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OFFICE OF THE CITY CLERK  
OAKLAND

APPROVED AS TO FORM AND LEGALITY

*Amadi Sath*  
CITY ATTORNEY'S OFFICE

## OAKLAND CITY COUNCIL

RESOLUTION NO. 89828 C.M.S.

INTRODUCED BY COUNCILMEMBER DAN KALB

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**RESOLUTION IN SUPPORT OF SB 252 (GONZALEZ) REQUIRING THE CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM (CALPERS) TO REFRAIN FROM MAKING NEW INVESTMENTS OR RENEWING EXISTING ONES IN FOSSIL FUEL COMPANIES**

**WHEREAS**, the City of Oakland has been on the forefront of climate policy for decades; and

**WHEREAS**, anthropogenic climate change, through rising sea levels, drought, heat waves, extreme precipitation events 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 that if CalPERS and CalSTRS had divested in 2010, by 2019 their assets would have increased by \$11.9 and \$5.5 billion, respectively; and

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

**WHEREAS**, divestment from 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**, 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, be it

**RESOLVED:** That the City of Oakland endorses SB 252 and calls upon CalPERS and CalSTRS to divest its holdings in fossil fuel companies immediately.


**FURTHER RESOLVED:** That the City Council directs the City Administrator or his designee to immediately distribute this Resolution upon its adoption to Governor Gavin Newsom, State Senator Lena Gonzalez, and CalPERS

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE: **JUL 18 2023**

AYES - FIFE, GALLO, ~~JENKINS~~, KALB, KAPLAN, RAMACHANDRAN, REID, AND PRESIDENT FORTUNATO BAS **-7**

NOES **0**  
ABSENT **0**  
ABSTENTION **0**  
**1 Excused - Jenkins**

ATTEST:   
ASHA REED  
City Clerk and Clerk of the Council of the  
City of Oakland, California