

PUBLIC UTILITIES COMMISSION

City and County of San Francisco

RESOLUTION NO. 26-0032

WHEREAS, The San Francisco Public Utilities Commission (SFPUC) created the Green Infrastructure Grant Program (Grant Program) with the goal of reducing the amount of stormwater runoff entering SFPUC's sewer system and improving system performance while also providing co-benefits such as non-potable water reuse, climate resilience, and workforce development. The Grant Program provides a financial incentive for San Francisco property owners to design, build, and maintain performance-based green stormwater infrastructure, such as permeable pavement; rainwater harvesting; rain gardens; and vegetated roofs; and

WHEREAS, On November 13, 2018, by Resolution No. 18-0189, this Commission approved the establishment of a Green Infrastructure Grant Program and delegated authority to the General Manager to award grants without Commission approval; and

WHEREAS, On February 5, 2019, the San Francisco Board of Supervisors adopted Ordinance No. 26-19 delegating authority under Charter Section 9.118 to the SFPUC General Manager to enter into grant agreements with terms of 20 years under the SFPUC's Green Infrastructure Grant Program, provided that this Commission must approve the award of each grant at a public hearing and with a sunset date of July 1, 2020; and

WHEREAS, On February 25, 2020, by Resolution No. 20-0045, this Commission approved revisions to the funding disbursement procedures of the Green Infrastructure Grant Program; and

WHEREAS, On June 23, 2020, the San Francisco Board of Supervisors approved Ordinance 101-20, extending the Green Infrastructure Grant Program for an additional two years through July 1, 2022, including the delegation of authority under Charter Section 9.118 to the General Manager of the San Francisco Public Utilities Commission to enter into grant agreements with terms of up to 20 years, and removing the prior requirement that grants be awarded at a hearing of the Commission; and

WHEREAS, On July 27, 2021, by Resolution No. 21-0122, this Commission approved increasing the maximum cost per acre from \$765,000 to \$930,000; and

WHEREAS, On March 22, 2022, by Resolution No. 22-0058, this Commission approved modifications to the Program Guidelines to reflect compliance with the City Administrative Code Chapter 21G, revise grant team experience and co-benefit eligibility criteria, increase cap on planning and design costs, and revise other program requirements; and

WHEREAS, On June 21, 2022 the San Francisco Board of Supervisors approved Ordinance 159-22, extending the General Manager's authority for an additional two years through July 1, 2024; and

WHEREAS, On April 9, 2024, by Resolution No. 24-0093, this Commission approved modifications to the Program Guidelines to increase the maximum cost per acre of impervious area managed from \$930,000 to \$1,035,000 and the maximum grant award per project from \$2,000,000 to \$2,500,000, revise funding disbursement requirements for City Departments only, and revise program eligibility criteria and other program requirements; and

WHEREAS, On July 23, 2024 the San Francisco Board of Supervisors approved Ordinance 207-24, extending the General Manager's authority for an additional two years through July 1, 2026; and

WHEREAS, The Grant Program Guidelines establish a minimum project size of 0.5 acres of impervious surface and require that grant-funded projects must manage the first 0.75 inches in rainfall depth over the drainage area; and

WHEREAS, Staff recommends that the Program Guidelines be amended to raise the maximum cost per acre of impervious surface area managed by grant-funded projects from \$1,035,000 to \$1,120,000 to account for inflation, and revise program eligibility criteria and other program requirements; and to authorize the General Manager to increase the maximum grant award per project and the maximum cost per acre of impervious area managed based on escalation using the San Francisco Annual Infrastructure Construction Cost Inflation Estimate (SF AICCIE) or equivalent methodology for cost escalation, and to approve nonmaterial changes to the Green Infrastructure Grant Program Guidelines; and

WHEREAS, This action does not constitute a project under California Environmental Quality Act (CEQA) Guidelines Section 15378(b)(4) because the proposed Green Infrastructure Program creates a government funding mechanism which does not involve commitment to any specific project which may result in a significant impact on the environment; and

WHEREAS, Staff may disburse funds for tasks such as planning and design, which do not entail any physical changes in the environment but will not disburse funds for construction until any necessary environmental review of the project(s) has been completed in conformance with the CEQA; and

WHEREAS, This action is not an approval of a project(s), and the SFPUC retains discretion to, among other things, modify the project(s) to mitigate significant environmental impacts or determine not to proceed with disbursement of grant funds for construction; and

WHEREAS, A copy of the proposed modifications to the Grant Program Guidelines is on file with the Director of Commission Affairs and was presented to the Commission at its February 24, 2026 meeting; now, therefore, be it,

RESOLVED, The Commission hereby approves the modifications to the Green Infrastructure Grant Program Guidelines on file with the Director of Commission Affairs to raise the maximum cost per acre of impervious surface area managed by grant-funded projects from \$1,035,000 to \$1,120,000 to account for inflation, and revise program eligibility criteria and other program requirements; and authorizes the General Manager to increase the maximum grant

award per project and the maximum cost per acre of impervious area managed based on escalation using the San Francisco Annual Infrastructure Construction Cost Inflation Estimate (SF AICCIE) or equivalent methodology for cost escalation, and to approve nonmaterial changes to the Green Infrastructure Grant Program Guidelines; and, be it,

FURTHER RESOLVED, The Commission delegates to the General Manager the authority to negotiate, award, and execute grant agreements, in substantially the same form as on file with the Director of Commission Affairs, with a term of 20 years, with grantees who meet the eligibility requirements under the Grant Program Guidelines, and recommends that the Board of Supervisors adopt an ordinance extending the authority delegated by Ordinance No. 207-24; and, be it,

FURTHER RESOLVED, That this Commission hereby authorizes the SFPUC General Manager to enter into any amendments or modifications to the grant agreements that the General Manager determines, in consultation with the City Attorney, are in the best interest of the City, do not materially decrease the City's rights or materially increase the obligations or liabilities of the City, are necessary or advisable to effectuate the purposes and intent of the grant agreements or this resolution, and are in compliance with all applicable laws, including the City Charter.

I hereby certify that the foregoing resolution was adopted by the San Francisco Public Utilities Commission at its meeting of February 24, 2026.



*Director of Commission Affairs
San Francisco Public Utilities Commission*