



# Memorandum

**TO:** Federated City Employees' Retirement  
System Board

**FROM:** Jennifer Maguire  
Assistant City Manager

Police and Fire Department Retirement  
Plan Board

**SUBJECT:** Climate Emergency Resolution -  
Fossil Fuel Investments

**DATE:** October 8, 2019

During the September 17, 2019 Council Meeting, the City Council adopted a resolution that endorsed the declaration of a climate emergency. The City Council passed the resolution to encourage further commitment to a cleaner and greener San Jose through the reduction of greenhouse gas emissions. To further demonstrate the Council's commitment to implementing projects and policies that reduce emissions, they approved seven provisions with specific goals to address climate change.

This memo to the retirement boards addresses provision number seven of the Climate Emergency Resolution. A copy of the full memo and resolution is attached to this memo.

The seventh provision states, "The City of San Jose commits to reviewing the City's investment portfolio to identify holdings that include direct investments in fossil fuel companies, cease new investments in fossil fuel companies, and prioritize investment in opportunities that would mitigate or limit the effects of burning fossil fuels, such as renewable energy, clean technology, and sustainable communities." (Please refer to page 4 of the Council memo.)

The City Council is aware that the retirement boards have the fiduciary responsibility to invest the funds of the pension plans, and that any action related to the investments of the plans must be taken by the boards.

As such, the City Council has requested that the seventh provision be referred to the retirement boards for consideration. This referral includes consideration of ceasing new investments in fossil fuel companies and prioritizing investments in renewable energy.

Please let us know if you have any questions related to this referral.

Jennifer Maguire  
Assistant City Manager

For questions, please contact Cheryl Parkman, Assistant to the City Manager, at (408) 535-8152.

c: Roberto Peña, Director of Retirement Services

Attachment



COUNCIL AGENDA: 9/17/2019

ITEM: 2.

FILE NO: 19-837

## Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Toni J. Taber, CMC  
City Clerk

**SUBJECT:** SEE BELOW

**DATE:** September 17, 2019

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**SUBJECT:** Climate Emergency Resolution.

**RECOMMENDATION:**

As recommended by the Rules and Open Government Committee on September 11, 2019, adopt a resolution endorsing the declaration of a climate emergency.

CEQA: Not a Project, File No. PP17-010, City Organizational & Administrative Activities resulting in no changes to the physical environment. (Mayor, Jimenez, Peralez, Carrasco, Davis)

# Memorandum

**TO:** RULES AND OPEN  
GOVERNMENT COMMITTEE

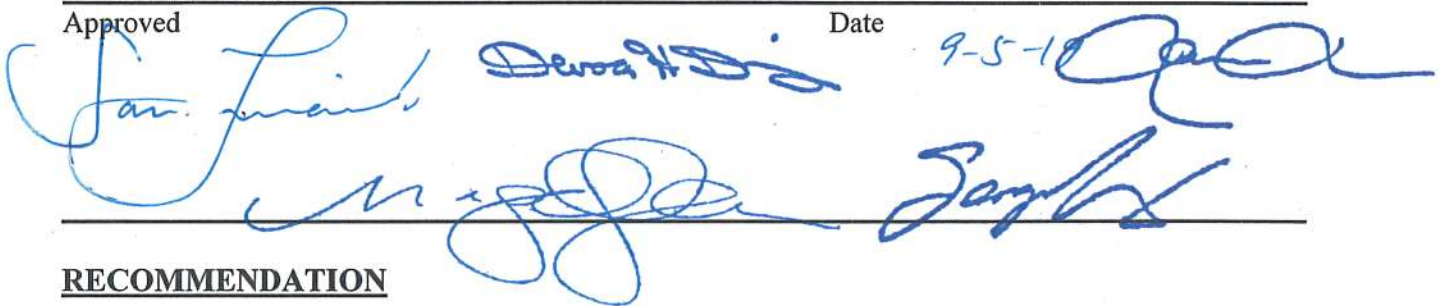
**FROM:** Mayor Sam Liccardo  
Councilmember Sergio Jimenez  
Councilmember Raul Peralez  
Councilmember Magdalena Carrasco  
Councilmember Dev Davis

**SUBJECT:** CLIMATE EMERGENCY  
RESOLUTION

**DATE:** September 5, 2019

Approved

Date



## RECOMMENDATION

Adopt a resolution endorsing the declaration of a climate emergency.

