



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Councilmember Peter Ortiz

SUBJECT: SEE BELOW

DATE: September 9th, 2025

Approved:

Date: 9/9/25

SUBJECT: Fourth Quarter Financial Reports for Fiscal Year 2024-2025.

RECOMMENDATION

Direct staff to return in March 2026, at the time of the annual review of the City Investment Policy 1-12, with an investment analysis of the trade-offs associated with disinvesting from corporations that invest in U.S. Immigration and Customs Enforcement (ICE).

DISCUSSION

Proposals from the incoming Trump Administration, including a promised mass deportation program, pose an existential threat to many residents of San José, where immigrants make up a substantial portion of the workforce and own the majority of the City's small businesses. Past enforcement actions in California have shown how quickly fear spreads, reducing cooperation with law enforcement, driving families away from schools, and discouraging residents from seeking healthcare.

In this context, City investments that support corporations profiting from ICE detention or enforcement undermine public trust, weaken community safety, and run counter to San José's identity as a Welcoming City.

San José has a long record of standing with immigrant communities, from co-creating the Rapid Response Network to joining lawsuits that resisted harmful federal policies. Divesting from corporations tied to ICE builds on that legacy and reaffirms the City's commitment to safeguarding the safety and dignity of all residents, regardless of national origin or immigration status. At the same time, the City has a fiduciary duty to manage its portfolio responsibly. A staff-led investment analysis will allow Council to weigh the financial trade-offs of divestment alongside its moral and social obligations, ensuring that City investments reflect both fiscal prudence and San José's values of inclusion, safety, and equity.