

File No. 091409

Committee Item No. 5

Board Item No. 11

### COMMITTEE/BOARD OF SUPERVISORS AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee

Date: January 6, 2010

Board of Supervisors Meeting

Date 1/12/10

#### Cmte Board

- |                                     |                                     |  |
|-------------------------------------|-------------------------------------|--|
| <input type="checkbox"/>            | <input type="checkbox"/>            | Motion                                       |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Resolution                                   |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Ordinance                                    |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Legislative Digest                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Budget Analyst Report                        |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Legislative Analyst Report                   |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Introduction Form (for hearings)             |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/>            | <input type="checkbox"/>            | MOU  |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Grant Information Form                       |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Grant Budget                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Subcontract Budget                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Contract/Agreement                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Award Letter                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Application                                  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Public Correspondence                        |

#### OTHER

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Completed by: Victor Young

Date December 30, 2009

Completed by: [Signature]

Date 1/7/10

An asterisked item represents the cover sheet to a document that exceeds 25 pages. The complete document is in the file.

100

1 [Accept-Expend Sidney E. Frank Foundation Grant and Amendment to the Annual Salary  
2 Ordinance, FY 2009-2010.]

3  
4 **Ordinance authorizing the Department of the Environment to accept and expend a**  
5 **grant in the amount of \$250,000 from the Sidney E. Frank Foundation to initiate the San**  
6 **Francisco Zero Energy Homes (SFZEH) Program which will create the tools necessary**  
7 **for San Franciscans to radically reduce the amount of energy they use and amending**  
8 **Ordinance Number 183-09 to reflect the addition of one (1) grant funded position at the**  
9 **Department of the Environment.**

10 Note: Additions are single-underline italics Times New Roman;  
11 deletions are ~~strikethrough italics Times New Roman~~.  
12 Board amendment additions are double underlined.  
13 Board amendment deletions are ~~strikethrough-normal~~.

14 Be it ordained by the People of the City and County of San Francisco:

15 **Section 1. Findings**

16 There are more than 8,000 multi-family buildings and over 100,000 single-family  
17 buildings in the City and County of San Francisco. Many of these are older buildings with  
18 inefficient heating and cooling equipment. In order to achieve the deep reductions in resource  
19 use necessary to meet the City's greenhouse gas reduction, energy efficiency and renewable  
20 energy, zero waste and water resource management goals, the City must vastly increase the  
21 program scale and depth of the impact of energy reductions in each building.

22 With the financial support of the Sidney E. Frank Foundation Grant, the San Francisco  
23 Department of the Environment will develop a web-based tool for SF building owners to  
24 assess their buildings and understand the options for making their buildings completely  
25 energy self-sufficient and access incentives for this.

1 This project supports the City and County of San Francisco's Climate Action Plan goal  
2 of reducing Greenhouse Gas Emissions related to the building sector by assisting building  
3 owners to increase building efficiency in the use of energy.

4 This project also supports California's aggressive goals of reducing greenhouse gas  
5 emissions under the AB32 Climate Change Initiative scoping plan.

6 This project will be transferable to other municipalities and will have a larger national  
7 impact, thus ensuring San Francisco's reputation as an international leader on environmental  
8 issues.

9  
10 **Section 2. Authorization to Accept and Expend Funds.**

11 The Board of Supervisors hereby authorizes the Department of the Environment to  
12 accept and expend \$250,000 in funds from the Sidney E. Frank Foundation for initiating the  
13 San Francisco Zero Energy Homes (SFZEH) Program.

14 The Department of the Environment is further authorized to furnish whatever additional  
15 information or assurances the funding agency may request in connection with this grant, and  
16 to execute any and all agreements necessary to carry out the purpose of the grant.

17 The grant budget includes provision for indirect cost of \$32,609.

18 The term of the Sidney E. Frank Foundation grant is from December 1, 2009 through  
19 November 30, 2010.

20  
21 **Section 3. Grant-funded Positions; Amendment to FY 2009-20010 Annual Salary**  
22 **Ordinance.**

1 The hereinafter designated sections and items of Ordinance No. 183-09 (Annual Salary  
2 Ordinance, FY 2009-2010) are hereby amended to ADD ONE (1) position in the Department  
3 of the Environment, and reads as follows:

