

Move Our Money Oregon

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November 16, 2011, Statement of Todd Olson to Portland City Council

Mayor Adams and city commissioners, good morning. Thank you for this opportunity to address you today.

My name is Todd Olson. I am a resident of Portland and I am the coordinator of a newly formed citizens group, Move Our Money Oregon.

Our group was motivated to organize by the national Move Your Money and Occupy movements. We have one specific purpose: to persuade local governments in metropolitan Portland and throughout Oregon to bank locally. So far, we have the support of the Working Families Party of Oregon and Oregon Banks Local, and we are proudly working with Occupy Portland activists.

We are here to ask you to move the city's money out of Wall Street banks and into local banks and credit unions.

According to an employee in the city treasurer's office I spoke with last week, the city does the majority of its banking with Wells Fargo, and it also does substantial business with Bank of America.

Billions of city tax dollars flow through the same unscrupulous Wall Street banks who wrecked the economy and devastated our communities;

- The same Wall Street banks who dodge their taxes through loopholes and offshore accounts;
- The same Wall Street banks whose lending practices hinder small business growth and local economic development;
- The same Wall Street banks who have corrupted our democratic institutions by purchasing political influence;
- And the same Wall Street banks who are ruthlessly foreclosing on the homes of our neighbors, our families, and our friends.

We ask you: Should the city continue to bank with Wells Fargo and Bank of America when these banks obviously do not care about the people who live in the our city?

Our answer is no. And we believe the city should bank locally.

We request that you direct appropriate city personnel to look for ways to move as much city money as possible out of Wall Street banks and into local banks and credit unions.

Community banks and credit unions benefit the local economy because they invest and finance locally. Their lending practices create local jobs, and increase local commerce and revenue. Surely there must be more you can do to leverage the city's money in ways to benefit the local economy.

We also ask that you schedule public hearings to address the city's overall banking policies.

Specifically, we request that you consider adopting a responsible banking ordinance, and that you study the feasibility of creating a municipal bank.

Responsible banking ordinances already exist in several cities. Cleveland, Philadelphia, and San Jose have responsible banking ordinances. And just two days ago, Seattle unanimously passed a resolution that included a responsible banking ordinance. Such ordinances establish policies about how municipalities bank and invest with financial institutions; credit unions and banks who provide the greatest benefit to the local economy are given preference in city banking relationships. Portland should do business with banks who demonstrate scruples and a commitment to local economic development.

The idea of municipal banks has been around for some time. In fact, North Dakota has a state bank that has served them well for 90 years. Other cities are seriously considering municipal banks as well. San Francisco is right now studying the potential benefits of creating a municipal bank. Indeed, it has become an issue in their current contested mayoral race.

By meeting its banking needs through a municipal bank, the city—and other local governments—could potentially save millions of dollars in fees now paid to Wall Street. A municipal bank could also benefit our regional economy through targeted local lending strategies. Portland, and all local governments, should seriously consider how a municipal bank can save money and serve the local economy.

Mayor Adams and commissioners, banking is now a salient political issue. Where local governments choose to bank is a political and social act.

The Move Your Money and Occupy movements have focused the country's attention on the obscene concentration of wealth and political influence enjoyed by a handful of Wall Street banks, and the 1%. Millions of people moved an estimated 4.5 billion dollars out of Wall Street banks and into main street banks over the past few months, and thousands of people

locally, nationally and globally have taken to the streets to express frustration and demand change.

Here in Portland, 10,000 of us assembled and marched in solidarity on October 6. Despite the real problems that resulted from the occupation of Chapman and Lownsdale parks, it is misleading and despicable that some people attempt to characterize Occupy Portland as just the mentally ill, the drug addicted, the homeless, and the disaffected who were understandably drawn to the encampments. These social problems were not caused by the encampments; they preceded them.

Commissioners, we cannot afford to wait for federal and state government to affirmatively address the economic and social inequity the 99% want changed. We must act locally, and we should act now.

The proposals we have outlined today are relevant, reasonable, and concrete ways you can address the gross inequity that brought 10,000 Oregonians to the streets of Portland six weeks ago.

Thank you for your consideration.

Wells Fargo is...

1. Performing Discriminatory Lending

Wells Fargo has been the poster child for discriminatory lending targeting communities of color. Wells Fargo has been sued on numerous occasions for discriminatory lending practices, and the Federal Reserve Board issued them an \$85 million civil fine for steering borrowers inappropriately into sub-prime loans.

2. Foreclosing on American Families

At the end of 2009, Wells Fargo modified loans for only 22% of those eligible for modifications under the government program HAMP. Unlike other big banks, Wells Fargo hasn't changed its foreclosure procedures despite many confirmed reports of "robo-signing" and other illegal practices in the foreclosure process.

