



SF Environment

Our home. Our city. Our planet.

A Department of the City and County of San Francisco

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO

2014 DEC 19 AM 10:11

SLB



Leg Clerk, COB, B+F
Edwin M. Lee *Chair,*
Mayor *B+F Clerk*
Deborah O. Raphael *CPAGE*
Director

December 10, 2014

MEMORANDUM

To: Angela Calvillo, Clerk of the Board of Supervisors

From: Joe Salem, Budget and Finance Manager
Anne Eng, Environmental Justice Program Manager

Subject: Request for Release from Reserve of Environmental Justice Funds

San Francisco Department of the Environment is currently administering an Environmental Justice (EJ) grant program. This EJ grant program was originally supported by \$13,000,000 in funds that were appropriated in 1998 by the State through the California Public Utilities Commission (CPUC). During the past 13 years, the Board has approved releases of funding from reserve to support the Department's EJ program operations. The Department is requesting the release of the balance from reserve, in the amount of \$550,688 (index code 220007).

As of November 18, 2014, index code 220007 shows that the Department has spent \$12,656,426 from the CPUC funds. There is a total combined balance of encumbrances for current grant awards of \$44,459 and a receivables balance of \$58,530 leaving a net balance of \$573,409.

The amount remaining on reserve is \$550,688. If this release is approved, there will not be any funds remaining on reserve in this account (220007). EJ program costs for FY 2013-14 are being paid by a combination of sources including EJ funds (index code 220007), the impound account and grants from foundations and governmental agencies.

EJ funds released from reserve will be used to cover the EJ program's staffing expenses and administrative overhead costs for a two year period (\$204,373 for FY 2015 and \$177,315 for FY2016), as well as cover new EJ grant awards selected during FY2015 (\$150,000) based on a competitive Request for Qualifications (RFQ) and Request for Proposals (RFP) process. The Department conducted a RFP process during 1st and 2nd quarters of FY2015 and based on the RFP process, two new EJ grants were recently awarded: one to Bay Institute Aquarium Foundation (\$20,000) and another to A. Phillip Randolph Institute (\$19,974) for a combined total of \$39,974, to support Climate Adaptation education in the Bayview Hunters Point community. The balance in index code 220007 budgeted for community grants, \$110,026, will be awarded to non-profit groups based on another competitive RFQ/RFP process to be conducted in the 3d quarter of FY 2015. Besides managing the community grants supported by funding in index code 220007, the EJ program manages several community grants supported by other funding sources. See detailed description below. . The Department's grant awards are reviewed and subject to approval by the San Francisco Commission on the Environment. The

Department's EJ Program budget for FY2014-15 and FY 2015-16 covered by this request for a release (index code 220007) is as follows:

ENVIRONMENTAL JUSTICE	FY 2014-2015 EJ 220007
SALARIES/BENEFITS	\$ 149,329
OVERHEAD	55,044
CITY GRANT PROGRAMS	150,000
PROFESSIONAL SERVICE	2,500
TRAINING	500
LOCAL FIELD EXP	0
PRINTING	500
FOOD	500
OTHER MATERIALS & SUPPLIES	0
CITY ATTORNEY	15,000
TOTAL	\$ 373,373

ENVIRONMENTAL JUSTICE	FY 2015-2016 EJ 220007
SALARIES/BENEFITS	\$ 156,795
OVERHEAD	20,520
CITY GRANT PROGRAMS	0
PROFESSIONAL SERVICE	0
TRAINING	0
LOCAL FIELD EXP	0
PRINTING	0
FOOD	0
OTHER MATERIALS & SUPPLIES	0
CITY ATTORNEY	0
TOTAL	\$ 177,315

a. Environmental Justice Program Salary and Benefit costs for FY 2014-15

Job Classification	Title	FTE	Salary and Benefits
5644	Senior Environmental Specialist	.22	\$37,533
5642	Environmental Specialist	.50	\$78,390
5640	Environmental Specialist	.25	\$33,406
	Total	.97	\$149,329

In addition to managing the RFP process and overseeing EJ grant awards, the Department's EJ program also works with community groups and technical contractors to implement grants received from other sources. In FY 2015, the EJ program is managing a \$210,651 grant with funding from the Juvenile Probation Department, a \$70,000 grant with funding from the Board of Supervisors, a \$45,600 grant for a Bayview mural project, supported with funding from the California Department of Resources Recycling and Recovery (CalRecycle) to reduce the volume of abandoned used motor oil found in the Southeast area; administering a \$65,000 pilot project to reduce pests and pesticides in low-income housing, funded by the Mayor's Office, working to reduce pests and pesticides in multifamily buildings as part of a Bay Area regional project, supported with a \$200,000 grant from the California Department of Pesticide Regulation; and managing a \$400,000 grant awarded by U.S. Environmental Protection Agency, to evaluate potentially contaminated brownfields sites in support of development of the Blue Greenway, a waterfront open space corridor in the Southeast area of San Francisco. During the past decade, the Department has leveraged the \$13 million in CPUC funding with more than \$2 million in additional revenues from various foundations and governmental sources to support the EJ program services.