4 Department: ENV-22

5 Program: CIP - ENERGY


6 Subfund: 2S-ENV-GNC

7 Index Code: 220118

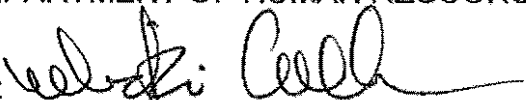
8

9 Amendment:	No. of Positions:	Class and Item No.:	Compens. Schedule:
10 Add	1 58% FTE	5640 Environmental 11 Specialist.	\$2,571 B \$3,126


12  
13 APPROVED AS TO FORM:  
14 DENNIS J. HERRERA, City Attorney

15 By:   
16 Thomas Owen  
17 Deputy City Attorney

APPROVED AS TO CLASSIFICATION  
DEPARTMENT OF HUMAN RESOURCES

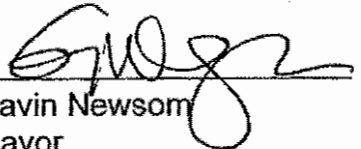
By:   
Micki Callahan  
Director

18 RECOMMENDED:

19   
20 Jafed Blumenfeld, Executive Director  
21 Department of the Environment

22   
23 Ben Rosenfield  
24 Controller

25 Department of the Environment  
BOARD OF SUPERVISORS

1   
2 ~~for~~ Gavin Newsom  
Mayor

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**TO:** Angela Calvillo, Clerk of the Board of Supervisors  
**FROM:** The Department of the Environment  
**DATE:** 10/20/09  
**SUBJECT:** Annual Salary Ordinance Amendment with Accept and Expend Ordinance for Foundation Grant  
**GRANT TITLE:** SF Zero Energy Homes Program

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Attached please find the original and 4 copies of each of the following:

Proposed: Annual Salary Ordinance Amendment with Accept and Expend Ordinance; original signed by Department, Mayor, Controller, City Attorney and Human Resources

Grant information form, including disability checklist

Grant budget

Grant application

Grant award letter from funding agency

Other (Explain): Budget Analyst Reference Guide questions

**Special Timeline Requirements:**

**Departmental representative to receive a copy of the adopted Ordinance:**

Name: Shawn Rosenmoss

Phone: 415-355-3746

Interoffice Mail Address:

Certified copy required Yes

No X

(Note: certified copies have the seal of the City/County affixed and are occasionally required by funding agencies. In most cases ordinary copies without the seal are sufficient).

File Number: \_\_\_\_\_  
(Provided by Clerk of Board of Supervisors)

**Grant Information Form**  
(Effective January 2000)

Purpose: Accompanies proposed Board of Supervisors Ordinance authorizing a Department to amend the Annual Salary Ordinance and accept and expend grant funds.

The following describes the grant referred to in the accompanying Ordinance:

1. Grant Title: San Francisco Zero Energy Homes (SFZEH) Program

2. Department: Department of the Environment

3. Contact Person: Shawn Rosenmoss Telephone: 415-355-3746

4. Grant Approval Status (check one):

Approved by funding agency

Not yet approved

5. Amount of Grant Funding Approved or Applied for: \$250,000

6a. Matching Funds Required:

b. Source(s) of matching funds (if applicable):

7a. Grant Source Agency: Sidney Frank Foundation

b. Grant Pass-Through Agency (if applicable):

**8. Proposed Grant Project Summary:** The San Francisco Department of the Environment (SF Environment) is initiating a San Francisco Zero Energy Homes (SFZEH) Program to create the tools necessary for San Franciscans to reduce the amount of energy they use. The SFZEH Program will offer SF building owners access to a one stop shop to access options and incentives for making their buildings completely energy self-sufficient.

9. Grant Project Schedule, as allowed in approval documents, or as proposed:

Start-Date: 12/1/09

End-Date: 11/30/10

10. Number of new positions created and funded: 1

11. If new positions are created, explain the disposition of employees once the grant ends? Staff supported through this funding will understand that the position is temporary and is based on grant funding

12a. Amount budgeted for contractual services: \$107,358

b. Will contractual services be put out to bid? Yes

c. If so, will contract services help to further the goals of the department's MBE/WBE requirements? Yes

d. Is this likely to be a one-time or ongoing request for contracting out? One-time

13a. Does the budget include indirect costs?

Yes

No



b1. If yes, how much? \$32,609, which is 15% of the total amount granted by the funding source

b2. How was the amount calculated? Amount allowed by funding source

c. If no, why are indirect costs not included?

