

1 [Accept and Expend Grant - Retroactive - TECH Clean California Quick Start Scaling Grant -
2 Clean Air and Repair for Family Child Care - \$299,091]

3 **Resolution retroactively authorizing the Department of the Environment (“Environment**
4 **Department”) to accept and expend a grant award from TECH Clean California in the**
5 **amount of \$299,091 for the period beginning on or about January 20, 2026, through**
6 **March 31, 2027, to provide heat pump water heaters as part of renovation and repair**
7 **projects through Low-Income Investment Fund’s Child Care Facilities Fund and to**
8 **expand the reach of electrification training to organizations and contractors working in**
9 **housing rehabilitation programs; and authorizing the Director of the Environment**
10 **Department to execute the grant agreement and enter into amendments or**
11 **modifications to the grant agreement that are necessary to effectuate the purpose of**
12 **the grant agreement and/or this Resolution.**

13
14 WHEREAS, The City and County of San Francisco is a long-standing leader in local
15 and regional programs to reduce climate emissions, air pollution, and energy bills; and

16 WHEREAS, In March 2023, air quality regulators in the San Francisco Bay Area
17 mandated phasing out the sale of residential natural gas water heaters by 2027; and

18 WHEREAS, The California Air Resources Board is similarly planning to phase out the
19 use of gas water heating equipment in alignment with its environmental goals; and

20 WHEREAS, The State has launched the initiative TECH Clean California to accelerate
21 the adoption of clean space and water heating technology across California homes in order to
22 help create an equitable pathway to carbon-free homes by 2045 and install 6,000,000 heat
23 pumps by 2030; and

1 WHEREAS, TECH Clean California has implemented the Quick Start Grant program to
2 fund targeted, innovative pilots that test approaches to overcoming market barriers to heat
3 pump space and water heating adoption; and

4 WHEREAS, On October 2, 2025, TECH Clean California opened its solicitation for the
5 latest round of Quick Start Grants to fund innovative projects that address key barriers to heat
6 pump deployment by building upon successful innovations from past Quick Start Grants and
7 Tech Clean CA pilots; and

8 WHEREAS, On October 31, 2025, the Environment Department submitted its
9 application with a concept aimed at providing heat pump water heaters as part of renovation
10 and repair projects in family childcare facilities; and

11 WHEREAS, The Environment Department was awarded \$299,091 on November 24,
12 2025, as part of the latest round of the Quick Start Grant cycle to provide heat pump water
13 heaters as part of renovation and repair projects through Low-Income Investment Fund's
14 Child Care Facilities Fund; and

15 WHEREAS, The Grant will provide \$299,091 in funding for San Francisco, consisting of
16 \$111,591 in support of Environment Department staff for management of the program;
17 \$30,000 in stipends for new and experienced contractors participating in workforce
18 mentorships; \$157,500 in labor and equipment expenses for the installation of heat pump
19 water heaters, including electrical work and permitting fees; and

20 WHEREAS, The proposed program model will use \$157,500 of additional leveraged
21 funding from the Department of Energy Buildings Upgrade Challenge and BayREN Single
22 Family Implementation; and

23 WHEREAS, The term of the grant is from the execution of the grant agreement, on or
24 about January 20, 2026, through March 31, 2027; and

25 WHEREAS, Fieldwork for this grant must be completed by December 31, 2026; and

1 WHEREAS, The Grant does not require an amendment to the Annual Salary
2 Ordinance and partially funds the Environment Department for existing positions; and

3 WHEREAS, Retroactive approval is being requested due to the immediate need to
4 begin work in order to successfully complete all grant fieldwork by December 31, 2026, as
5 required by the grant timeline; and

6 WHEREAS, The Environment Department has submitted all the documents applicable
7 to this grant that are required in an Accept and Expend package to the Board of Supervisors,
8 and those documents are on file with the Clerk of the Board of Supervisors in File No. 260086;
9 and

10 WHEREAS, The grant budget includes a provision for indirect costs of \$30,296; now,
11 therefore, be it

12 RESOLVED, That the Director of the Environment Department is hereby retroactively
13 authorized to accept and expend the TECH Clean California Quick Start Scaling Grant of
14 \$299,091 (the "Grant") on behalf of the City, in accordance with the purposes and goals for
15 the funding; and, be it

16 FURTHER RESOLVED, That the Director of the Environment Department is hereby
17 authorized to enter into and execute the Grant agreement, and to execute all agreements, and
18 amendments thereto, including all contracts between the City and various agencies,
19 consistent with this Resolution and necessary to carry out the purpose of this Grant.
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Recommended:

_____ /s/ _____

Department Head

Approved: _____ /s/ _____

Mayor

Approved: _____ /s/ _____

Controller