TO: Honorable Mayor and Members of the City Council
FROM: Ben Harvey, City Manager
MEETING DATE: February 7, 2018

SUBJECT: Resolution of the City Council of the City of Pacific Grove
Regarding the National Revenue-Neutral Carbon Fee and Dividend Program

CEQA: This action does not constitute a “project” as defined by the California Environmental Quality Act (CEQA) guidelines section 15378.

RECOMMENDATION
Adopt a Resolution of the City Council of the City of Pacific Grove Regarding the National Revenue-Neutral Carbon Fee and Dividend Program.

DISCUSSION
At the urging of Citizens Climate Lobby Monterey Peninsula, the attached resolution calling for national legislation to place a price on carbon using a carbon fee and dividend approach is brought forward for City Council consideration. Companion measures have previously been adopted by both Sustainable Pacific Grove and Citizens for Sustainable Monterey County, and correspondence from Communities for Sustainable Monterey County urging support for this program has also been sent to Congressman Panetta.

The resolution calls upon Congress to adopt legislation to support a carbon fee and dividend approach to help reduce/counter climate change and the corresponding negative impacts to quality of life, public/private infrastructure/property, and national security, among other serious concerns.

OPTIONS
1. Take no action.
2. Provide alternate direction.

FISCAL IMPACT
There is no fiscal impact in adopting the resolution.

GOAL ALIGNMENT
Environment
ATTACHMENT
1. Resolution No. 18-XXX

Ben Harvey
City Manager
RESOLUTION NO. 18-XXX

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PACIFIC GROVE REGARDING THE NATIONAL REVENUE-NEUTRAL CARBON FEE AND DIVIDEND PROGRAM

FINDINGS

1. Having determined that the Carbon Fee and Dividend legislative principles proposed by the non-partisan Citizens’ Climate Lobby would provide an efficient approach for shifting the incentives that keep the United States reliant on fossil fuel energies and would, thereby, then contribute to and help support the rapid deployment of clean energy alternatives.

2. Having determined that this approach would be fair to everyone and would protect middle and low income households by providing them with a dividend (also known as a rebate) that, on average, would be higher than the increased costs for energy for two-thirds of all households (specifically the lowest income two-thirds) during the transition to clean energy.

3. Per the non-partisan study by Regional Economic Models, Inc. (REMI), this approach would ensure a substantial increase in private investment in cleaner energy options because they will become significantly less expensive relative to fossil fuels within a known frame. This would encourage consumers and businesses to keep their carbon footprint smaller while still keeping energy affordable.

4. A 2014 report of the Intergovernmental Panel on Climate Change concludes that, since the 1950s, the increased temperatures in the atmosphere and in the ocean have led to rises in sea levels and accelerated ocean acidification with increased concentrations of greenhouse gases on a global level that are unprecedented for a period of similar duration throughout the known climatological record.

5. According to a recent report of the United States Global Change Research Program, “Leaders and residents of coastal regions are increasingly aware of the high vulnerability of costs to climate change and are developing plans to prepare for potential impacts on citizens, businesses, and environmental assets.” The many direct climate change impacts anticipated for Monterey County include increases in air temperatures, possible shifts in precipitation, higher sea levels, severe storms, and ocean acidification with a secondary impact being an increased risk in exposure to wildfire.

6. Having determined that the early adoption of the National Revenue-Neutral Carbon Fee and Dividend Legislation in the United States would grow the economy by adding nearly two million new jobs, would help make us a world leader in creating clean energy technologies, and also help to establish the United States as a leader in making the conversion to renewables a reality to help protect the planet.
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE
CITY OF PACIFIC GROVE:

1. The Council determines that each of the Findings set forth above is true and correct, and by this reference incorporates those Findings as an integral part of this Resolution.

2. That the United States Congress immediately enacts legislation and that the United States President sign into law a national revenue-neutral carbon fee and dividend program. This legislation will levy an annually increasing fee on carbon emissions in fossil fuels at the point of production or extraction or importation.

3. That the response in combating climate change to mitigate its worst effects should be implemented with the speed appropriate to the gravity and urgency of the situation, and for that reason, the Mayor shall send a letter no later than 30 days after passage of this Resolution, on behalf of the Members of the City Council of Pacific Grove, to the Governor and all Mayors and City Councils, County Board of Supervisors, School boards, and State and Federal Legislators in Monterey, San Benito, and Santa Cruz Counties urging their support and adoption of a Fee and Dividend program.

4. This Resolution shall become effective immediately following passage and adoption thereof.

PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF PACIFIC GROVE
this 7th day of February, 2018, by the following vote:

AYES:
NOES:
ABSENT:

APPROVED:

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BILL KAMPE, Mayor

ATTEST:

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SANDRA KANDELL, City Clerk

APPROVED AS TO FORM:

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DAVID C. LAREDO, City Attorney