Not allowed by granting agency

To maximize use of grant funds on direct services

Other (please explain):

14. Any other significant grant requirements or comments:

**\*\*Disability Access Checklist\*\***

15. This Grant is intended for activities at (check all that apply):

Existing Site(s)

Existing Structure(s)

Existing Program(s) or Service(s)

Rehabilitated Site(s)

Rehabilitated Structure(s)

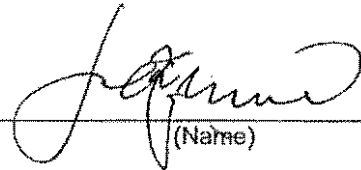
New Program(s) or Service(s)

New Site(s)

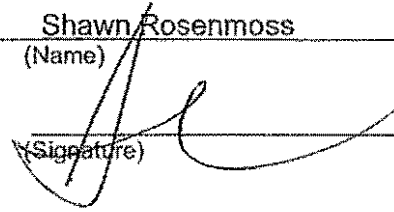
New Structure(s)

16. The Departmental ADA Coordinator and/or the Mayor's Office on Disability have reviewed the proposal and concluded that the project as proposed will be in compliance with the Americans with Disabilities Act and all other Federal, State and local access laws and regulations and will allow the full inclusion of persons with disabilities, or will require unreasonable hardship exceptions, as described in the comments section:

Comments:

Departmental or Mayor's Office of Disability Reviewer:   
(Name)

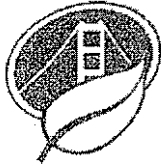
Date Reviewed: 11/9/09

Department Approval: Shawn Rosenmoss Manager of Grants and Fundraising  
(Name) (Title)  
  
(Signature)

Department of the Environment-City and County of San Francisco (SFEnvironment)

Zero Energy Homes

Personnel	Narrative	Notes	Frank Foundation
Zero Energy Homes Program Coordinator Environmental Specialist 5640. Grant Funded. ASO Amendment included in resolution	Zero Energy Homes Program Coordinator will coordinate grant activities, reporting, data collection and work with stakeholders. Oversee process to secure a contractor their activities, coordinate with internal SFE communications and web staff. Materials development. Foundation and stakeholder liaison	100%FTE	\$81,276
	Fringes at 28%		\$22,757
<b>Total personnel</b>			<b>\$104,033</b>
<b>Contract/grants</b>			
Consultants	Creation of SF Zero Energy Homes webtool. Consultant services will be procured using standard city protocols.		\$95,358
	Training existing building contractors on home performance testing. Consultant services will be procured using standard city protocols.		\$12,000
<b>SUB Contract/ Grant</b>			<b>\$107,358</b>
<b>Materials/Supplies</b>			
Outreach materials	brochures, posters		\$6,000
<b>SUB Materials</b>			<b>\$6,000</b>
<b>SubTotal Program</b>			<b>\$217,391</b>
Indirect	Amount allowed by funding source to provide for SF Environment's administration of grant	15%	\$32,609
<b>GRAND TOTAL</b>			<b>\$250,000</b>



**SF Environment**

**Our home. Our city. Our planet.**

A Department of the City and County of San Francisco



GAVIN NEWSOM  
Mayor

DAVID ASSMANN  
Acting Director

## **SF Department of the Environment Zero Energy Homes Program**

### **Concept Proposal**

#### **Background**

San Francisco has over 8,000 multi-family buildings and over 100,000 single-family buildings. Many of these are older buildings, have inefficient equipment, some more than 50 years old and, in the case of boilers, as much as 80 years old. San Francisco currently provides energy efficiency, renewable energy, green building, water conservation, recycling, and composting programs designed to reduce resource use. While these programs have been quite successful, they are generally not adequately funded to reach every building owner, and it could take decades to achieve the deep reductions in resource use necessary to meet the City's greenhouse gas reduction, energy efficiency and renewable energy, zero waste and water resource management goals. For this, we need to vastly increase the program scale and depth of the impact reductions in each building, increasing and integrating the City's service offerings to fully "green" the residential market.

To this end, the San Francisco Department of the Environment (SF Environment) is initiating a San Francisco Zero Energy Homes (SFZEH) Program to create the tools necessary for San Franciscans to radically change the amount and type of energy they use. The SFZEH Program will offer SF building owners options—and incentives—for making their buildings completely energy self-sufficient. Just like a typical home, a SFZEH will be connected to, and use energy from, the local electric grid. But unlike typical homes, a SFZEH will incorporate state-of-the-art passive and active building design principles, be highly efficient, and generate enough renewable energy to send some back to the utility. Annually, a SFZEH will produce enough energy to offset the amount purchased from the utility, resulting in a net zero annual energy bill.

