit access for small businesses



Public banks keep profits local to our communities rather than being extracted by Wall Street banks. Profit for the people!  





**Divest from Wall Street, Invest in Main Street!** LA's public bank will save the city millions in fees, increase accountability, and prioritize local investments. A smarter way to manage our funds!

**Affordable housing made easy:** Streamlined financing through LA's public bank will help developers quickly buy, preserve, and build affordable housing. 

**Empower LA with green energy!** LA's public bank will fund sustainable projects like solar power & clean tech, cutting costs and creating local green jobs. Let's invest in a greener future while saving over \$1 billion annually in fees to Wall Street!  

**Returns profit to local communities:** LA's public bank will boost economic prosperity and support community initiatives, focusing on local needs over profits for Wall Street executives.  

**Supports racial justice:** LA's public bank will ensure equitable access to financial resources and invest in historically underserved communities.  

**Reduces costs to the city:** Cut costs by reducing fees to private banks. LA's public bank will lower expenses and free up funds for affordable housing, schools, infrastructure, and green energy.

A public bank, owned by and accountable to the people of Los Angeles, will redirect public funds to finance affordable housing, create local jobs in LA's green economy, and expand capital access for historically underserved communities. We're mobilizing public funds for the public good!



**Public Transportation  
Public Hospitals  
Public Libraries  
Public Schools  
Public Airports  
Public Utilities  
Public Parks  
Why not Public Banks?  
We need Public Banks because  
Wall Street banks abuse their power!  
Public Parks  
Public Utilities  
Public Airports  
Public Schools  
Public Libraries  
Public Hospitals  
Public Transportation  
PUBLIC BANKS!**

## **Talking Points About Public Banking**

Use these talking points to tell people about the Los Angeles Public Bank. We encourage you to spread the word and share it with your city council members, community organizations, schools, and congregations to let them know about this opportunity to create the People's Bank!



## General Talking Points

- **Save taxpayer dollars with a public alternative to Wall Street.** The LA Public Bank offers a public alternative for managing the city's finances. It could **save more than \$1 billion annually in fees, interest, and debt service** currently paid to Wall Street banks, redirecting those funds to the local economy.

By funding projects ourselves, the city can avoid costly bonds and commercial loans, saving significant amounts on banking fees. **Currently, nearly 50% of infrastructure costs go to private banks for debt service and finance costs.**

- **Reclaiming our funds.** Big banks have a history of misconduct and discrimination against underserved communities, facing billions in fines for predatory behavior. Our public funds shouldn't be entrusted to banks that have repeatedly proven they aren't responsible stewards of taxpayer dollars. A public bank, accountable to the people of LA, will keep our funds local, supporting priorities like affordable housing and clean energy, instead of financing weapons manufacturers and harmful projects.
- **Prioritize people and planet.** The City of LA invests our public funds in banks that bankroll destructive fossil fuel projects, worsening the climate crisis. A public bank will reclaim those funds from Wall Street and redirect them to projects that benefit LA residents. Guided by a built-in commitment to environmental and racial justice, **a public bank will ensure investments and lending align with our values, putting people and the planet ahead of corporate greed.**
- **Community investment.** The public bank will invest in and fund community-centered economic development and infrastructure projects like **building affordable housing, addressing homelessness, and improving roads and schools without increasing taxes.** This supports the city's growth without adding financial burdens on residents.
- **Recycling city funds.** A public bank will recycle tax dollars by re-lending repaid loans back to the city, unlike departments that spend funds without seeing them again. **Unlike private banks, a public bank returns profits and resources to our communities, not out-of-state shareholders,** creating lasting capital for long-term investments and addressing racial and economic inequalities.
- **Racial and economic justice.** By partnering with local institutions, the public bank will improve credit access for unbanked and underbanked residents. It

will **prioritize investments in historically underserved communities**, addressing banking deserts and countering predatory lending practices from Wall Street banks.

- **Economic development and job creation.** Public banks provide low-cost loans for infrastructure projects, affordable housing, and worker-owned cooperatives. This support helps stimulate economic growth, **create good-paying jobs, and invest in essential public services.**
- **Local financial collaboration.** In line with the California Public Banking Act, the LA Public Bank will work with LA's local community banks, credit unions, and CDFIs. This partnership increases lending, lowers interest rates, and provides more affordable financial services for businesses and residents.
- **Centralized financing.** As a low-cost wholesale bank, the public bank can consolidate multiple funding sources, **making it easier and cheaper to finance community projects.**
- **America's successful public bank.** The state-owned **Bank of North Dakota is [more profitable](#) than Goldman Sachs and JP Morgan Chase, returning over \$1 billion to the state's general fund since 1945.** Unlike many banks, BND avoided losses during the Great Recession by avoiding risky investments.
- **Self-sustaining operations.** Revenue from loan interest and fees will cover the bank's operating costs, including staffing, technology, and compliance. Once self-sustaining, the bank can return profits to the local government's general fund, similar to the Bank of North Dakota.
- **Democratic access and transparency.** A public bank gives **LA residents a direct voice in managing their community's finances.** It brings transparency and democratic control to banking, allowing the public to oversee investments and financial decisions that impact their everyday lives.
- **Growing momentum.** Cities and regions [across California](#)—San Francisco, East Bay, Sacramento, Central Coast—are advancing public bank business plans. **As the largest city in California and the second largest in the nation, Los Angeles has a historic opportunity to lead the way in public banking.**

### ***Affordable Housing Talking Points***

- **Predevelopment lending.** A public bank will help fill the gap in affordable housing by partnering with CDFIs, buying portions of their balance sheets, or



providing credit enhancements, such as guaranteeing loan pools. This could increase CDFI lending tenfold.