b. Overhead costs:

The administrative overhead costs for the Environmental Justice program, totaling \$55,044 for FY 2015, will cover the EJ program's share of costs for Departmental administration including rent, computer and phone services, office supplies, administrative staff support and other mandated overhead costs. All Department of the Environment overhead costs are funded by DOE programs. Individual program overhead is calculated by proportionally allocating overhead costs to programs based on the number of FTEs in the program. For fiscal year 2015, the total non-impound administrative expense is \$1,640,546 (impound fund administration costs are excluded from this calculation). These expenditures are to support 28.91 FTE's for a total commitment of \$ 56,747 per FTE, for grant and work order funded personnel. Thus, the EJ Program will contribute a total of \$ 55,044 for FY 2015 (\$56,747 projected FY 2015 overhead per FTE x .97 EJ Program FTEs).

<p>Item 8 File 15-0016</p>	<p>Department: Department of Environment (DOE)</p>
<p>EXECUTIVE SUMMARY</p>	
<p style="text-align: center;">Legislative Objectives</p>	
<ul style="list-style-type: none"> • The City of San Francisco’s Department of the Environment (DOE) is requesting the release of the remaining balance of \$550,688 in State grant funds awarded by the California Public Utilities Commission (CPUC) to the City of San Francisco for the Environmental Justice Program, including: (1) \$400,688 for program administrative costs for Environmental Justice Program for a two-year period; and (2) Environmental Justice Program grant awards totaling \$150,000. 	
<p style="text-align: center;">Key Points</p>	
<ul style="list-style-type: none"> • In 1998, the CPUC awarded \$13,000,000 in grant funds to the City for the purpose of mitigating environmental issues caused by the Bayview-Hunters Point and Potrero power plants. In 1999, the Board of Supervisors placed the entire \$13,000,000 on reserve, pending submission of budget and programmatic details pertaining to the grant monies to be expended by the DOE. The Board of Supervisors has previously approved six releases of reserved funds for a total of \$12,449,312, resulting in a remaining balance of \$550,688. • The requested release of reserves will fund: (1) \$400,688 for program administrative costs for Environmental Justice Program for a two-year period; and (2) Environmental Justice Program grant awards totaling \$150,000, including \$20,000 to the A. Phillip Randolph Institute, \$19,974 to Bay Institute Aquarium Foundation, and \$110,026 for future allocations of grant awards in May 2015. 	
<p style="text-align: center;">Fiscal Impact</p>	
<ul style="list-style-type: none"> • The requested release of \$550,668 in funds includes \$306,124 in DOE staff costs to administer the Environmental Justice Program, \$150,000 in grant awards, \$75,564 in overhead costs, and \$19,000 in other administrative costs. • DOE plans to release a second Request for Proposals to allocate the remaining \$110,026 in grant awards in May 2015. The Budget and Legislative Analyst recommends releasing \$440,662 and retaining the final \$110,026 on Budget and Finance Committee Reserve until final recommendations on allocation of grant awards have been made. 	
<p style="text-align: center;">Recommendations</p>	
<ul style="list-style-type: none"> • Approve the release of \$440,662 on Budget and Finance Committee Reserve for the Environmental Justice Program. • Retain \$110,026 in funds on Budget and Finance Committee Reserve for future allocation of grant awards for the Environmental Justice Program. 	

MANDATE STATEMENT

In accordance with section 3.3 of the City's Administrative Code, the committee of the Board of Supervisors that has jurisdiction over the budget (i.e., Budget and Finance Committee) may place requested expenditures on reserve until released by the Budget and Finance Committee of the Board of Supervisors.

BACKGROUND

In 1998, the California Public Utilities Commission (CPUC) awarded \$13,000,000 in grant funds to the City and County of San Francisco for the purpose of mitigating environmental issues caused by the Bayview-Hunters Point and Potrero power plants. In 1999 the Board of Supervisors placed the entire \$13,000,000 on reserve, pending submission of budget and programmatic details pertaining to the grant monies to be expended by the Department of the Environment (DOE).

In April 2001, the Mayor's Office of Economic and Workforce Development and DOE submitted a plan for DOE's Environmental Justice Program to the Board of Supervisors, which addressed the environmental pollution and energy concerns of the southeast area of the City. Scope of work for the Environmental Justice Program includes providing grants to nonprofit organizations in the Potrero and Bayview-Hunters Point neighborhoods that operate community health, environmental justice and energy programs, and providing support to the City's environmental programs related to energy efficiency, reduction of vehicle emissions, brownfields cleanup planning, and related environmental activities. As shown in Table 1 below, of the \$13,000,000 originally awarded by the CPUC to the City in 1998, the Board of Supervisors has previously approved six releases of reserved funds for a total of \$12,449,312, resulting in a remaining balance of \$550,688.

