

BOARD of SUPERVISORS



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MEMORANDUM

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Date: March 27, 2017

To: Jose Cisneros, Treasurer/Tax Collector  
Amanda Kahn Fried - Policy and Legislative Manager

From:  Angela Calvillo, Clerk of the Board

Subject: Urging the Treasurer/Tax Collector to Update the Socially Responsible Investment Matrix (File No. 170244)

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On March 14, 2017, the Board of Supervisors adopted Resolution No. 87-17, sponsored by Supervisors Fewer, Ronen, Kim, Yee, Sheehy, Tang, Peskin, Safai, and Cohen (File No. 170244, Urging the Treasurer/Tax Collector to Update the Socially Responsible Investment Matrix), effective March 24, 2017.

Please find the attached courtesy copy of the Resolution for the Treasurer/Tax Collector's information and consideration.

If you have any questions or require additional information, please contact the Office the Clerk of the Board at (415) 554-5184.

c: Supervisors Sandra Lee Fewer, Hillary Ronen, Jane Kim, Norman Yee, Jeff Sheehy, Katy Tang, Aaron Peskin, Ahsha Safai, and Malia Cohen

1 [Urging the Treasurer/Tax Collector to Update the Socially Responsible Investment Matrix]

2  
3 **Resolution urging the Office of the Treasurer/Tax Collector to immediately update the**  
4 **City’s socially responsible investment matrix by adding financing of the Dakota Access**  
5 **Pipeline as a screening factor.**

6  
7 WHEREAS, The Dakota Access Pipeline is a \$3.8 billion project of Dallas-based  
8 Energy Transfer Partners that is designed to transport as many as 570,000 barrels of crude oil  
9 daily from North Dakota to Illinois; and

10 WHEREAS, The Dakota Access Pipeline is set to travel underneath the Missouri River,  
11 which serves as the primary drinking water source for the Standing Rock Sioux, a tribe of  
12 approximately 10,000 people; and

13 WHEREAS, The Pipeline and Hazardous Materials Safety Administration (PHMSA)  
14 has documented over 3,300 oil and gas leaks and ruptures in U.S. pipelines since 2010, and  
15 even a small rupture in the Dakota Access Pipeline could contaminate the Standing Rock  
16 Sioux’s access to clean water and impact the water for 17 million Americans living  
17 downstream; and

18 WHEREAS, The construction of the Dakota Access Pipeline violates treaties between  
19 indigenous tribes and the United States government and endangers water rights; and

20 WHEREAS, While President Obama temporarily paused construction of the pipeline in  
21 September of 2016, President Trump, who has investments in Energy Transfer Partners and  
22 who has received more than \$100,000 in campaign contributions from ETP’s chief executive,  
23 has supported expediting the construction of Dakota Access Pipeline; and

1           WHEREAS, There is wide-spread opposition to the Dakota Access Pipeline, with  
2 legislation from cities including Seattle, Alameda, Santa Monica, and Davis exploring  
3 divestment from banking institutions financing the pipeline; and

4           WHEREAS, The Board of Supervisors unanimously passed a resolution, "Supporting  
5 the Standing Rock Sioux Tribe's Opposition to the Dakota Access Pipeline" in November  
6 of 2016; and

7           WHEREAS, The Standing Rock Water Protectors and the indigenous-led San  
8 Francisco Defund DAPL Coalition, including Idle No More SF Bay, Indian People Organizing  
9 for Change, SFSU SKINS, Stanford University Indigenous Feminists, Stanford Native  
10 Mentorship in Public Health, 350 San Francisco, The Sunflower Alliance, Asian Pacific  
11 Environmental Network (APEN), The Greenlining Institute, San Francisco Berniecrats,  
12 Portrero Hill Democratic Club, San Francisco Green Party, Stand.earth, Center for  
13 Environmental Health, Arab Resource and Organizing Center, Jewish Voice for Peace - Bay  
14 Area Chapter, Stop Urban Shield Coalition, Students for a Just and Stable Future,  
15 Filipino/American Coalition for Environmental Solidarity (FACES), EarthJustice Associates,  
16 and Injustice Boycott have called upon the City and County of San Francisco to revisit its  
17 financial investments and contracts that are connected to the Dakota Access Pipeline; and

18           WHEREAS, The Office of the Treasurer and Tax Collector of the City and County of  
19 San Francisco enacted an Investment Policy effective May 2016, which states, in part, that in  
20 addition to the three primary objectives for investment, that the "investment of funds should be  
21 guided by the following socially responsible investment goals when investing in corporate  
22 securities and depository institutions," which include social and environmental concerns; and

23           WHEREAS, The Office of the Treasurer and Tax Collector currently invests 13.99% of  
24 its total investment portfolio in issuers that subsequently finance the Dakota Access Pipeline,  
25 including Bank of Montreal, Bank of Nova Scotia, Bank of Tokyo Mitsubishi UFJ, Morgan

1 Stanley Government Portfolio, Royal Bank of Canada, Toronto-Dominion Bank, Blackrock T-  
2 Fund Institutional, and US Bancorp, totaling \$1,173,044,634; and

3 WHEREAS, City and County of San Francisco Treasurer Jose Cisneros on  
4 February 28, 2017 released a statement that, "I am considering adding financing of the  
5 Dakota Access Pipeline to the socially responsible investment matrix when we do our annual  
6 update of the screening factors in October," which is more than six months away; now,  
7 therefore, be it

8 RESOLVED, That the Board of Supervisors of the City and County of San Francisco  
9 urges the Office of the Treasurer and Tax Collector to update the socially responsible  
10 investment matrix by adding the Dakota Access Pipeline as a screening factor; and, be it

11 FURTHER RESOLVED, That the Board of Supervisors urges the Treasurer to move  
12 with expediency in exploring divestments from issuers that do not meet the socially  
13 responsible investment criteria, as updated; and, be it

14 FURTHER RESOLVED, That the Board of Supervisors urges the Treasurer and Tax  
15 Collector to prepare an annual report on City and County investments as they relate to the  
16 socially responsible criteria outlined in its Investment Policy; and, be it

17 FURTHER RESOLVED, That the Board of Supervisors urges the City and County of  
18 San Francisco to explore future alternative banking options that do not participate in the  
19 financing of crude oil pipelines.



City and County of San Francisco  
Tails  
Resolution

City Hall  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102-4689

File Number: 170244

Date Passed: March 14, 2017

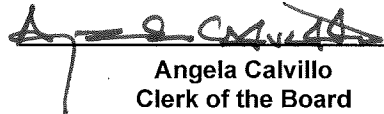
Resolution urging the Office of the Treasurer/Tax Collector to immediately update the City's socially responsible investment matrix by adding financing of the Dakota Access Pipeline as a screening factor.

March 14, 2017 Board of Supervisors - ADOPTED

Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Tang and Yee

File No. 170244

I hereby certify that the foregoing Resolution was ADOPTED on 3/14/2017 by the Board of Supervisors of the City and County of San Francisco.

  
Angela Calvillo  
Clerk of the Board

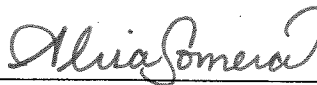
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Unsigned

Mayor

\_\_\_\_\_  
3/24/2017

Date Approved

I hereby certify that the foregoing resolution, not being signed by the Mayor within the time limit as set forth in Section 3.103 of the Charter, or time waived pursuant to Board Rule 2.14.2, became effective without his approval in accordance with the provision of said Section 3.103 of the Charter or Board Rule 2.14.2.

  
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for Angela Calvillo  
Clerk of the Board

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3/24/2017  
Date