- **Hotel acquisition and housing preservation.** The bank will offer acquisition funds to nonprofits, allowing them to use the funds as equity for commercial loans. For instance, nonprofits could use 20% bank funds with 80% loan coverage. These funds can later be recycled through refinancing, enabling the bank to acquire and preserve affordable housing with a 5x return.
- **Acquisition funds and tenant opportunities.** The bank will seed equity funds for affordable housing, similar to San Francisco's Small Sites program, positioning itself as the primary lender on multiple mortgages. With added equity from foundations and philanthropists, this approach will help nonprofits acquire affordable housing and support tenant purchases or community land trusts.
- **Bond issuance.** In the long term, the bank could underwrite and issue bonds for housing agencies like HCID or HACLA. Once fully capitalized, it will purchase these bonds, recapturing interest costs and returning savings to public funds. This strategy is a future goal, likely 5-10 years away.
- **Vouchers and tenants' right to counsel.** The bank can fund law firms or nonprofits to guarantee legal counsel for tenants. For rental vouchers, it could establish a tax credit program where landlords receive credits in place of rent, to be repaid by tenants in future years. This will require a strong, innovative public bank.
- **Long-term alignment with LA's housing strategy.** The bank will invest in line with LA's social housing goals, such as creating a public pension fund or universal baby bonds for affordable housing. It will also focus on preventative measures in transit, pollution, education, and jobs to support broader social benefits.

### Green Energy Talking Points

- **Financing green projects.** The LA Public Bank will fund community-scale and large utility-scale renewable energy projects, supporting LA's goal of achieving carbon neutrality by 2045 under the [LA100 plan](#).
- **Supporting community solar.** The public bank can fund community solar projects, making clean energy accessible to low-income households and

renters, while empowering local organizations to lead these projects.

- **Expanding residential and commercial solar.** The public bank could offer loans and tax equity financing to expand solar energy for homes and businesses, increasing California's solar capacity.
- **Supporting clean energy transmission.** The public bank could fund infrastructure projects to efficiently deliver solar and wind power to homes and businesses across LA.
- **Lowering solar costs.** The LA Public Bank can reduce credit risks and attract investment, allowing property owners to adopt solar energy without upfront costs.

### **Action Steps**

Tell the Los Angeles City Council to support the Los Angeles Public Bank and demand a socially and environmentally responsible, publicly-owned bank for our community!

Instead of spending over \$1 billion annually in bank interest and fees, LA can recirculate funds back into our city to fund critical priorities like building affordable housing, expanding support for small businesses, and investing in critical infrastructure like building schools and hospitals and fixing our streets.

Tell your city council member to ensure that jobs for new projects benefit our neighbors and boost the local economy. We need projects that set a gold standard for workers, creating good-paying union jobs for LA residents.

### **Two actions you can take to support the creation of the LA Public Bank:**

1. **Send a letter to LA City Council:** [Constituents](#) / [Organizations](#)
2. **Call for Public Comment during an LA City Council meeting:**

### **Talking Points for One-Minute General Public Comment**

### **Ask: For a Community Member**

- Will you join our community campaign and urge the Los Angeles City Council and local organizations to take action now and create a public bank that truly serves the people of Los Angeles?

**Interested in volunteering?** Sign up to join our all-volunteer movement [HERE](#).

### ***Ask: For Organizational Endorsement***

Join over [100 organizations](#) in endorsing the Los Angeles Public Bank! Public Bank LA is supported by a broad coalition, including labor groups, social justice organizations, environmental advocates, Democratic clubs, community groups, and elected leaders. Fill out the organizational endorsement form [HERE](#).

- Our community deserves clean air, affordable housing, modernized infrastructure investments, and expanded access to capital for underserved communities. Will you support a Public Bank for Los Angeles that redirects funds from Wall Street to reinvest in urgent local projects?
- We also want to ensure that jobs created through these projects meet high standards, offering good-paying union jobs to benefit our local economy and empower our neighbors to build lasting wealth.

[Public Bank LA Resolution Sample](#)

## **Further Resources**

You can find additional resources at [publicbankla.org](http://publicbankla.org).

- Public Bank LA [Fact Sheet](#) and [Intro](#)
- Public Bank LA [Resource Booklet](#)
- [Technical Summary](#) and [CPBA Resource Booklet](#), California Public Banking Alliance
- [What a Public Bank Can Do For LA and Its People](#), Jain Family Institute and Berggruen Institute
  - [Municipal Bank of LA: Housing Solutions and Portfolio Options](#)
  - [Democratic Governance Frameworks](#)
  - [Financial Justice Portfolio Options](#)
  - [Clean Energy Portfolio Options](#)
  - [Interactive Balance Sheet Simulator](#)
  - Public Bank LA [Series Summaries](#)
- [Public Banking in the City of Los Angeles](#), Inclusive Action for the City
- [A Governance Proposal for the Los Angeles Public Bank](#), Democracy Collaborative
- [Public Banking Movement Resources](#)