




## OFFICE OF COUNCILMEMBER CHRISTOPHER WARD THIRD COUNCIL DISTRICT

### M E M O R A N D U M

DATE: September 16, 2019

TO: Mayor Kevin Faulconer

FROM: Councilmember Christopher Ward 

SUBJECT: Divestment from Fossil Fuels and the Creation of a Socially Responsible Investment Policy

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The City of San Diego is a national leader in combatting climate change and our Climate Action Plan is a recognized example of strong local action. As we pursue the Plan's five strategic goals, particularly 100% renewable energy by 2035, the City should take a holistic approach to promoting and supporting the foundational elements of a green economy.

Championing sustainable practices means that as elected officials we must protect San Diegans from the threat of climate change and make fiscally sound decisions with taxpayer dollars. These two roles are not mutually exclusive. Investment activities made by the City should support a future where all people can live healthy lives without the negative externalities caused by fossil fuel companies.

At least eighteen other cities in California have taken the meaningful step to divest from fossil fuel interests. San Diego should join these communities by integrating our environmental values into our investment portfolio and divest from publicly-traded fossil fuel companies.

Beyond our shift to a clean energy future, the City should only invest in companies and funds whose products and books of business align with our core values as San Diegans. In addition to fossil fuel divestment, the City should establish a **Socially Responsible Investment Policy** as a part of the annual City Treasurer's Investment Policy.

A comprehensive Socially Responsible Investment Policy will fully support the City's obligation to manage taxpayer funds and will restrict the direct investment of City funds in the following priority areas: fossil fuels, single-use plastics, palm oil, tobacco, private prisons, expansion of a U.S.-Mexico border wall, and firearms or ammunition for a recipient other than the United States military.

I have begun discussions with local stakeholders and will be formally introducing this policy at the Economic Development & Intergovernmental Relations Committee meeting on October 24, 2019. I look forward to the opportunity to work collaboratively with you and City staff in developing a policy that upholds values of San Diegans.

cc:

Honorable Mara Elliott, City Attorney

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