



# Memorandum

**TO:** Mayor and City Council

**FROM:** Councilmember Jimenez

**DATE:** October 16, 2017

**SUBJECT:** Expansion of City of San Jose's Investment Policy, Social Responsibility Clause

**APPROVED**

**DATE** 10/16/2017

## RECOMMENDATION

I strongly encourage my Council colleagues to support priority setting item # 1, **Expansion of the City of San Jose's Investment Policy.**

## ANALYSIS

On March 7, 2017, Councilmember Diep and I recommended that the City of San Jose's Investment Policy, Section 22, "Social Responsibility-Foreclosure Mitigation," be updated and expanded to include language that demonstrates the City's commitment to fair and responsible business practices.

By expanding and updating our investment policy we are:

- Demonstrating the City's commitment to conducting business with socially responsible partners.
- Protecting the City's investments and the public's trust by conducting City business with partners that are committed to and consistently demonstrate fair and responsible business practices.
- Furthering the City's financial objectives while ensuring that the City does not support partners that engage in criminal, deceptive, fraudulent, or abusive business practices.

Currently, San Jose's Investment Policy solely addresses the City's social responsibility as it pertains to foreclosure mitigation. The policy was instituted by way of Council direction in 2009 and has not been revisited since. San Jose is trailing behind other large cities such as San Francisco and Seattle who have strong policies in place that provide guidance and prioritize City values and address public concern. As the third largest City in the State we must act to encourage corporate practices that promote environmental stewardship, consumer protection, human rights, and diversity.