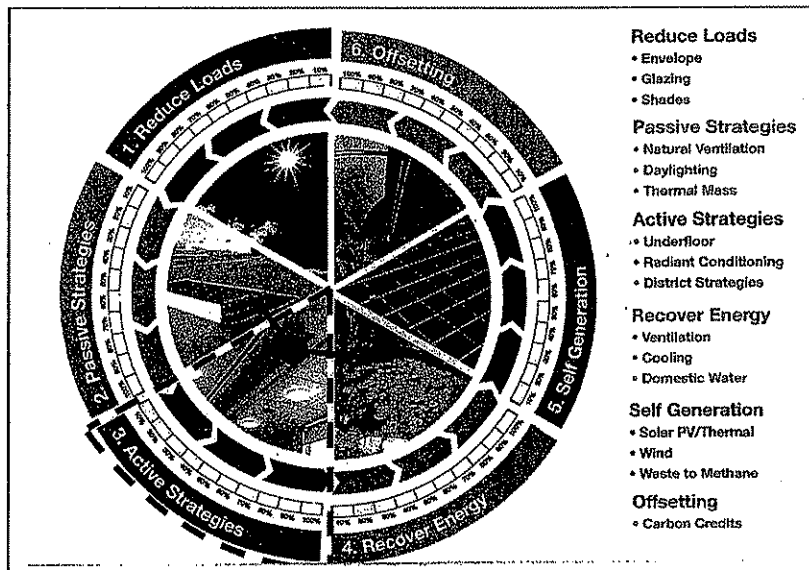
SF Environment envisions a city comprised entirely of zero net energy homes. Ultimately, that would mean netting out more than 170,000 residential buildings, resulting in unprecedented energy, water and waste savings, greenhouse gas reductions, economic benefits for residents and the creation of local clean tech businesses and new green jobs.

#### **Problem**

Significant research has gone into how to achieve zero net energy homes in new construction, and the steps for achieving this are well understood (Figure 1). These steps are more easily accomplished when the designers and buildings are starting, literally, from the ground up, and can build the homes around these principles. However, achieving net-zero energy in *existing* buildings is much more

challenging. Little has been done to identify practical steps to help owners of existing buildings eliminate their fossil-based energy use and residential greenhouse gas emissions. Housing stock in older cities like San Francisco, New York, Los Angeles, Boston, Philadelphia and others are comprised of multiple building types and vintages, none of which were designed to maximize clean energy potential. Focusing zero net energy efforts solely on new construction ignores existing housing stock, where the least efficient buildings are found—both an imperative challenge, and the greatest opportunity.

**Figure 1. New Construction Zero Energy Homes Strategy**



Source: ARUP

### Program Description

SF Environment will take the following steps to create and implement a San Francisco Zero Energy Homes Program for existing buildings:

**1. Identify Target Buildings**

SF Environment, in concert with the Planning and Building Inspection departments, will identify the most common building types in the City, then identify one to three specific buildings from each category to evaluate.

**2. Conduct Home Performance (HP) Tests & Analyze Results**

SF Environment will consult with an Advisory Committee comprised of experts in building performance, energy efficiency, renewable energy, water conservation and other relevant fields to develop a home performance testing methodology most appropriate for SF's most common building types. The methodology will build upon existing testing protocols (ie, California's Home Energy Rating System Phase II).

A team of HP experts will conduct performance diagnostics in 30-50 buildings and analyze results from each building. In consultation with the Advisory Committee, HP experts will identify a set of options for improving and tightening the building envelope, upgrading, replacing, or redesigning space and water-heating systems, installing comprehensive energy efficiency measures, integrating renewable energy, and reducing water consumption for each building type to get to zero net energy. The end product will be “solution pathways” for each building type to achieve zero net energy. Value will be maximized and costs to the end user minimized by prioritizing improvements in order of “bang for the buck.”

