

File No. **100474**

Committee Item No. **3**  
Board Item No. **8**

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

Sub - Committee: Budget and Finance

Date: April 21, 2010

Board of Supervisors Meeting

Date: 4/27/10

#### Cmte Board

- |                                     |                                     |  |
|-------------------------------------|-------------------------------------|--|
| <input type="checkbox"/>            | <input type="checkbox"/>            | Motion                                       |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Resolution                                   |
| <input type="checkbox"/>            | <input 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 type="checkbox"/>            | <input 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** (Use back side if additional space is needed)

<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/>	<input type="checkbox"/>	_____
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<input type="checkbox"/>	<input type="checkbox"/>	_____

Completed by: Andrea S. Ausberry  
Completed by: AS

Date Friday, April 16, 2010  
Date 4/27/10

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

2

11/22/11

1 [Accept and Expend Grant - American Recovery and Reinvestment Act GreenFinanceSF -  
2 \$2,080,000]

3 Resolution amending Resolution No. 59-10 retroactively to substitute the Public  
4 Utilities Commission for the Department of the Environment as the department  
5 authorized to accept and expend a grant in the amount of \$2,080,000 from the  
6 California Energy Commission's State Energy Program to provide financial assistance  
7 for GreenFinanceSF, the City and County of San Francisco's municipal financing  
8 program for energy and water retrofits of privately-owned buildings, and ratifying  
9 actions previously taken.

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

13 Section 1. Board of Supervisors Resolution No. 59-10 is hereby amended, to read as  
14 follows:

15 WHEREAS, The City and County of San Francisco (the "City") recognizes that it is vital  
16 for local, regional, state, and federal agencies to stimulate the economy; create and retain  
17 jobs; reduce fossil fuel emissions; reduce total energy usage; and improve energy efficiency;  
18 and

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

22 WHEREAS, The City is committed to reducing these community-wide greenhouse gas  
23 emissions by 20% below its 1990 levels by 2012; and  
24  
25

1           WHEREAS, In 2004, San Francisco's Department of the Environment ("SFE") and  
2 Public Utilities Commission ("SFPUC") released a "Climate Action Plan for San Francisco"  
3 identifying transportation, energy efficiency, renewable energy, and solid waste measures that  
4 could achieve significant greenhouse gas reductions; and

5           WHEREAS, The Climate Action Plan called for implementing energy efficiency  
6 programs and projects throughout the City; and

7           WHEREAS, This Board of Supervisors further finds and declares that growing  
8 population, climate change, and the need to protect and grow the City's economy while  
9 protecting and restoring fish and wildlife habitats makes it essential that the City and County  
10 manage its water resources as efficiently as possible; and

11           WHEREAS, Reduced water use through conservation provides significant energy and  
12 environmental benefits, and can help protect water quality, improve streamflows, and reduce  
13 greenhouse gas emissions; and

14           WHEREAS, The California Energy Commission's ("CEC") State Energy Program (the  
15 "State Energy Program") will provide funds to eligible local governments to assist in the  
16 development of financing programs to stimulate the implementation cost-effective renewable  
17 energy, energy efficiency and water efficiency projects based on a competitive selection  
18 process; and

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

21           WHEREAS, The City and County of San Francisco is eligible for funding under the  
22 State Energy Program; and

23           WHEREAS, This Board of Supervisors has adopted legislation necessary to form an  
24 opt-in Mello-Roos special tax district and to establish legal mechanisms and policies to govern  
25

1 the implementation of a municipal financing program for retrofits of privately-owned buildings,  
2 known as GreenFinanceSF; and

3 WHEREAS, SFPUC staff, working in conjunction with SFE and the Controller's Office  
4 of Public Finance, submitted an application for State Energy Program financial assistance on  
5 behalf of the City and GreenFinanceSF; and

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

8 WHEREAS, In its Resolution No. 008-10, this Board of Supervisors identified SFE as  
9 the administrator of the GreenFinanceSF program on behalf of the City; and

10 WHEREAS, SFE will collaborate with SFPUC and the Controller's Office of Public  
11 Finance to ensure the successful implementation of the GreenFinanceSF program in general  
12 and the expenditure of State Energy Program funds in particular; and

13 WHEREAS, The City and County of San Francisco has considered the application of  
14 the California Environmental Quality Act (CEQA) to the implementation of the proposed  
15 GreenFinanceSF program and the utilization of the State Energy Program grant; and

16 WHEREAS, As described in the GreenFinanceSF application, the program will assist  
17 in the financing of energy- and water-saving retrofits of existing structures in conformance with  
18 existing building codes; provide incentive payments for qualifying retrofit projects; and monitor  
19 and evaluate environmental performance of projects; and

