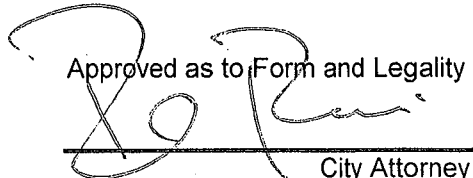


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Approved as to Form and Legality

City Attorney

OAKLAND CITY COUNCIL

RESOLUTION No. _____ C.M.S.

RESOLUTION (1) AMENDING THE CITY OF OAKLAND'S FISCAL YEAR (FY) 2016-17 MIDCYCLE BUDGET (WHICH WAS ADOPTED PURSUANT TO RESOLUTION NO. 86250 C.M.S. ON JUNE 21, 2016) TO APPROPRIATE ONE HUNDRED THOUSAND DOLLARS (\$100,000), FROM THE FISCAL YEAR 2016-17 GENERAL PURPOSE FUND (1010) BALANCE FOR A CONTRACT TO COMPLETE A FEASIBILITY STUDY ON PUBLIC BANKING IN OAKLAND, AND (2) AUTHORIZING THE CITY ADMINISTRATOR OR HER DESIGNEE TO NEGOTIATE A SCOPE OF WORK, TERMS AND EXECUTE A CONTRACT WITH GLOBAL INVESTMENT COMPANY IN AN AMOUNT NOT TO EXCEED ONE HUNDRED THOUSAND DOLLARS (\$100,000)

WHEREAS, The City Council on November 29, 2016 adopted a resolution directing the City Administrator to prepare an informational report with the cost estimates of commissioning a study analyzing the feasibility and economic impact of establishing a public bank for or including the City of Oakland, and providing funding options for the feasibility study; and

WHEREAS, The Treasury Bureau issued a Request for Qualifications (RFQ) seeking qualified individuals or firms to conduct a feasibility study of public banking for the City of Oakland; and

WHEREAS, Two firms, Global Investment Company and PFM Financial Advisors, LLC responded to the RFQ; and

WHEREAS, In the event the City Council wishes to go forward on the feasibility study, as a result of the competitive process, staff would advise to contract with Global Investment Company to complete a feasibility study on Public Banking in Oakland based on their skills and their team's knowledge of public banking; and

WHEREAS, Major key components of the study would include the actual feasibility of a public bank that addresses the city's banking requirements, the ability to provide community benefit lending and the ability to handle cannabis business deposits. In addition, the study would also include the cost and governance structures as well as provide the benefits and risks to each issue; and

WHEREAS, The required 7.5 percent set-aside for the General Purpose Fund (1010) Emergency Reserve will be trued-up with the FY 2016-17 Third Quarter Revenue and Expenditure Report; now, therefore be it

RESOLVED, That the City Council hereby amends the Fiscal Year 2016-17 budget adopted pursuant to Resolution No. 86250 C.M.S. on June 21, 2016, to appropriate \$100,000 from the General Purpose Fund (1010) Balance for a contract to complete a feasibility study on public banking in Oakland; and be it

FURTHER RESOLVED, That the City Council further authorizes the City Administrator or her designee to negotiate a scope of work, terms and execute a contract with Global Investment Company in an amount not to exceed \$100,000; and be it

FURTHER RESOLVED, The City Council further directs the City Administrator or her designee to negotiate a scope of work and contract terms for said contract that studies a multi-jurisdiction public bank that includes the City of Oakland and at least three other East Bay jurisdictions; that looks at banking requirements and how the bank can be implemented; that includes requirements for community engagement; and that includes at least the following:

- Mission statement
- Detailed estimated costs
- Initial investment requirement for a municipal bank to assume the responsibility of banking services
- Potential revenue stream(s)
- Partnership opportunities with credit unions, small business lending and mortgage lending
- Opportunities and challenges for cannabis deposits
- Developing a credit scoring model that equitably reflects the risks of lending to underserved residents
- Quantification of the impact of the transfer of investments and banking services to a municipal bank on the credit rating of the City of Oakland
- Options and needs for initial capitalization of the bank.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, CAMPBELL WASHINGTON, GALLO, GIBSON MCELHANEY, GUILLEN, KALB, KAPLAN, AND PRESIDENT REID

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____
LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California

2017 JUN 14 PM 3:51

ALTERNATIVE RECOMMENDED BY REVISED FINANCE & MANAGEMENT COMMITTEE

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FINANCE COMMITTEE

6/13/2017

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City Attorney

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OAKLAND CITY COUNCIL

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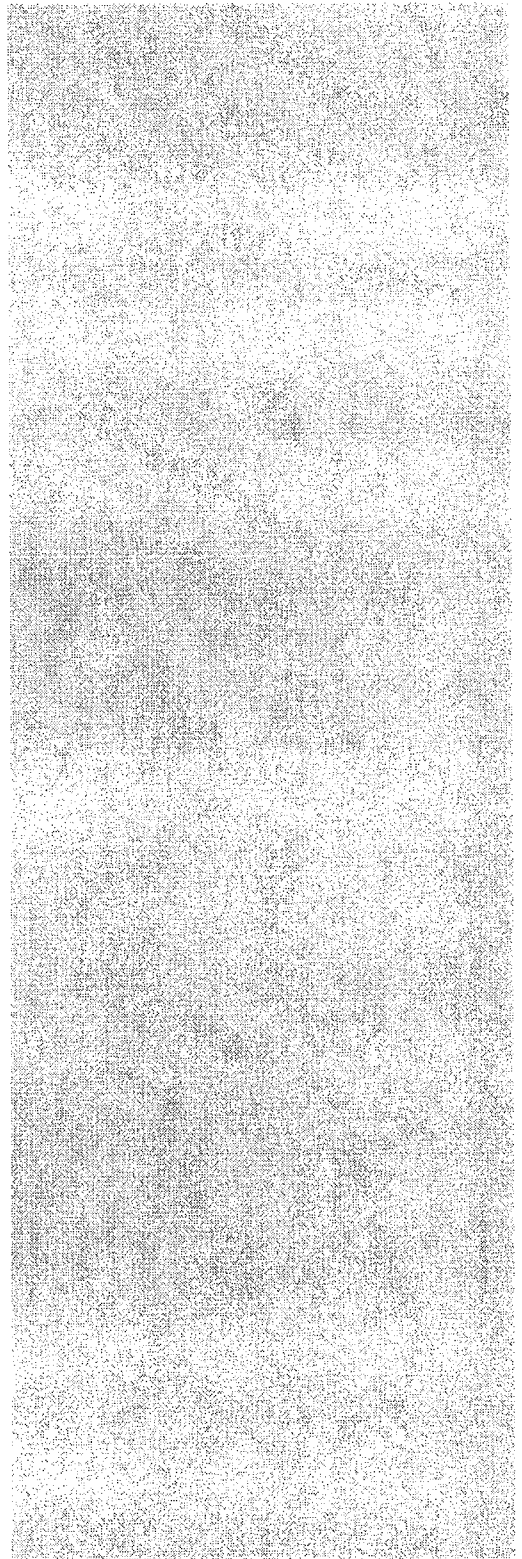
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- Options and needs for initial capitalization of the bank.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, CAMPBELL WASHINGTON, GALLO, GIBSON MCELHANEY, GUILLEN, KALB, KAPLAN, AND PRESIDENT REID

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____

LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California