### **3. *Develop Interactive Web-based Tool***

Once pathways have been identified for each building type, SF Environment will create a web-based decision support tool that will allow building owners to map out a concrete plan to bring their building to zero energy, including cost estimates, priority measures, and ability to track their progress. Features will include the user to:

- Enter an address and identify the user’s building type
- Enter information about energy/water improvements the user has already taken (ie, CFLs, low-flow showerheads, Energy Star appliances, etc.)
- Choose among multiple SFZEH pathways for the user’s building type, based on project priorities (budget, zero-net energy vs. zero-carbon and zero-electricity, etc)
- Estimate costs and identify available incentives
- Compare before and after carbon footprint and other sustainability metrics
- Identify qualified contractors
- Identify financing options, including the City’s Clean Energy Loan Program (CELP); link directly to CELP and other City-sponsored financing and incentive application forms
- Post user’s project on the SFZEH map; track progress and compare user’s home to other homes in their category; allow users to engage in friendly competition with other building owners seeking to achieve zero net energy
- Connect users to other SFZEH participants via on-line discussion
- Provide recognition to homes that achieve zero net energy
- Offer SFZEH certification to enhance the value of sustainability in sales or other real estate transactions

### **4. *Create “Green Geek Squad”***

SF Environment will work with community-based organizations and other small business development agencies to create a “Green Geek Squad” so that SFZEH participants know where to access resources to implement the options identified through the SFZEH tool. SF Environment will train a pool of local weatherization, electrical, plumbing, construction, solar, and other contractors to conduct HP tests and provide integrated “green” construction and renovation services. Local hires will also be trained to perform quality control evaluations, monitor and track savings, and report results

### **5. *Marketing & Outreach***

SF Environment will market the SFZEH Program citywide to create widespread awareness about the program, the benefits and practicality of achieving zero net energy, the SFZEH tool, and the Green Geek Squad. Outreach efforts being considered include press events, ads, targeted community outreach and a citywide SFZEH competition.

**6. *Policy & Incentives Design***

SF Environment will work with the Mayor's Office, Board of Supervisors and other City departments to develop local policies to incentivize and/or mandate the highest value zero net energy strategies. SF Environment will also design new or modify existing energy efficiency, renewable energy, water efficiency, storm water re-use, recycling and composting incentive programs based on the SFZEH program results.

**Budget**

SF Environment anticipates a Year 1 start-up budget of \$513,195. Of this, \$250,000 is respectfully requested from the Frank Foundation, and \$263,195 will be sought from other sources. The timing of this initiative will allow SF Environment to leverage some funding from the Federal Stimulus Package. A detailed budget is provided in the attached Excel spreadsheet.

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## Budget Analyst Reference Guide Questions

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**23. Describe the source of funds.** The Sidney E. Frank Foundation

**24. Describe the grant-funded project clearly, concisely and in layman's terms.**

SF Environment was awarded \$250,000 for the San Francisco Zero Energy Homes (SFZEH) Program from the Sidney E. Frank Foundation. To this end, SF Environment is initiating a San Francisco Zero Energy Homes (SFZEH) Program to create a web-based tool that will give San Franciscans the information they need to radically reduce the amount of energy they use. The SFZEH Program will offer SF building owners a range of options for making improvement and provide information on and incentives for making their buildings completely energy self-sufficient. Just like a typical home, a SFZEH will be connected to, and use energy from, the local electric grid. But unlike typical homes, a SFZEH will incorporate state-of-the-art passive and active building design principles, be highly efficient, and generate renewable energy. Ultimately, an SFZEH will produce enough energy to offset the amount purchased from the utility, resulting in a net zero annual energy bills.

**25. Provide context and detail to the grant so that the proposed project can be compared to current operations.**

SF Environment has been charged with developing and supporting environmental actions and programs throughout the City and County of San Francisco. In 2006, San Francisco became the first local government to have its greenhouse gas emissions certified by the California Climate Action Registry. In addition to its policy work, SF Environment is charged with helping the City achieve its greenhouse gas reduction goals, which it does by operating Zero Waste, Clean Transportation and Energy Reduction programs. Each area provides programs and services targeting the municipal, commercial and residential sectors. SF Environment operates a highly successful energy efficiency program for multi-unit residential buildings and small businesses. In addition it has been instrumental in creating the City's Solar map, a web-based tool which allows building owners to assess their building's potential for solar energy. The SF Zero Energy Homes project will incorporate and build on both of these programs.

**26. Identify any ongoing costs for the Department once the grant funds expire, such as new personnel, new equipment, new leases, etc and how the Department would fund such future costs.** A new grant funded position is being created solely to implement this project. There will be no ongoing costs to the Department once grant funds expire.