20 WHEREAS, All projects undertaken with this funding are in compliance with the  
21 California Environmental Quality Act (CEQA), California Public Resources Code Section  
22 21000; and

23 WHEREAS, The term of the State Energy Program grant will be from March 15, 2010  
24 through March 31, 2012; now, therefore, be it

1 RESOLVED, That this Board of Supervisors hereby authorizes the General Manager of  
2 the Public Utilities Commission ~~the Executive Director of SFE~~ to accept a State Energy Program  
3 grant award on behalf of the City, and to enter into all necessary contracts and agreements,  
4 and amendments thereto, on its behalf to implement and carry out the GreenFinanceSF  
5 municipal financing program project as generally described above and as further detailed in  
6 the GreenFinanceSF Application; and, be it

7 FURTHER RESOLVED, The General Manager of the Public Utilities Commission ~~Executive~~  
8 ~~Director of SFE~~ is further authorized to furnish whatever additional information or assurances  
9 the funding agency may request in connection with this grant, and to execute any and all  
10 agreements necessary to carry out the purpose of the grant.

11  
12 Section 2. The authorization granted the General Manager of the Public Utilities  
13 Commission to accept and expend the subject grant is granted retroactive to the original  
14 adoption of Resolution No. 59-10. The Board of Supervisors ratifies any actions previously  
15 taken by the Department of the Environment and the Public Utilities Commission to apply for,  
16 accept and expend the subject grant.

17  
18  
19 APPROVED: \_\_\_\_\_  
Gavin Newsom  
Mayor

APPROVED: \_\_\_\_\_  
Ben Rosenfield  
Controller

20  
21 RECOMMENDED:

22  
23 By: \_\_\_\_\_  
Ed Harrington, General Manager  
Public Utilities Commission

City and County of San Francisco - GreenFinanceSF Loan Buy Down Program

Grant from California Energy Commission State Energy Program

	Description	Other notes	CEC-SEP	Leverage	Total
<b>PERSONNEL</b>					
	Principal Environmental Specialist 5644 Energy & Climate Program Manager	10% FTE	Current Staff Ensure integration with efficiency and climate program services with GreenFinanceSF Match provided through regular staffing duties	\$10,777	\$10,777
	Senior Environmental Specialist 5642-Green Building Manager	50% FTE	Administer the GreenFinanceSF Program -match funded through the EECBG approved by the Board Ordinance No. 002-10	\$47,229	\$47,229
	Outreach Manager 5644	.25FTE	Outreach Match match provided through regular staffing activities	\$26,944	
	<b>Subtotal Personnel</b>		\$0	\$58,006	\$58,006
	<b>Fringe</b>	28%	\$0	\$16,242	\$16,242
	<b>Total personnel</b>		\$0	\$74,248	\$74,248
<b>SUPPLIES</b>					
	Outreach Materials		Outreach materials to be developed in support of all Tasks provided through regular SFE outreach programs	\$42,554	\$42,554
	<b>Subtotal Supplies</b>			\$42,554	\$42,554
<b>WORK ORDER</b>					
	San Francisco City Attorney's Office	\$1600/day	Funds will be work ordered to the City Attorney for legal support-match funded through the EECBG approved by the Board Ordinance No. 002-10	\$100,000	\$100,000
	<b>Subtotal WD</b>		\$0	\$100,000	\$100,000
<b>OTHER</b>					
			GreenFinanceSF incentives, financing, etc match funded through the EECBG approved by the Board Ordinance No. 002-10	\$1,930,000	\$1,930,000
			GreenFinanceSF incentive payments targeted to reduce the effective interest rate of the initial set of program financings	\$1,480,000	\$1,480,000
			GreenFinanceSF incentive payments for projects that employ graduates of the City's workforce development programs	\$100,000	\$100,000
			GreenFinanceSF incentive payments for energy performance ratings for buildings owned by economically disadvantaged residents	\$80,000	\$80,000
			GreenFinanceSF additional incentive payments for buildings serving economically disadvantaged residents	\$420,000	\$420,000
	<b>SubTotal Other</b>		\$2,080,000	\$1,930,000	\$4,010,000
<b>TOTAL DIRECT COSTS</b>			\$2,080,000	\$2,146,802	\$4,226,802 #
<b>INDIRECT COSTS</b>		15%	Rent, utilities, phones, mail, etc. Match provided through EECBG and regular Dept of Env services	\$0	\$322,020
<b>TOTAL PROJECT (Direct + Indirect)</b>			\$2,080,000	\$2,468,822	\$4,548,822

File Number: 180474  
(Provided by Clerk of Board of Supervisors)

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

Purpose: Resolution authorizing the General Manager of the San Francisco Public Utilities Commission to accept and expend grant funds

