

LEGISLATIVE DIGEST

[Authorizing Grant Agreements - Terms of 20 Years - Public Utilities Commission Green Infrastructure Grant Program]

Ordinance extending for an additional five years through July 1, 2031, the delegation of authority under Charter, Section 9.118, to the General Manager of the San Francisco Public Utilities Commission (“SFPUC”), previously authorized by Ordinance No. 26-19 and extended and modified by Ordinance No. 101-20, Ordinance No. 159-22, and Ordinance No. 207-24, to enter into grant agreements under the SFPUC’s Green Infrastructure Grant Program with terms of up to 20 years after the Project Completion Date, as defined by the Grant Agreements.

Existing Law

In February 2019, the Board of Supervisors enacted uncodified Ordinance No. 26-19 (File No. 181113), delegating the Board of Supervisors’ authority under Charter Section 9.118(b) to the General Manager of the San Francisco Public Utilities Commission (“SFPUC” or Commission”) to enter into grant agreements under the SFPUC Green Infrastructure Grant Program for a term in excess of 10 years, provided that (1) the term of the grant agreement does not exceed 20 years and (2) the SFPUC Commission approves each grant award at a public hearing. In June 2020, the Board of Supervisors, by Ordinance No. 101-20 (File No. 200454), extended the delegated authority for an additional two years, through July 1, 2022, and removed the requirement that each grant award be approved by the Commission at a public hearing. In July 2022, the Board of Supervisors, by Ordinance No. 159-22 (File No. 220537), extended the delegated authority for an additional two years, through July 1, 2024. In July 2024, the Board of Supervisors, by Ordinance No. 207-24 (File No. 240555), extended the delegated authority for an additional two years, through July 1, 2026. The ordinances require the SFPUC to submit quarterly written reports to the Clerk of the Board of Supervisors summarizing all grant agreements the SFPUC has entered into during the prior quarter.

The delegation of authority and the reporting requirements provided for under uncodified Ordinance No. 26-19, as extended and modified by Ordinance No. 101-20, Ordinance No. 159-22, and Ordinance No. 207-24, expire on July 1, 2026.

Amendments to Current Law

This uncodified ordinance would extend for another five years, through July 1, 2031, the authority delegated to the SFPUC General Manager under Charter section 9.118(b) to enter into grant agreements under the SFPUC Green Infrastructure Grant Program for a term in excess of 10 years and not more than 20 years. It would update the Green Infrastructure Grant Program Guidelines to increase the maximum cost per acre of impervious area managed from \$1,035,000 to \$1,120,000, authorize the SFPUC General Manager to increase

the maximum grant award per project and the maximum cost per acre of impervious area managed on an annual basis based on escalation using the San Francisco Annual Infrastructure Construction Cost Inflation Estimate (AICCIE) or equivalent methodology for cost escalation, and revise program eligibility criteria and other program requirements. The SFPUC would be required to continue to submit quarterly written reports to the Clerk of the Board of Supervisors summarizing grant agreements the SFPUC has entered into during the prior quarter.

Background Information

On November 13, 2018, the SFPUC, by Resolution No. 18-0189, approved the Green Infrastructure Grant Program and adopted Green Infrastructure Grant Program Guidelines, as amended by SFPUC Resolution Nos. 20-0045, 21-0122, 22-0058, 24-0093, and 26-0032. Under the Green Infrastructure Grant Program, SFPUC may award grants to construct green infrastructure projects on parcels and in the public right-of-way that use vegetation, soils, and other elements and practices that mimic nature to soak up and store stormwater. Examples of such projects include removing impermeable surface and installing permeable pavement, rain gardens/bioretention, or vegetated roofs. Under the Green Infrastructure Grant Program, grants may only be awarded for projects that capture stormwater from at least 0.5 acres of impervious area, and the proposed green infrastructure project must capture runoff from the 90th percentile 24-hour storm, equivalent to 0.75-inch total depth. The 90th percentile 24-hour storm represents an amount of precipitation that 90% of all rainfall events do not exceed, as compared to the historical period of record. Grantees must also satisfy additional eligibility criteria specified in the Green Infrastructure Grant Program Guidelines.

The grant agreements require grantees to maintain the green infrastructure for the 20-year term of the agreement, authorize the SFPUC to conduct periodic inspections of the grantees' construction, operation, and maintenance of the project, except to the extent that the green infrastructure improvements are located on the City and County of San Francisco's real property, and provide the SFPUC with remedies against grantees in the event that grantees fail to maintain the project for the 20-year term. Since 2019, the SFPUC has awarded twenty-nine grants totaling just over \$29,650,000 for green infrastructure projects.