

**SAN FRANCISCO REINVESTMENT  
WORKING GROUP  
MINUTES  
REMOTE MEETING VIA VIDEOCONFERENCE  
(remote public access provided via teleconference)**

**September 15, 2022 - 10:00 AM**

**Special Meeting**

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

The San Francisco Reinvestment Working Group (SF RWG) met remotely in a special session through videoconferencing, and provided public comment through teleconferencing, on Thursday, September 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, Christin Evans, Michelle Pierce, Sylvia Chi, Fernando Marti, 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 Morales, 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, Evans, Pierce, Chi, Marti, Fried, and Van Degna

Action: Resolution APPROVED

### **3. Approval of the RWG Minutes from the August 18, 2022, Regular Meeting**

Chair Evans inquired whether any Working Group member had any corrections to the minutes of the August 18, 2022, Regular Meeting of the San Francisco Reinvestment Working Group.

Public Comment: None.

Member Pierce, seconded by Vice Chair Marti, moved to APPROVE the minutes of the August 18, 2022, Regular Meeting of the San Francisco Reinvestment Working Group. The motion carried by the following vote:

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

Action: Minutes APPROVED

### **4. Presentation by HR&A Team on the Requested Response to the Public Bank Governance Proposal by the San Francisco Public Banking Coalition\***

[The Chair of the Reinvestment Working Group called Item 4 and Item 5 at the same time.]

Gary Findley from Gary Steven Findley & Associates, a subcontractor of HR&A Advisors presented their requested response to the San Francisco Public Banking Coalition (SFPBC) proposed governance plan. (Members of the SFPBC presented at the August 18, 2022 Regular Meeting of the RWG.) Giacomo Bagarella from HR&A Advisors joined.

The HR&A team and Gary Findley shared that the FDIC regulators have not likely seen a governance structure like the one proposed by SFPBC that includes a Board Oversight Committee (BOC), which could present some challenges with approval. They recommend two (2) 4-year terms instead of one (1) 4-year term for BOC members. They also recommend prioritizing the following five tasks in anticipation of the formal filling of both state and federal applications:

- Begin communicating with regulators on proposed governance structure;
- Prepare a written governance plan to submit to regulators for comments and refinement;
- Work with City Attorney's Office on BOC governance documents, such as Bylaws, Charter, Code of Conduct, Confidentiality Requests, Job Description, and Responsibilities;
- Determine the vetting plan for BOC candidates and Bank Board candidates; and

- Explore whether a City Charter amendment is required for the long-term desired governance structure but work on an intermediate structure that can function without an amendment.

## **5. Discussion with Prof. Thomas Marois on Public Bank Governance\***

[The Chair of the Reinvestment Working Group called Item 4 and Item 5 at the same time.]

Dr. Thomas Marois, Reader in Development Studies at SOAS University of London discussed public bank governance models. Members of the Working Group engaged in discussion with the consulting team and Prof. Marois.

Prof. Marois shared that HR&A's proposal to make the Board of Commissioners (BOC) a solely advisory body is not recommended and that this format assumes the Board of Directors (BOD) of a public bank will act in the public's best-interest. These types of assumptions have impacted other efforts and if it's fundamental the primary mission of the bank is to serve the needs of the community, then the BOC should be able to guide decisions on the governance, strategy, and operations of the bank, including making decisions on large investments the Public Bank might be considering. The BOC should have some recourse to address BOD actions that may not align with the intent of the municipal financial corporation or public bank; and that there is nothing in the current structure that would prevent the public bank's BOD from acting like any other large commercial bank. What is needed is a series of policy options that satisfies the intent of this working group. He shared two examples: the Canadian bank, which has a very thin governance structure and has been an issue because it's much harder to reverse course once the bank's governance has been established; and the German Public Bank, which is responsive and accountable to the community and works bi-laterally with key stakeholders to meet the needs of the bank as well as the community.

### **Public Comment:**

- Jassmin Poyaoan, from Lawyers Committee for Civil Rights of San Francisco, spoke in support of the SFPBC proposed governance plan.
- Jessie Hernandez, from People Organizing to Demand Environmental and Economic Rights (PODER), spoke in support of interpretation and thanked the Working Group.
- Misha Styer, District 7 resident, spoke about the importance of board members being SF residents
- Charlie Schiammas, from Council of Community Housing Organizations (CCHO), spoke in support of the SFPBC proposed governance plan.
- Reina Tello, from PODER, spoke in support of the SFPBC proposed governance plan.
- Jackie Fielder, as member of SFPBC, spoke in support of RWG sending a governance proposal to regulators that gives the Banking Oversight Committee, referenced in the SFPBC, binding powers.

### **Pre-submitted public comment:**

- Note: Public comment received via Email will be forwarded to the Reinvestment Working Group and will be included as part of the official file.

- Three (3) organizations pre-submitted public comment in support of the SFPBC’s governance proposal:
  - San Francisco Tenants Union
  - San Francisco Anti-Displacement Coalition
  - Public Advocates Inc.
- The letters of support can be accessed here: [pre-submitted public comment](#)

There was no action taken.

## **6. Public Comment**

- None.

There was no action taken.

## **7. Future Agenda Items**

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

- Giacomo Bagarella from HR&A Advisors suggested a future agenda item on the lending priorities for the public bank.

Public Comment: None.

There was no action taken.

## **8. Adjournment**

There being no further business, the SF RWG adjourned at the hour of 12:05pm.

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.