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

1. Grant Title: State Energy Program – Municipal Financing Programs - GreenFinanceSF
2. Department: San Francisco Public Utilities Commission
3. Contact Person: Nathan Purkiss Telephone: 415-554-3404
4. Grant Approval Status (check one):  
 Approved by funding agency                       Not yet approved
5. Amount of Grant Funding Approved or Applied for: \$ 2,080,000.00
- 6a. Matching Funds Required: Yes                      \$ 2,468,822.00  
b. Source(s) of matching funds (if applicable): As approved by the funding source, matching funds are being provided through allocations of the City's Energy Efficiency and Conservation Block Grant related to the GreenFinanceSF program. The acceptance and expenditure of these EECBG funds was approved by the Board of Supervisors in its Ordinance No. 002-10.
- 7a. Grant Source Agency: California Energy Commission's State Energy Program  
b. Grant Pass-Through Agency (if applicable): N/A
8. Proposed Grant Project Summary:

The City has approved all required legislation and is taking final administrative steps to launch GreenFinanceSF, a tax lien financing program financing energy and water retrofits. This program will offer up-front financing to private building owners for qualifying retrofit projects, in exchange for the property owner agreeing to the levy of a Mello-Roos special tax on their property tax bill in amounts sufficient to repay the financing over the life of the improvements. The State Energy Program grant will provide further incentive funds to assist in reducing the cost of these retrofit financings and assist the program in reaching an efficient scale at the earliest possible date. The grant includes funding for the following activities in the following amounts: \$1,480,000 in incentive payments targeted to reduce the effective interest rate of the initial set of program financings; \$100,000 in incentive payments for projects that employ graduates of the City's workforce development programs; \$80,000 in incentive payments for energy performance ratings for buildings owned by economically disadvantaged residents, and \$420,000 in additional incentive payments for buildings serving economically disadvantaged residents.

The grant for GreenFinanceSF was approved on 2/10/10 and the granting entity, the California Energy Commission, required that San Francisco provide an authorizing resolution within 30 days from the date of approval or lose the funds. The Board of Supervisors approved the A/E Resolution (#59-10) authorizing SF Environment to accept and expend the funds, since it is the City Department that will be administering GreenFinanceSF. However, since the SF PUC was the lead applicant, there must be a resolution in place authorizing it to Accept and Expend the funds.



TO: Angela Calvillo, Clerk of the Board of Supervisors  
FROM: San Francisco Public Utilities Commission  
DATE: April 6, 2010  
SUBJECT: Accept and Expend State Grant  
GRANT TITLE: Municipal Financing Program - GreenFinanceSF

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

- Proposed grant resolution; original signed by Department, Mayor, Controller
- Grant resolution 59-10 authorizing SF Environment to Accept and Expend these funds
- Grant information form, including disability checklist
- Grant budget
- Grant application
- Grant award notification from funding agency website
- Other (Explain):

**Special Timeline Requirements:** The grant for GreenFinanceSF was approved on 2/10/10 and the granting entity, the California Energy Commission, required that San Francisco provide an authorizing resolution within 30 days from the date of approval or lose the funds. The Board of Supervisors approved the A/E Resolution (#59-10) authorizing SF Environment to accept and expend the funds, since it is the City Department that will be administering GreenFinanceSF. However, since the SF PUC was the lead applicant, there must be a resolution in place authorizing it to Accept and Expend the funds.

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

Name: Bart Broome

Phone: 415-554-0706

Interoffice Mail Address: SFPUC, 1155 Market Street, 11<sup>th</sup> Floor

Certified copy required: Yes

No

(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)

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**NOTICE OF PROPOSED AWARD**  
 SEP Municipal Financing Program  
 PON # 400-09-401

Proposed Contractors:  
 Sacramento County  
 County of Humboldt  
 City & County of San Francisco  
 County of Sonoma  
 City of Los Angeles\*\*\*

Total Amount of Proposed Contracts:  
 \$30,176,912\*\*\*

**Final Scores and Rankings**

Company	Final Score	Ranking	ARRA Funds Requested
Sacramento County	310.33	1	\$ 16,499,050.00
County of Humboldt	301.67	2	\$ 4,384,349.00
City & County of San Francisco	297.67	3	\$ 2,080,000.00
County of Sonoma	295.67	4	\$ 2,537,000.00
City of Los Angeles	280.67	5	\$ 4,999,500.00 \$ 4,676,513.00***

Santa Barbara County	244.33	*	\$ 2,611,000.00
County of Los Angeles	242.00	*	\$ 13,500,000.00
Mendocino County	210.33	*	\$ 2,893,000.00
County of Marin, Community Develop Agency	200.33	*	\$ 2,953,245.00
City of Yucaipa	189.00	*	\$ 7,500,000.00
County of Santa Clara	187.33	*	\$ 2,000,000.00