3. Not Paying its Fair Share

Over the last ten years, Wells Fargo paid the lowest worldwide tax rate of the top five big banks – they paid only 24.8% on their \$110.9 billion in earnings) and reportedly did not pay any federal taxes in 2009.

4. Stealing our Democracy

Wells Fargo's dollars are helping our elected officials rig the system to work for Wall Street and not the rest of us. Since 2003, Wells has spent over \$20 million on lobbyists.

\$43.7 Billion: Bailout money from US taxpayers

\$24.6 Billion: Profits since bailout (2009–2010)

\$17.1 Million: 2010 CEO John Stumpf total pay

\$27.2 Billion: 2010 bonuses and compensation

\$22,100/yr Average Wells Fargo bank teller wage

Move Our Money Oregon

6012 SE Ivon Street, Unit B
Portland, Oregon 97206
(503) 412-9357

November 6, 2011

City of Portland, City Council Commissioners
Board of County Commissioners, Multnomah County
Metro Council

VIA ELECTRONIC MAIL

Re: Move Our Money and Banking Policy

Ladies and Gentlemen:

Inspired by the Occupy Wall Street action that began over a month ago, thousands of people in cities and towns nationwide have taken to the streets to protest the audacious greed of Wall Street banks. And the national Move Your Money campaign inspired countless individuals, organizations and small businesses to move millions of dollars out of Wall Street banks and into local credit unions and community banks. By marching, occupying and divesting en masse, Americans are telling Wall Street that we have had enough of their tax dodging and unscrupulous business practices. Whether or not you agree with the use of civil disobedience or the grievances of the Occupy and Move Your Money movements, it cannot be denied that these movements are real, coalescing and popular.

The Occupy Portland action is one of the largest in the country. Despite the problems that have arisen from the occupation of Lownsdale and Chapman parks in downtown Portland, we must remember that it started on October 6 when an estimated 10,000 Oregonians peacefully marched. Families, labor unions, congregations, the young and old, the employed and unemployed, the wealthy and poor, and the downtrodden and disaffected, all joined together in solidarity to express profound frustration and to demand change.

Yet many of our elected leaders have remained silent and appear unwilling or uncertain about how to respond to this mass movement. While it is true that an itemized list of reform proposals have not been advanced, one thing is clear: Americans and Oregonians believe that too much wealth and political influence is concentrated in the 1%, and many of us no longer believe our elected representatives and democratic institutions can or will do anything to remedy this inequity.

But there are concrete actions that you, our local elected government representatives, can and should take to address the gross imbalance of wealth and influence that the 99% want to change. You can affirmatively respond to this movement for equity by immediately changing the way you do business with the big Wall Street banks. You can move our money, and you can comprehensively evaluate your current banking relationships and policies.

The City of Portland does the majority of its banking with Wells Fargo and has significant contracts with Bank of America. Multnomah County does most of its banking with Bank of America. Metro splits its banking between U.S. Bank and Wells Fargo. Many local school districts and other government entities do business with these Wall Street banks as well.

Bank of America and Wells Fargo have demonstrated that they do not care about main street. They played a major role in causing the financial crisis and recession. And after taxpayers bailed them out they expressed their gratitude by placing a choke-hold on small business loans that could create jobs and increase local commerce and revenues. They refuse to rewrite underwater mortgages so families suffering from the economic devastation can keep their homes. They avoid paying their fair share of taxes through loopholes and by moving money overseas. Why should these banks profit from doing business with our local governments when their past and present business practices do far more harm than good for our communities? As our local elected governments you can respond to our call for change and hold Wall Street accountable by taking the following actions:

- Direct your chief financial officers to determine how to immediately and prudently divest as much money as possible from Wall Street banks and invest with local financial institutions committed to serving the interests of our community, such as credit unions and community investment banks. Surely there must be more you can do to leverage public assets in ways that benefit the local economy. Even if the amounts of money involved are relatively small, moving money from Wall Street to main street would show Oregonians that you have heard their call for change and accountability, and it will let Wall Street know that you are listening.
- Direct appropriate government officers to conduct research to determine the parameters current federal and state law will allow for the adoption and implementation of what are known as responsible banking ordinances. Such ordinances currently exist in U.S. cities, such as Cleveland, Philadelphia, and San Jose, and are presently being considered by other cities.
- Direct appropriate government officers to conduct research to determine the feasibility and options for creating a publicly owned municipal bank where local governments can do their banking, and leverage assets in order to finance projects and ventures targeted to promote local economic development. North Dakota has a state bank that has served their state well for over 90 years, and several other cities, such as San Francisco, are currently considering similar proposals. And a bill that would have created a state bank for Oregon came very close to passage in the last legislative session. A municipal bank could save millions of tax dollars in fees, benefit the local economy, and provide some protection against economic instability.
- Schedule public hearings as soon as possible to answer questions and concerns about your current banking relationships and policies, and to receive testimony from the public and stakeholders about these and other banking policy proposals.