## BACKGROUND

The withdrawal of the U.S. from the Paris Agreement remains a low point in American history. We have experienced record-breaking temperatures melting nearly 200 billion tons of ice in Greenland and igniting devastating fires in the Amazon and Siberian forests. The United Nations' Intergovernmental Panel on Climate Change has warned that if the planet warms more than 1.5°C, ocean conditions would cause significant destruction - displacing 280 million people around the world. The reality is clear: we are in a climate emergency and must act now to rapidly reduce greenhouse gas emissions and transform the way we currently live.

San José has been at the forefront of sustainability for more than a decade. San José City Hall became the first city hall in the nation to achieve LEED Platinum certification. Last year, San José was the first city in California to receive the LEED for Cities Platinum certification. In 2015, Mayor Liccardo and Councilmember Peralez worked with San José State University and community leaders to be in the USA Sustainable Cities Initiative to commit to achieving the United Nation's 17 Sustainable Development Goals, one of which includes taking urgent action to combat climate change and its impacts by the year 2030.

Since the adoption of Climate Smart San José, one of the first Paris Agreement-aligned climate action plans in the U.S., we've jumpstarted our commitment to ensuring a cleaner and greener San José. Through San José Clean Energy, we are committed to providing 100 percent carbon-free energy to our community within the next two years. We are also rapidly working on implementing projects and policies to reduce emissions in the two most significant sources of emissions for San José: buildings and transportation.



By declaring a climate emergency, we are recommitting ourselves to being leaders in sustainability. We are joining nearly 1000 local governments across 18 countries that have declared a climate emergency. We will ensure that equity becomes an integral component of all current and future climate work. We are also committed to leading by example by exploring eliminating natural gas in all new municipal buildings construction and developing only all-electric, zero-net carbon buildings. More work must be done in the coming years to ensure a livable planet for future generations. San José will be at the forefront of that change.

*Brown Act Disclaimer*

*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.*

## Climate Emergency Resolution

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WHEREAS, humans burning carbon-based fossil fuels – including coal, oil, and natural gas – is the primary cause of substantial and continuing increase of carbon dioxide (“CO<sub>2</sub>”), a greenhouse gas (“GHG”); and

WHEREAS, the National Aeronautics and Space Administration’s July 2019 measurement of the global atmospheric concentration of CO<sub>2</sub> is 411 parts per million – the highest level in the last 400,000 years; and

WHEREAS, increased global atmospheric concentration of CO<sub>2</sub> results in climate change including warming temperatures, ocean acidification, rising sea levels, increased wildfires and droughts, declining snowpack, reduced stream flows from melting glaciers; and

WHEREAS, climate change is increasing the likelihood of extreme weather and fire events which have cost United States (“U.S.”) taxpayers more than \$350 billion over the past decade according to the U.S. Government Accountability Office; and

WHEREAS, on June 1<sup>st</sup> 2017, the Trump Administration withdrew from the Paris Climate Agreement which the United States signed in 2016 along with 194 parties as part of the global effort to avoid dangerous climate change by limiting global warming to well below 2°C; and

WHEREAS, the City of San José joined over 392 municipalities from around the U.S. in adopting and honoring the Paris Agreement, which commits the planet to limit global warming to less than 2°C, and ultimately 1.5°C; and

WHEREAS, the City of San José joined 60 municipalities from around the world at the Vatican in pledging to create socially inclusive, resilient and sustainable cities; and

WHEREAS, the State of California has stated in its August 2018 report, *California’s Fourth Climate Change Assessment*, that “California still needs to prepare, at a minimum, for significant unavoidable impacts that would occur even if global average temperature rise is limited to 1.5°C,”; and

WHEREAS, the Global Warming Solutions Act of 2006 commits the State of California to reduce GHG emissions to at least 1990 levels by 2020, and 40 percent below the statewide standard by December 31, 2030; and

WHEREAS, *Climate Smart San José*, one of the first Paris Agreement-aligned climate action plans, shows that San José will need to reduce its current emissions by 85-89% by 2050 to be compliant with California Law and the 2°C Paris Agreement pathway; and

WHEREAS, the transportation, energy, and solid waste sectors account for 63%, 32%, and 5% respectively, of San José’s citywide GHG emissions in 2017; and

WHEREAS, according to climate scientists, addressing the climate emergency caused by global warming will require an economically just and managed phase-out of oil, gas, and coal to keep fossil fuels in the ground; and



## Climate Emergency Resolution

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WHEREAS, the Trump Administration's United States' Executive Order 13783 revokes prior executive orders on climate change, promotes the exploration and production of oil, natural gas, coal and nuclear energy resources on domestic lands, disbands the Interagency Working Group on Social Costs of Greenhouse Gases and withdraws other technical documents related to the social cost of carbon; and