**27. If the grant period has begun before the Department has been given Board of Supervisor approval, the Department should state why it is late in seeking approval and the resolution must provide for retroactivity.** NA.

**28. State if the Department has accepted the grant or encumbered any expenses that the grant funds would reimburse the City. The Department should state why they have either accepted and/or began expending the grant funds before receiving approval.** NA

**29. If grant funds have been expended or encumbered, state the amount of funds that have been expended or encumbered and for what purpose.** NA

**30. If there is a significant delay in seeking Board of Supervisor approval from the time the grant period began, state how the proposed project would be completed in the remaining period of time available and/or if the Department has asked for or received an extension of the grant period.** NA

**31. If the grant is a multi-year grant, state the amount of the grant in future years and if future years would be included in the Department's budget. Include a proposed multiyear budget.**

**32. Indicate whether or not matching funds are required from the City, and if so, in what amount and the source of such matching funds. Matching funds are not required.**

**33. If matching funds are not required but the Department is providing in-kind contributions for the grant, the Department should clearly state how you are proposing to provide in-kind contributions. Also state whether these in-kind contributions are new services to supplement the grant or existing services. This grant allows the Department to perform its usual functions.**

**34. Provide a detailed budget by object including personnel detail, equipment detail and details on services/consultants/contractors. Each line item in the budget should be explained. See attached budget**

**35. The number of full time equivalent positions (FTE), the Job Title, Classification, and percentage of fringe benefits should be clearly stated in the budget of the grant. In most cases, any position funded under a grant should be "G" coded, or designated as a grant funded position that would terminate when the grant expires. The resolution should state that the position(s) should be "G" coded. See attached budget. The 5640 position will be terminated when grant funds expire.**

**36. If a portion of the grant funds would be spent on contractual services, the Department needs to clarify how those contracts were awarded, whether a sole-source or an RFP process. If a contract is proposed to be awarded on a sole source basis, the Department needs to clearly explain why the Department chose the contractor. The Department should provide a detailed budget for the contractual services, including the number of hours dedicated to the project and the hourly rate if applicable. \$107,358 of the total amount awarded will be used for contractual services. Contracts will be awarded using standard City procedures for procuring services.**

**37. If a Department plans on work-ordering grant funds to another Department, the Department should note what Department would receive the work-order and what services will be provided for the work ordered funds. NA**

**38. Indicate if indirect costs were included in the budget. If indirect costs are included, state how the indirect cost rate was determined. If indirect costs were not included, indicate why. Indirect costs of \$32,609 are included, which is 15% of the total budget amount the amount allowable by the funding source.**

**39. If travel is included in the budget, the Department should detail how many people are traveling, their identities (i.e. City employees or consultants), where they are going and for how long. NA**

**40. All grant reports must include a form entitled the "Grant Application Information Form" with a Disability Access Checklist at the end.**



October 23, 2009

Ms. Johanna Partin  
Director of Climate Protection Initiatives  
Office of Mayor Gavin Newsom  
City and County of San Francisco  
11 Grove Street  
San Francisco, CA 94102

Dear Johanna:

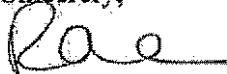
It is a pleasure to inform you that the Sidney E. Frank Foundation has approved a grant in the amount of \$250,000 to the City and County of San Francisco to support San Francisco's Zero Energy Homes (SFZEH) Program. The term of the grant is one year beginning upon receipt of the funds, estimated to be on or about October 30, 2009.

Enclosed with this award letter is the Grant Agreement. Please sign, date, and return one copy to us, retaining one for your files. The Foundation will issue payment of the grant proceeds by wire transfer upon receipt. Funding obtained under this agreement may not be used for any purpose other than described above and in the enclosed Agreement without prior written permission from the Foundation.

The Sidney E. Frank Foundation requires a written report of accomplishments accompanied by an accounting of the grant expenditures at the conclusion of the grant period. If the reporting schedule or any other terms and conditions of this grant present significant difficulties for you, please contact me as soon as possible at 415-543-0743 or at [rrichman@rockpa.org](mailto:rrichman@rockpa.org).

We are pleased to be able to support this important work. We wish you success and look forward to receiving a signed copy of the Agreement at your earliest convenience.

Sincerely,



Rae Richman  
Advisor to the Sidney E. Frank Foundation