Table 1: Board of Supervisors Approvals of Releases of Reserved Funds

File No.	Approval Date	Amount Released	Remaining Balance
01-0257	5/9/2001	\$9,615,121	\$3,384,879
03-0085	2/2/2003	342,186	3,042,693
03-1516	10/1/2003	576,544	2,466,149
08-0579	6/4/2008	813,488	1,652,661
09-0496	6/3/2009	793,264	859,397
10-0696	11/10/2010	308,709	550,688
Total		\$12,449,312	

DETAILS OF PROPOSED LEGISLATION

The City's Department of the Environment (DOE) is requesting the release of the remaining balance of \$550,688 in State grant funds awarded by the CPUC to the City for the Environmental Justice Program placed on Budget and Finance Committee reserve, including: (1) \$400,688 for program administrative costs for Environmental Justice Program for a two-year period; and (2) Environmental Justice Program grant awards allocated to nonprofit organizations totaling \$150,000.

Grant Awards

The requested release of funds will pay for \$150,000 in grants in FY 2014-15 to nonprofit organizations to provide outreach, education, and engagement services on climate change issues. Of this \$150,000, \$39,974 is allocated for an initial round of grants, and an additional \$110,026 will be allocated through a second round of grants in May 2015.

DOE will award \$39,974 in grant funds to two non-profit organizations based on a competitive Request for Proposals (RFP) that was issued on August 29, 2014, and covered four categories of service, including: 1) gardening and nutrition education services; (2) a bicycle training project; (3) a used oil pollution mural project; and (4) climate change community outreach and education services. DOE received four applications to perform climate change community outreach and education services¹. DOE empaneled a review committee² which, based on criteria in the RFP, selected the two highest scoring applicants to receive awards for climate change outreach and education services, as follows:

- \$20,000 to the A. Phillip Randolph Institute to design and implement a climate change adaptation and mitigation outreach campaign in the Bayview-Hunters Point neighborhood.
- \$19,974 to Bay Institute Aquarium Foundation to provide 30 interactive educational programs promoting climate change awareness targeted to middle and high school students at various locations in the Bayview-Hunters Point neighborhood.

Mr. Guillermo Rodriguez, Policy and Communications Director at DOE, reports that DOE will issue the second RFP to allocate the remaining \$110,026 in May 2015. This RFP will focus on community resources and training to address climate change, reducing toxic pollution and improving air quality in the Bayview-Hunters Point and Potrero Hill neighborhoods.

¹ Although DOE received three proposals for garden and nutrition education and one proposal for bicycle training, DOE did not award grants for these categories.

² The panel consisted of DOE's Development Director and Outreach Program Manager.

FISCAL IMPACT

Table 2 below shows the budget for requested release of \$550,668 in reserved funds, which includes \$373,373 in Fiscal Year 2014-15 and \$177,315 in Fiscal Year 2015-16.³

Table 2: Budget for Release of Reserve Funds for FY 2014-15 and FY 2015-16.

Category	FY 2014-15	FY 2015-16	Total
Grant Awards			
A. Phillip Randolph Institute	\$20,000	-	\$20,000
Bay Institute Aquarium Foundation	19,974	-	19,974
Subtotal Allocated Grant Awards	39,974		39,974
Future RFP Allocation	110,026	-	110,026
Grants Awards Subtotal	\$150,000	-	\$150,000
Administrative Costs			
Salaries/Benefits	\$149,329	\$156,795	\$306,124
Overhead	55,044	20,520	75,564
Professional Services	2,500	-	2,500
Training	500	-	500
Printing	500	-	500
Food	500	-	500
City Attorney	15,000	-	15,000
Administrative Costs Subtotal	\$223,373	\$177,315	\$400,688
Total	\$373,373	\$177,315	\$550,688

The \$306,124 in Salaries/Benefits will fund existing .97 FTEs to administer the Environmental Justice Program, including: (1) .22 FTE 5644 Senior Environmental Specialist; (2) .50 FTE 5642 Environmental Specialist; (3) .25 FTE 5640 Environmental Specialist.

Overhead costs represent the Environmental Justice Program's share of DOE's total overhead costs based on FTEs, and include rent, computer and phones services, office supplies, administrative staff support and other related overhead costs.

Maintain \$110,026 on Reserve pending 2nd Round of Grant Allocations

DOE plans to release a second RFP to allocate the remaining \$110,026 in grant awards in May 2015. The Budget and Legislative Analyst recommends releasing \$440,662 and that the remaining \$110,026 continue to be reserved pending completion of the RFP process and a subsequent request to release the funds subject to Board of Supervisors approval of the grant award allocations to nonprofit organizations.

³ The requested \$149,329 for salaries and benefits in FY 2014-15 would pay full-year costs for three existing positions.

RECOMMENDATIONS

1. Approve the release of \$440,662 on Budget and Finance Committee Reserve for the Environmental Justice Program.
2. Continue to reserve \$110,026 in funds on Budget and Finance Committee Reserve pending completion of the RFP process and final allocation to nonprofit organizations.

