



Municipal Bank Feasibility Task Force

June 28, 2018, 3:00-5:00pm

City Hall, Room 305

Minutes

I. Call to Order

Tajel Shah called the meeting to order at 3:05pm

II. Meeting Attendees

Task Force Members Present: John Avalos, Ada Chan, Marc Franson (by phone), Kate Hartley, Sushil Jacob, Jim Lazarus, Lauren Leimbach, Ben Mangan, Tajel Shah, Kat Taylor, Tim Schaefer, Steve Zuckerman.

Task Force Members Absent: James Clark, Paulina Gonzalez, Teddy Ky-Nam Miller, Nadia Sesay.

III. Welcome & Agenda Review

Tajel Shah and Molly Cohen welcomed Task Force members to the meeting and provided an overview of the items on the agenda.

IV. Update on Progress & Next Steps

Tajel Shah provided an update on progress since the last meeting. Molly Cohen reviewed the outline and content of the final report. Tajel Shah and Molly Cohen described the process for drafting the final report. Task Force members provided feedback on the process and requested an additional meeting after Meeting 6 to review the draft report. Specifically, Task Force members discussed whether they wanted the report and its recommendations to reflect consensus or a final vote. The Task Force agreed that the report will come from the Task Force; the report will provide information and options to policymakers and voters, and Task Force members will get an opportunity to review the report and potentially engage individually around specific issues if they want.

V. Lines of Business & Guidance



Tajel Shah and Molly Cohen presented on various lines of business a municipal bank could pursue to achieve policy objectives, for example a financing mechanism for accessory dwelling units (ADUs). For each line of business, Molly Cohen provided a description of the service, the type and number of potential clients served, proposed size of the loan and details about potential loan terms and rates. Task Force members provided feedback. They noted the inherent difficulties and costs associated with consumer and small business lending and suggested that the Task Force also research loan guarantees, participation lending and loan loss reserve programs to achieve similar goals.

VI. Governance Structures

Molly Cohen presented on the existing governance structures of Bank of North Dakota and the Alberta Treasury Branches, as well as the governance proposal created by the Friends of the Public Bank of Oakland. Task Force members provided input, noting difficulties with credit union governance (members elect an all-volunteer board) and suggesting that the Task Force look at the structures of B Corps and Employee Stock Ownership Plans.

VII. Public Comment

Members of the public provided their insight and feedback.

VIII. Adjourn

The meeting was adjourned at 4:55pm.