

1 [Accept and Expend Grant - GreenFinanceSF - \$372,600]

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3 **Resolution authorizing the Department of the Environment for the City and County of**
4 **San Francisco to retroactively accept and expend a grant in the amount of \$372,600**
5 **from the California Energy Commission’s State Energy Program through Ecology**
6 **Action to support GreenFinanceSF.**

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8 WHEREAS, The San Francisco Public Utilities Commission staff, working in
9 conjunction with the Department of the Environment and the Controller’s Office of Public
10 Finance, submitted an application to the California Energy Commission (CEC) State Energy
11 Program for financial assistance on behalf of GreenFinanceSF, the City and County of San
12 Francisco’s municipal financing program for energy and water retrofits of privately-owned
13 buildings; and

14 WHEREAS, On February 10, 2010, the CEC announced the awards under the State
15 Energy Program, which included an award of up to \$2,080,000 for GreenFinanceSF; and

16 WHEREAS, In its Resolution No. 59-10, this Board of Supervisors accepted the CEC
17 State Energy Program grant award for GreenFinanceSF; and

18 WHEREAS, In its Resolution No. 008-10, this Board of Supervisors identified the
19 Department of the Environment as the administrator of the GreenFinanceSF program on
20 behalf of the City; and

21 WHEREAS, This Board of Supervisors has adopted legislation necessary to form an
22 opt-in Mello-Roos special tax district and to establish legal mechanisms and policies to govern
23 the implementation of a municipal financing program for retrofits of privately-owned buildings,
24 known as GreenFinanceSF; and

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1 WHEREAS, Nationally this type of financing structure is known as Property Assessed
2 Clean Energy or PACE; and

3 WHEREAS, While PACE has the support from the United States Department of
4 Energy, the Office of the Vice President, and the more than twenty states that have enacted
5 PACE-enabling legislation, recent statements by the Federal Housing Finance Agency and
6 the Office of the Controller of the Currency questioning the security of residential PACE
7 financing have created a climate of uncertainty that threatens to derail the success of existing
8 residential PACE programs and imperils further uptake of PACE financing to support energy
9 efficiency retrofits and renewable energy generation; and

10 WHEREAS, As the result of these statements, the CEC has changed its funding priority
11 to focus on commercial properties only; and

12 WHEREAS, The CEC will issue a portion of the funds originally awarded to the City
13 and County of San Francisco on February 10, 2010 to the Local Government Commission,
14 which will then subcontract with Ecology Action; and,

15 WHEREAS, The CEC requires that the City and County of San Francisco Department
16 of Environment become a sub-awardee of Ecology Action; and

17 WHEREAS, The City and County of San Francisco continues to recognize that it is vital
18 for local, regional, state, and federal agencies to stimulate the economy; create and retain
19 jobs; reduce fossil fuel emissions; reduce total energy usage; and improve energy and water
20 use efficiency; and

21 WHEREAS, The City has committed to an ongoing, coordinated effort to reduce the
22 emissions that cause global warming, improve air quality, reduce waste, reduce energy use
23 and save money; and

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1 WHEREAS, Funding from the CEC’s State Energy Program through Ecology Action
2 will provide funding to GreenFinanceSF for use in the commercial building sector; and

3 WHEREAS, The State Energy Program has been funded as part of the American
4 Recovery and Reinvestment Act; and

5 WHEREAS, Projects undertaken with this funding are in compliance with the California
6 Environmental Quality Act (CEQA), California Public Resources Code Section 21000; and

7 WHEREAS, The grant does not require an ASO amendment; and

8 WHEREAS, The term of the State Energy Program grant will be from January 20, 2011
9 through March 30, 2012; and

10 WHEREAS, The Department proposes to maximize use of available grant funds on
11 program expenditures by not including indirect costs in the grant budget; now, therefore, be it

12 RESOLVED, That this Board of Supervisors hereby authorizes the Director of the
13 Department of the Environment to accept a State Energy Program grant award on behalf of
14 the City, and to enter into all necessary contracts and agreements, and amendments thereto,
15 on its behalf to implement and carry out GreenFinanceSF in the commercial sector; and, be it

16 FURTHER RESOLVED, that the Board of Supervisors hereby waives inclusion of
17 indirect costs in the grant budget, and be it

18 FURTHER RESOLVED, The Director of the Department of the Environment is further
19 authorized to furnish whatever additional information or assurances the funding agency may
20 request in connection with this grant, and to execute any and all agreements necessary to
21 carry out the purpose of the grant.

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APPROVED: _____

Mayor

APPROVED: _____

Ben Rosenfield
Controller

RECOMMENDED:

By: _____
Melanie Nutter, Director
Department of the Environment