

1 [Supporting Mayor’s Letters of Support to Coalitions Applying for the Greenhouse Gas
2 Reduction Fund and Urging City Departments to Prepare for the Creation of a Green Bank]

3 **Resolution supporting Mayor London N. Breed’s letters of support to coalitions**
4 **applying for the Environmental Protection Agency’s Greenhouse Gas Reduction Fund**
5 **and urging City departments to prepare for the creation and implementation of a green**
6 **bank to finance local projects using Greenhouse Gas Reduction funds.**

7

8 WHEREAS, The 2022 Inflation Reduction Act (IRA) authorized the Environmental
9 Protection Agency (EPA) to implement the Greenhouse Gas Reduction Fund (GGRF), which
10 it describes as “a \$27 billion investment to mobilize financing and private capital to address
11 the climate crisis;” and

12 WHEREAS, Two of the GGRF’s three grant competitions are designed to fund
13 community lenders, including green banks, to finance clean energy and greenhouse gas
14 reducing projects: the National Clean Investment Fund (NCIF) and the Clean Communities
15 Investment Accelerator (CCIA); and

16 WHEREAS, The \$14 billion National Clean Investment Fund competition will provide
17 grants to 2-3 national nonprofit clean financing institutions capable of partnering with the
18 private sector to provide accessible, affordable financing for tens of thousands of clean
19 technology projects across the country; and

20 WHEREAS, The \$6 billion Clean Communities Investment Accelerator competition will
21 provide grants to 2-7 hub nonprofits that will, in turn, deliver funding and technical assistance
22 to build the clean financing capacity of local community lenders working in low-income and
23 disadvantaged communities, so that underinvested communities have the capital they need to
24 deploy clean technology projects; and

25

1 WHEREAS, The San Francisco Environment Department’s (SFE) 2021 San Francisco
2 Climate Action Plan outlines strategies and actions to achieve the City’s greenhouse gas
3 emission target of net-zero emissions by 2040; and

4 WHEREAS, The November 2022 report “Funding San Francisco Climate Action,”
5 prepared for SFE by UC Berkeley’s Center for Law, Energy & the Environment, recommended
6 the creation of a San Francisco green bank to “attract private capital for decarbonization
7 investments and incorporate additional seed funding from (the IRA);” and

8 WHEREAS, For the purposes of this Resolution a green bank is defined as a non-
9 depository financing institution that combines public and private investments to finance
10 projects that accelerate the transition to renewable energy and fight climate change; and

11 WHEREAS, On September 5, 2023, The Board of Supervisors unanimously passed
12 Resolution No. 412-23 to accept receipt of the San Francisco Reinvestment Working Group’s
13 Final Governance Plan, Business Plan and Viability Study for a San Francisco Municipal
14 Financial Corporation (SFMFC) and Final Governance Plan, Business Plan and Viability
15 Study for a San Francisco Public Bank; and

16 WHEREAS, The SFMFC would function as San Francisco’s green bank with a focus
17 on addressing the lack of access to quality financial services for affordable housing, small
18 business, and environmentally beneficial projects in San Francisco's low-income and
19 disadvantaged communities; and

20 WHEREAS, The business plan for the SFMFC calls for \$20 million in capitalization and
21 \$6 million in funding in year one, growing to \$40 million in capitalization and \$50 million in
22 funding in year three; and

23 WHEREAS, The San Francisco Local Agency Formation Commission (LAFCo) is
24 currently studying opportunities for green bank financing in coordination with the San
25 Francisco Public Utilities Commission (SFPUC), SFE, and the Treasurer and Tax Collector’s

1 office, as well as coalitions that are preparing NCIF and CCIA applications, and experts on
2 green banking; and

3 WHEREAS, SFE is collaborating with various City agencies and community partners to
4 explore projects for potential funding to electrify affordable housing and low-income housing in
5 the City; and

6 WHEREAS, submitting letters of support on behalf of the City to support coalitions will
7 position the City strategically to apply for funding; and

8 WHEREAS, The SFPUC is preparing a list of programs that could potentially benefit
9 from NCIF and CCIA funding; and

10 WHEREAS, On September 22, 2023, San Francisco Mayor London Breed submitted
11 letters supporting coalitions applying for the NCIF and CCIA, stating that “San Francisco is
12 committed to partnering with the various coalitions applying for the NCIF funds to help build
13 and execute a robust, national transaction pipeline of qualified projects to secure that future;”
14 and

15 WHEREAS, Mayor Breed’s letters also stated that the “culmination of San Francisco’s
16 comprehensive climate, housing, and financing programs has exceptionally prepared our City
17 to collaborate with recipients of the NCIF funding in creating and executing a robust national
18 transaction pipeline;” now, therefore, be it

19 RESOLVED, That the San Francisco Board of Supervisors supports San Francisco
20 Mayor London Breed’s letters of support to coalitions applying for the NCIF and CCIA; and, be
21 it

22 FURTHER RESOLVED, That the Board of Supervisors urges City departments to
23 expedite efforts to prepare for the creation and implementation of a green bank to finance
24 local projects using funds from the NCIF and CCIA, including:
25

- 1) Developing a pipeline of near-term projects for distributed renewable power generation and storage, net-zero building retrofits, and net-zero transportation projects that could be financed by NCIF and CCIA funding, with a focus on low-income and disadvantaged communities (LIDAC); and
- 2) Ensuring that all local projects financed by NCIF and CCIA funding will ensure compliance with California prevailing wage provisions and incorporate a preference for Project Labor Agreements; and
- 3) Coordinating with community organizations that serve LIDAC to develop potential projects as well as programs to provide culturally competent technical assistance to help residents participate in projects financed by NCIF and CCIA funding; and
- 4) Coordinating with foundations, philanthropic organizations, and private capital investors to explore opportunities to multiply NCIF and CCIA funding with private capital; and
- 5) Coordinating with local community development financial institutions, community financial institutions, and credit unions to develop potential partnerships and participation lending agreements for a San Francisco green bank to deploy NCIF and CCIA funding through the City's local financial institutions; and, be it

FURTHER RESOLVED, That the Clerk of the Board shall transmit a copy of this Resolution to the Local Agency Formation Commission (LAFCO), the San Francisco Environment Department (SF Environment), San Francisco Public Utilities Commission (SFPUC), and the Treasurer and Tax Collector office (TTX).