

WHEREAS, the City Treasurer is charged with investing the City's cash assets in accordance with the City's Investment Policy;

WHEREAS, the objectives of the City's Investment Policy are to, in priority order, (1) prudently protect the City's principal sums and ensure the preservation of capital, (2) provide ample liquidity to meet the City's operating needs and cash requirements, and (3) generate a market rate of return;

WHEREAS, in 2010 the City Council approved a change to the City's Investment Policy allowing up to 35% of the City's investment portfolio to be invested in corporate securities, subject to criteria and in compliance with State law;

WHEREAS, consistent with its responsibilities to the residents of the City of Portland, the City Council has social and ethical obligations to seek to avoid adding to its portfolio those securities issued by corporations whose practices egregiously contradict efforts to create a prosperous, educated, healthy, and equitable society;

WHEREAS, corporations that engage in practices that damage the environment and health, engage in abusive labor practices, violate corporate ethical and governance standards, engage in extreme tax avoidance strategies, exercise such a level of market dominance as to disrupt normal competitive market forces, or contribute to human rights violations undermine efforts to create a prosperous, educated, healthy, and equitable society;

WHEREAS, since 2013, the City Council has provided the City Treasurer with a Council-approved list of corporate issuers in which the City shall not directly invest its cash assets, and this list is now known as the Corporate Securities Do-Not-Buy List;

WHEREAS, on October 2, 2013, City Council adopted Resolution 37037 directing the City Treasurer not to invest additional cash assets in Wal-Mart; and

WHEREAS, on December 12, 2014, City Council adopted a resolution creating the Socially Responsible Investments Committee (SRIC) charged with recommending corporate issuers in which the City shall not directly invest its cash assets; and

WHEREAS, on July 8, 2015, City Council adopted a resolution appointing seven volunteer public members to the SRIC, who have worked diligently to fulfill their charge; and

WHEREAS, on September 24, 2015, City Council adopted Resolution 37153 directing the City Treasurer not to invest additional cash assets in the Carbon Tracker Top 200 oil, gas, and coal companies; and

WHEREAS, on September 30, 2016, the SRIC submitted its Report to City Council recommending that Council add or keep nine corporate issuers--Walmart, Wells Fargo Bank, Caterpillar, Bank of New York Mellon, HSBC Bank USA, JP Morgan Chase Bank NA, Amazon.com, Nestle Holdings, and Credit Suisse--on the City's Corporate Securities Do-Not-Buy list; and

WHEREAS, it was the intent of the City Council to place companies that violate more than one of the SRI policy's criteria on the Corporate Securities Do-Not-Buy list; and

WHEREAS, Caterpillar, Inc., was found to have violated 6 of the 7 criteria under the SRI policy according to the Report of the SRIC, including human rights violations in Israel/Palestine, corrupt corporate ethics and governance, extreme tax avoidance, environmental violations such as helping build the Dakota Access Pipeline and fossil fuel extraction, abusive labor practices, and health concerns relating to weaponizing its D9 bulldozer for use in the Israeli Occupation of Palestinian lands; and

WHEREAS, Wells Fargo Bank was cited in the SRIC Report for corrupt corporate ethics and governance as well as concerns about human rights impacts, particularly its financing of and contractual services for the private prison industry, which has a profit motive for sustaining and expanding the carceral state and "has been the subject of multiple lawsuits over egregious basic human rights violations, especially within minority and immigrant communities," as the Report noted; and

WHEREAS, Nestle Holdings was cited for health concerns, abusive labor practices, and corrupt corporate ethics and governance in the SRIC Report; and

WHEREAS, subsequent to the issuance of the SRIC Report, it was learned that Wells Fargo is a major financier of the Dakota Access Pipeline and that it had cheated its own customers through a fraudulent account scheme, and it was learned that President Donald Trump intended to use Caterpillar as his contractor to build the Separation Wall along the U.S.-Mexico border in violation of human and environmental rights, and it was learned that Nestle Holdings was infringing on the water rights of indigenous people in Oregon by trying to build a water bottling plant in the Columbia River Gorge; and

WHEREAS, on September 7, 2016, the Council went on record in support of the Standing Rock Sioux Tribe in North Dakota and condemned the building of the Dakota Access Pipeline, reaffirming the rights of indigenous people; and

WHEREAS, in January 2017, Mayor Ted Wheeler reaffirmed the status of Portland as a Sanctuary City for all immigrants regardless of immigration status, thereby upholding protections for all regardless of race, national origin, religion, or sexual orientation;

NOW, THEREFORE, BE IT RESOLVED that Council directs the City Treasurer to suspend direct investments of cash assets in corporate debt securities issued by Caterpillar, Wells Fargo, and Nestle until these corporations can demonstrate that they no longer violate the City's SRI policy.

BE IT FURTHER RESOLVED that Council continues to place Walmart and the Carbon Tracker 200 on the Corporate Securities Do-Not-Buy list for the reasons previously stated and that these bans continue until the companies demonstrate they are no longer in violation.

BE IT FURTHER RESOLVED that the Council continues to screen its investments through the Report of the Socially Responsible Investments Committee.