

## **RESOLUTION NO. 2023-XX**

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BRISBANE IN SUPPORT OF SB 252 (GONZALEZ) FOSSIL FUEL DIVESTMENT ACT**

**WHEREAS**, anthropogenic climate change, through rising sea levels, drought, heat waves, and increased wildfires is observably affecting human wellbeing, ecosystems, and biodiversity; and

**WHEREAS**, climate change is an issue of environmental justice, disproportionately affects Indigenous communities, communities of color, and low-income communities due to historical oppression, inadequate political power and access to resources for prevention and relief; and

**WHEREAS**, the International Panel on Climate Change concluded in 2018 that we have 12 years to make dramatic cuts in the use of fossil fuels (coal, oil, gas and tar sands) if we are to keep warming to 1.5° C and avoid more catastrophic change; and

**WHEREAS**, the fossil fuel industry is the single most powerful obstacle to addressing climate change, using its immense lobbying power in Washington D.C. and Sacramento to block climate legislation; and

**WHEREAS**, fossil fuel companies' own scientists knew as early as the 1970s that their products were causing climate change, but the companies kept it secret; and

**WHEREAS**, to effectively address climate change, most fossil fuel reserves must remain in the ground, never to be used. Such reserves held as investments are liable to become stranded assets. This makes fossil fuel stocks a risky investment; and

**WHEREAS**, a Corporate Knights study found if CalPERS and CalSTRS had divested in 2010, by 2019 their assets would have increased \$11.9 and \$5.5 billion, respectively; and

**WHEREAS**, independent studies by financial consulting firms Blackrock and Meketa have found divestment reduces risk and improves rather than weakens investment returns; and

**WHEREAS**, divestment in specific segments or business operations by CalPERS and CalSTRS is already standard practice and is specifically allowed by the California Constitution; and

**WHEREAS**, the “engagement” strategy preferred by CalPERS and CalSTRS has been largely ineffective in moving fossil fuel companies away from fossil fuel exploration, extraction and distribution; and

**WHEREAS**, divestment means selling directly held or commingled assets including fossil fuel public equities and corporate bonds; and

**WHEREAS**, the City of Brisbane declared a climate emergency in July 2021 which aspires to carbon neutrality by 2040 and commits the City to reducing emissions, coordinating climate mitigation and resiliency efforts, and accelerating a just transition; and

**WHEREAS**, the City’s Climate Emergency Declaration encourages “avoid[ing] further investment of public dollars in fossil-fuel reliant infrastructure when there are clean energy alternatives, support[ing] public sector employees, and ensur[ing] a climate resilient future for all Brisbane residents.”

**WHEREAS**, SB 252, introduced by State Senator Lena Gonzalez, will help meet the State’s climate action goals by prohibiting CalPERS and CalSTRS from investing in fossil fuel companies and to divest from such companies by 2030.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BRISBANE RESOLVES AS FOLLOWS:**

Section 1. The City of Brisbane calls upon CalPERS and CalSTRS to divest its holdings in fossil fuel companies immediately. Upon passage, a copy of this resolution will be sent to CalPERS and CalSTRS requesting that City of Brisbane be listed as an official supporter of fossil fuel divestment.

Section 2. The City of Brisbane hereby supports SB 252.

Section 3. That copies of this Resolution be sent to Governor Gavin Newsom, State Senators Josh Becker and Lena Gonzalez, and Diane Papan.

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Madison Davis, Mayor

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**PASSED AND ADOPTED** at a regular meeting of the City Council of the City of Brisbane held on the xxx day of xxx 2023, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

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Ingrid Padilla, City Clerk