These are reasonable and concrete proposals that you can take action on immediately to address the national and local movement for equity by the 99%. Your action on these proposals will also, in a modest way, hold Wall Street accountable for wrecking the economy, devastating our communities and not paying their taxes.

Sincerely,

Todd Olson

cc: Community Organizations
News Media

City of Seattle, Washington

Resolution Number: 31337

A RESOLUTION recognizing and supporting the peaceful and lawful exercise of the First Amendment as a cherished and fundamental right in the effort to seek solutions for economically distressed Americans at the federal and local levels.

Status: Adopted as amended

Date adopted by Full Council: November 14, 2011

Vote: 9-0

Text

A RESOLUTION recognizing and supporting the peaceful and lawful exercise of the First Amendment as a cherished and fundamental right in the effort to seek solutions for economically distressed Americans at the federal and local levels.

WHEREAS, Seattle community members, like others across the United States, are frustrated by the continuing economic crisis that threatens individual, family and City finances, and our community's quality of life, and are participating in Occupy protests in the streets to make their voices heard; and

WHEREAS, the roots of these protests are varied, including sustained unemployment, growing income disparity, banking system failures, stalled earning power, unjust tax systems, and corporate influence in politics that all contribute to ongoing wealth disparities; and

WHEREAS the causes and consequences of the current economic crisis erode confidence in the social contract upon which the Constitution of the United States of America is based; namely, the ability of Americans to come together and form a more perfect union, establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessings of liberty for all, allowing every American to strive for and share in our nation's prosperity through cooperation and hard work; and

WHEREAS, this prolonged economic downturn has hurt nearly all Americans, in the areas of wealth loss, unemployment, and housing access, it has taken an even greater toll on people of color and women. Women are 29% more likely to be poor than men. The poverty rate for single mother families has increased to 40.7%. Economic gains made by people of color since the Civil Rights Movement have been substantially reduced by the Great Recession; and Caucasian Americans experienced a net wealth loss of 16 percent from 2005 to 2009. African Americans lost about half of their wealth and Latinos lost two-thirds of their wealth in this same period; and

WHEREAS, more than 25 million Americans are unemployed and seeking work; more than 50 million Americans are living without health insurance; and, more than one in five American children are growing up in households living in poverty without sufficient resources to meet basic survival needs, such as food, clothing, and shelter; and

WHEREAS, the U.S. Centers for Disease Control (CDC), in its report, a "CDC Health Disparities & Inequalities Report - - United States, 2011" documents that income inequality in the United States is the highest among advanced industrialized nations, with wide-spread inequities in U.S. health outcomes by income, race, and gender; and

WHEREAS, over the past 30 years, gains in our economy have accrued largely to the top 1% income earners, who now control 40% of the wealth in the United States due in part to public policies that can be changed; and

WHEREAS, one of the largest problems dragging down our economy is the foreclosure crisis, with many owners struggling to obtain loan adjustments and too many banks with flawed review procedures; and

WHEREAS, Washington State has been particularly hard-hit by the foreclosure crisis, ranking 17th in the nation in number of foreclosures, with a projected 132,000 mortgages foreclosed between 2009 and 2012 and 30,000 families in Washington losing their homes to foreclosure in 2010, an increase of 70% over the previous year; and

WHEREAS, in Washington State, from the third quarter of 2006 to the first quarter of 2010 foreclosure starts increased by 316% and 3 of every 100 homes is in some phase of the foreclosure process, with King, Pierce, Snohomish, Clark and Spokane counties experiencing the highest rates of new foreclosure starts. In September 2011 alone, 1 of every 910 housing units in Washington State received foreclosure filing and 1 of every 897 housing units received foreclosure filing in King County; and

WHEREAS, between 2009-2012 the foreclosure crisis is projected to cost Washington communities, homeowners and local governments approximately \$3.7 billion and the high number of foreclosures in neighborhoods is projected to cause an estimated \$19.5 billion drop in total home equity wealth; and

WHEREAS, local governments are straining under the increasing weight of responsibility to provide for basic support services at a time of declining tax revenues and as a result of budget reductions by the state and federal government; and

WHEREAS, Americans can and must resolve the divisive economic and social realities facing our nation in a peaceful way that honors our commitment to democracy, equality and justice;

NOW THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE MAYOR CONCURRING:

Section 1. By adoption of this Resolution, the City of Seattle recognizes the peaceful and lawful exercise of First Amendment Rights by "Occupy Seattle" and others. The City does not condone actions that infringe upon the lawful rights of others, obstruct or interfere with the efforts of law enforcement officers to protect such rights, or cause personal injury or property destruction.

