

Council Communication

October 21, 2014, Business Meeting

A Resolution in Support of Fossil Fuel Divestment

FROM:

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SUMMARY

Southern Oregon Climate Action Now (SOCAN) is asking the Council to support their effort by approving a resolution in support of fossil fuel divestment. The Oregon Short Term Board (OSTB) and the PERS Board both invest in companies identified as having the largest coal, oil and gas reserves found at the Fossil Free Indexes (<http://fossilfreeindexes.com/>). SOCAN would like to see these two boards “divest” from investing any funds in these identified companies.

BACKGROUND AND POLICY IMPLICATIONS:

This item was brought forward during Public Forum of the June 17, Council meeting by individuals representing SOCAN and subsequently discussed at a study session on August 4, and September 15.

FISCAL IMPLICATIONS

This resolution would not make any changes to the City of Ashland Investment Policy as the City does not directly invest in any of these identified companies.

STAFF RECOMMENDATION AND REQUESTED ACTION

Approve/disapprove Resolution

MOTION

Motion to approve/disapprove a resolution titled, “A resolution in support of fossil fuel divestment.”

ATTACHMENTS

Resolution



RESOLUTION NO. 2014-_____

A RESOLUTION IN SUPPORT OF FOSSIL FUEL DIVESTMENT

RECITALS:

- A. The climate crisis is a serious threat to current and future generations here in Ashland and around the world.
- B. The Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report found that global warming is already causing costly disruption of human and natural systems throughout the world.
- C. One hundred and fourteen (114) governments in the world have signed the International 2009 Copenhagen Agreement that any warming above a 2°C (3.6°F) rise would be unsafe. Furthermore, scientific analysis suggest that humans can only emit about 565 more gigatons of carbon dioxide into the atmosphere to maintain that limit.
- D. For the purposes of this resolution, a “fossil fuel company” shall be defined as any of the two hundred publicly-traded companies with the largest coal, oil and gas reserves found at the Fossil Free Indexes (<http://fossilfreeindexes.com/>).
- E. In its “Unburnable Carbon” report, the Carbon Tracker Initiative found that fossil fuel companies possess proven fossil fuel reserves that would release approximately 2,795 gigatons of CO₂ if they are burned, which is five times the amount that can be released without exceeding 2°C of warming.
- F. The City of Ashland believes that its investments should support a future where all citizens can live healthy lives without the negative impacts of climate change.
- G. The City of Ashland does not now directly invest in any fossil fuel companies.

THE CITY OF ASHLAND RESOLVES AS FOLLOWS:

SECTION 1. The Oregon Short Term Fund Board should review and consider divestment of directly held or commingled assets that include holdings in fossil fuel public equities and corporate bonds.

SECTION 2. The PERS Board and the Oregon Investment Council should review and consider divestment of directly held or commingled assets that include holdings in fossil fuel public equities and corporate bonds.

SECTION 3. The City shall send a copy of this Resolution, along with a cover letter signed by the Mayor, to the Oregon Short Term Fund Board and PERS Board urging them to review and consider their position on divesting their holdings from fossil fuel companies.

SECTION 4. The State Legislature should consider enacting state legislation that requires consideration of divestment of statewide retirement funds (PERS) from fossil fuel companies and such investments in the future. The City shall send this resolution and a letter of support for consideration of future divestment legislation to elected state officials.

SECTION 5. This resolution was duly PASSED and ADOPTED this ____ day of _____, 2014, and takes effect upon signing by the Mayor.

Barbara Christensen, City Recorder

SIGNED and APPROVED this ___ day of _____, 2014:

John Stromberg, Mayor

Reviewed as to form:

David Lohman, City Attorney