



Office of the City Clerk

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Legislation Text

File #: R2016-977, **Version:** 1

and divest in any direct holdings in fossil fuel companies Committee on Finance

RESOLUTION CALLING FOR DIVESTMENT IN FOSSIL FUEL COMPANIES

WHEREAS, the global climate crisis, caused by the burning of fossil fuels, is a serious threat to current and future generations; and

WHEREAS, the United Nations Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report finds that: "Annual costs to North America [of global warming] have now reached tens of billions of dollars in damaged property and economic productivity, as well as lives disrupted and lost"; and

WHEREAS, the consequences of climate change stand to make Chicago a less desirable place to live and work, negatively impacting the fiscal and social health of the city; and

WHEREAS, the Chicago Climate Action Plan found that, by the end of the century, under current emissions trends, Chicago could experience: heat waves as strong as the deadly 1995 Chicago heat wave, which caused 739 deaths, several times per summer; an increased ambient and extreme heat which could lead to 10 percent to 50-percent higher ozone levels, decreasing air quality and increasing respiratory and related illnesses; annual precipitation increases by up to 25 percent in the form of heavier rainstorms, leading to increased pollution of Lake Michigan, decreasing water quality, and urban flooding; and increased risk of Lyme Disease and West Nile Virus; and

WHEREAS, the City of Chicago has a responsibility to protect the lives and livelihoods of its inhabitants from the threat of climate change; and

WHEREAS, the City of Chicago has a unique opportunity to ensure its investments support a future where citizens can live healthy lives without the negative impacts of global warming, and the City of Chicago, can become a leader in the fight against climate change by divesting city assets from fossil fuel companies; and

WHEREAS, 34 US cities have already divested from fossil fuels companies (often referred to as the 200 publicly-traded companies with the largest coal, oil, and gas reserves as listed in the Carbon Tracker Initiative's "Unburnable Carbon" report) - contributing significantly to the total \$3.4 trillion in institution funds committed to divestment worldwide;

NOW, THEREFORE, BE IT RESOLVED, that the Municipal Code of the City of Chicago be amended to require divestment from stocks and bonds of Fossil Fuel Companies over the next 5 years and prohibit investment in stocks or bonds of Fossil Fuel Companies thereafter; and

BE IT FURTHER RESOLVED, that the Office of the Mayor and the City Council urge the Pension Boards of Chicago's four pension funds to immediately cease any new direct investments in Fossil Fuel Companies; divest promptly from any direct holdings in Fossil Fuel Companies; and, for those Pension

investments in commingled funds that include Fossil Fuel

Companies, to contact the fund managers and request that the Fossil Fuel Companies be removed from the funds within five years; and

BE IT FURTHER RESOLVED, that the Office of the Mayor and the City Council urge the Pension Boards to release semi-annual updates to stakeholders detailing progress made towards full divestment; and

BE IT FURTHER RESOLVED, that the Office of the Mayor and the City Council urge the City Treasurer and the Pension Boards to invest in opportunities that would mitigate or limit the effects of burning fossil fuels, such as renewable energy, clean technology, and sustainable communities, with an emphasis on investments that would support local projects and local jobs, and

BE IT FURTHER RESOLVED, that the appropriate Committee hold hearings to consider how the City of Chicago can meet its duties to stakeholders and the taxpayers of Chicago through sustainable investments.