



# Memorandum

**TO:** CITY COUNCIL

**FROM:** Mayor Sam Liccardo  
Councilmember Sergio Jimenez  
Councilmember Raul Peralez  
Councilmember Dev Davis

**SUBJECT:** SEE BELOW

**DATE:** March 6, 2020

Approved

Date 3/6/20

**SUBJECT:** FOSSIL FUEL-FREE INVESTMENT POLICY

## RECOMMENDATION

Approve the proposed revisions to Council Policy 1-12, "City of San José Investment Policy," with the following additions:

1. Return to the City Council with language for a potential amendment to Subsection 22 (Social Responsibility) that includes:
  - a. The City shall make no new direct investments in entities that directly engage in the exploration, production, refining, or marketing of fossil fuels.

## BACKGROUND

In September 2019, the City Council unanimously adopted a Climate Emergency Resolution, signaling the need for increased action to address one of the most pressing problems we face. As part of the Resolution, we committed to reviewing the City's \$1.9 billion investment portfolio to identify direct holdings in fossil fuel companies.

We are pleased to see Finance cease investing in fossil fuel companies as a result of the Resolution. In addition to the operationalization of the policy, we would like to go one step further and codify the policy to let our community know we will not be investing the City's \$1.9 billion investment funds in companies that have contributed to the climate emergency we face. To assist in identifying which fossil fuel companies would fall under the direction, lists already exist, including the Carbon Underground 200, that include the top 200 public coal, oil, and gas companies globally ranked by carbon emissions.

COUNCIL AGENDA

March 6, 2020

**Subject: Fossil Fuel-Free Investment Policy**

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*The signers of this memorandum have not had, and will not have, any private conversation with any other member of the City Council, or that member's staff, concerning any action discussed in the memorandum, and that each signer's staff members have not had, and have been instructed not to have, any such conversation with any other member of the City Council or that member's staff.*