Section 2. The structural causes of the economic crisis facing our society require decisive and sustained action at the national and state levels. Cities are harmed by the crisis and must play an important role in the development of public policy to address it. By adoption of this resolution, the City Council commits to the following steps to minimize economic insecurity and destructive disparities:

1. The City will review its banking and investment practices to ensure that public funds are invested in responsible financial institutions that support our community. The Council may also consider future legislation to promote responsible banking and provide an incentive for banking institutions to invest more in our City, particularly with regard to stabilizing the housing market and supporting the creation of new businesses. This review should include evaluating City policies on responsible depositing and management of City funds.

2. The City will examine the number of home foreclosures in Seattle, the geographic neighborhoods in which the foreclosures are occurring, and lender information on homes involved in the foreclosure process, including real estate owned homes. Furthermore, the Office of Housing will work with the Seattle-King County Asset Building Collaborative's Foreclosure Prevention Action Team to gather qualitative data on the circumstances and causes of foreclosures and the foreclosure methods and practices of lenders, including reviewing apparent inequities many people in Seattle face when lender foreclosure proceedings occur.

3. The City will continue to address economic inequality and wealth disparities by race, ethnicity, sexual orientation, and gender. Through the City's Race and Social Justice Initiative and 2012 City Council committee work programs, the Council will continue to identify effective approaches to asset building, job training, access to banking and other financial services, educational attainment, family support, access to health care and other ways to address historic trends in disparities.

4. The Council will request a report from the Department of Finance and Administrative Services on all exemptions or waivers allowed for City taxes to examine the impact of both tax shifts and lost revenue to the City against the economic and social benefits the exemptions are intended to bring to the City.

5. The Council will consult with advocates of tax reform and experts on equitable taxation and review past tax reform efforts in order to work effectively with the State Legislature toward a more equitable tax structure.

6. The Council will analyze how city election campaigns are currently financed and explore alternatives.

7. As federal and state assistance dwindles, the City resolves to continue to use available resources to provide assistance for the most vulnerable people in Seattle.

8. The City recognizes that reforms in education and career preparation are essential for building a viable future and that the disparities in these areas begin very early in life and they continue through adulthood. The Council will seek maximum possible funding for Early Learning and Basic Education in the State Legislative Agenda. During challenging times, it is also critically important to support community colleges, technical colleges, and state universities as they provide access to retraining and workforce development opportunities.

Section 3. The City of Seattle requests our Congressional leaders to generate solutions for economically distressed Americans, specifically to:

1. Support job creation, substantial investments in the nation's critical physical and technological infrastructure and deficit reduction by adopting fiscal policies with equitable corporate and individual taxation and by allowing the 2010 extension of President Bush's tax cuts to expire in 2012 as the law currently requires.

2. Tighten regulation of the banking and financial sector, including adoption of new rules and vigorous investigation and prosecution of individuals and corporations that violate the fraud, theft, and securities laws.

3. Retain or increase community-building block grants for local schools and social services and protect public education from devastating cuts and prevent tuition levels that block fair access to higher education.

Section 4. The Council and the Mayor recognize and support the important responsibility the Seattle Police Department exercises in protecting for everyone our First Amendment rights to freedom of speech and assembly while, at the same time, appropriately enforcing City laws and regulations.

Parsons, Susan

Nov 16

From: Move Our Money Oregon [movemoneyoregon@gmail.com]
Sent: Friday, November 04, 2011 10:40 PM
To: Parsons, Susan
Subject: Council Public Comment Agenda

Dear Ms. Moore-Love:

My name is Todd Olson and I am the coordinator of Oregon Move Our Money. The purpose of this email is to formally request that I be placed on the meeting agenda of Portland City Council for public comments for all scheduled meetings in November and December. I wish to address the city council regarding its current banking relationships with Wells Fargo and Bank of America.

Thank you.

Todd Olson, Coordinator
Oregon Move Our Money
(503) 412-9357

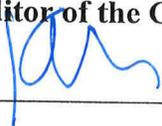
Request of Todd Olson with Oregon Move Our Money to address Council regarding the City's banking relationships with Wells Fargo and Bank of America (Communication)

NOV 16 2011

PLACED ON FILE

Filed NOV 10 2011

LaVonne Griffin-Valade
Auditor of the City of Portland

By 

COMMISSIONERS VOTED AS FOLLOWS:		
	YEAS	NAYS
1. Fritz		
2. Fish		
3. Saltzman		
4. Leonard		
Adams		