WHEREAS, presently the vast majority of environmental, health, and social costs of CO<sub>2</sub> are not included in prices paid for fossil fuels, but rather these externalized costs are borne directly and indirectly by all Americans and global citizens; and

WHEREAS, Center for Disease and Control and Prevention states the impacts of climate change threaten human health and well-being in many ways including: increases in rates of cardiovascular and respiratory diseases; increases in water and food-borne illnesses; greater incidence of vector-borne diseases such as West Nile Virus; multiple injuries and preventable injuries due to extreme weather events; increased incidence of heat-related illnesses such as heat stroke, heat exhaustion, or even death; and

WHEREAS, vulnerable populations and communities on the front lines of climate change across the City of San José, the United States, and the world who live with income inequality and poverty, institutional racism, inequity on the basis of gender and sexual orientation, poor infrastructure, and lack of access to health care, housing, clean water, and food security, particularly communities of color, indigenous communities, and low-income communities, and who experience greater risk of harm from climate change because of their close proximity to environmental hazards and stressors, are often the first to suffer the impacts of climate change and have the fewest resources to avoid those impacts or to relocate, and that this will exacerbate their preexisting challenges; and

WHEREAS, restoring a safe and stable climate requires transformative societal and economic change on a scale not seen since World War II to reach net zero GHG across all sectors, to rapidly and safely drawdown or remove all the excess carbon from the atmosphere, to end the 6th mass extinction of species, and to implement measures to protect all people and species from the increasingly severe consequences of climate change; and

WHEREAS, the massive scope and scale of actions necessary to stabilize the climate will require unprecedented levels of public awareness, engagement, and deliberation to develop and implement effective, just, and equitable policies to address climate change; and

WHEREAS, the City of San José created the Department of Community Energy and the Community Choice Energy Utility, San José Clean Energy, in order to strive for a carbon-neutral, and eventually 100% renewable energy supply as a way to reduce GHG emissions from energy consumption; and

WHEREAS, the City of San José hosted the Global Climate Action Summit Affiliate Event, "Leading Climate Innovation: The Silicon Valley Way," with the purpose of "bringing together leaders from state and local governments, business, and citizens from around the world, to demonstrate how the tide has turned in the race against climate change, showcase climate action

## Climate Emergency Resolution

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taking place around the world, and inspire deeper commitments from each other and from national governments,” in September 2018; and

WHEREAS, the City of San José is one of 25 ambitious cities to receive a \$2.5 million Bloomberg Philanthropies’ American Cities Climate Challenge award to demonstrate its climate leadership and meet the City’s GHG reduction goals;

WHEREAS, a number of other local jurisdictions and governments in the United States and across the world have already declared a climate emergency, including the County of Santa Clara, City of San Francisco, City of Oakland, City of Berkeley, and City of Santa Cruz, and a number of state and local governments are considering declaring a climate emergency in response to the massive challenges posed by the climate crisis;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

1. The City of San José urges there be a regional just transition and emergency climate action mobilization collaborative effort consisting of concerned residents, youth, faith, labor, business, environmental, economic, racial and social justice organizations as well as other community groups, and all elected officials in and from San José and nearby Counties and especially all mayors who have signed on to enact the Paris Agreement.
2. The City of San José commits to pursuing all-electric, zero-net-carbon new municipal facilities.
3. The City of San José commits to pursuing a goal of prohibiting natural gas in new construction projects citywide by January 1, 2023.
4. The City of San José commits to exploring support for a future federal tax on carbon-based fuels, such as H.R. 763 - Energy Innovation and Carbon Dividend Act or other carbon fee legislation, that does not preempt existing environmental policies and authority and is designed to minimally disrupt the economy while sending a clear and predictable price signal to businesses to develop and use non-carbon-based energy resources.
5. The City of San José commits to prioritize the equitable and active engagement of environmental justice communities who have traditionally borne the brunt of environmental degradation including communities of color, monolingual communities, children, the elderly, the physically disabled, low-wage workers, immigrants, indigenous communities, and low-income communities in planning, policy, program development and delivery so that environmental polices benefit all communities in the City.



## Climate Emergency Resolution

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6. The City of San José commits to prioritize efforts to become a zero-waste city and the City Manager should explore enhancement of Climate Smart San José to include an additional zero waste element evaluating the City's net greenhouse gas emissions resulting from the solid waste sector, assessment and evaluation of the City's zero waste strategies, and further address critical solid waste management challenges.
7. The City of San José commits to reviewing the City's investment portfolio to identify holdings that include direct investments in fossil fuel companies, cease new investments in fossil fuel companies, and prioritize investment in opportunities that would mitigate or limit the effects of burning fossil fuels, such as renewable energy, clean technology, and sustainable communities.