

File No. 111048

Committee Item No. 2

Board Item No. 8

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee

Date: October 19, 2011

Board of Supervisors Meeting

Date 10/25/11

Cmte Board

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| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form (for hearings) |
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OTHER

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Completed by: Victor Young

Date: October 13, 2011

Completed by: Victor Young

Date: 10-18-11

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

[Appropriating \$1,000,000 of Mirant Potrero L.L.C. Settlement Funds to the Department of Public Health for Neighborhood Improvement and Mitigation in FY2011-2012]

Ordinance appropriating \$1,000,000 of Mirant Potrero L.L.C., settlement funds to the Department of Public Health for neighborhood improvement and mitigation in the neighborhoods most impacted by the Potrero Power Plant in FY2011-2012.

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

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

Section 1. The sources of funding outlined below are herein appropriated to reflect the funding available for FY 2011-2012.

SOURCES Appropriation

Fund	Index/ Project	Subobject	Description	Amount
2S CHS PHF	HCHPBADMINSR	25990	Mirant Settlement	\$1,000,000
Public Health – Spec Rev	PHCMIR00			
Fund				
Total SOURCES Appropriation				\$1,000,000

Section 2. The uses of funding outlined below are herein appropriated in Subobject 081MO (GF – Mayor’s – CDBG), Subobject 02700 (Professional and Specialized Services), Subobject 00501 (Temp – Regular – Misc Salaries), Subobject 01300 (Fringe Benefits), and Subobject 081WC (SR – DPW – Street Cleaning) and reflects the projected uses of

1 funding to support the Department of Public Health in providing neighborhood improvement
 2 and mitigation in the neighborhoods most impacted by the Potrero Power Plant in Fiscal Year
 3 2011-2012.

4
 5 **USES Appropriation**

Fund	Index Code / Project Code	Subobject	Description	Amount
2S CHS PHF	HCHPBADMINSR	081MO	Work Order for	\$134,000
Public Health – Spec	PHCMIR01		Furnace Retrofit and	
Rev Fund			Project Mngmt.	
2S CHS PHF	HCHPBADMINSR	02700	Lab Testing and	\$11,667
Public Health – Spec	PHCMIR01		Outreach Services	
Rev Fund				
2S CHS PHF	HCHPBADMINSR	00501	Temporary Salaries	\$4,667
Public Health – Spec	PHCMIR01		for DPH consulting	
Rev Fund				
Project #1 - Furnace Retrofit Subtotal				\$150,334

	Fund	Index Code / Project Code	Subobject	Description	Amount
1					
2	2S CHS PHF	HCHPBADMINSR	02700	Neighborhood	\$225,000
3	Public Health – Spec	PHCMIR02		Outreach and	
4	Rev Fund			Physical Activity	
5				Programming	
6					
7					
8	Project #2 - Promoting Physical Activity Subtotal				\$225,000

	Fund	Index Code / Project Code	Subobject	Description	Amount
11	2S CHS PHF	HCHPBADMINSR	081WC	Work Order with	\$158,600
12	Public Health – Spec	PHCMIR03		Public Works	
13	Rev Fund				
14					
15	2S CHS PHF	HCHPBADMINSR	02700	Lead Tests by	\$1,000
16	Public Health – Spec	PHCMIR03		SEHS	
17	Rev Fund				
18					
19	Project #3 - Community Garden Subtotal				\$159,600


	Fund	Index Code / Project Code	Subobject	Description	Amount
22	2S CHS PHF	HCHPBADMINSR	02700	Asthma Education	\$270,000
23	Public Health – Spec	PHCMIR04		and Outreach	
24	Rev Fund				
25					

1	Fund	Index Code / Project Code	Subobject	Description	Amount
2	2S CHS PHF	HCHPBADMINSR	00501	Temporary Salaries	\$180,700
3	Public Health – Spec	PHCMIR04		for Asthma Health	
4	Rev Fund			Worker	
5					
6	2S CHS PHF	HCHPBADMINSR	01300	Fringe Benefits	\$14,366
7	Public Health – Spec	PHCMIR04			
8	Rev Fund				
9					
10	Project #4 - Asthma Management Subtotal				<u>\$465,066</u>
11					
12	Total USES Appropriation				<u>\$1,000,000</u>


14 Section 3. The Controller is authorized to record transfers between funds and adjust
15 the accounting treatment of sources and uses appropriated in this ordinance as necessary to
16 conform with Generally Accepted Accounting Principles.

18 APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

19

20 By: 
21 Deputy City Attorney

FUNDS AVAILABLE
Ben Rosenfield, Controller

20 By: 
21 Date: September 26, 2011

Item 2
File 11-1048

Department:
Department of Public Health (DPH);
Department of Public Works (DPW)

EXECUTIVE SUMMARY

Legislative Objective

- The proposed ordinance would appropriate \$1,000,000 of Mirant Potrero settlement funds from the Public Health Special Reserve Fund to the Department of Public Health (DPH) for neighborhood improvement and mitigation in the neighborhoods most impacted by the Potrero Power Plant.

Key Points

- On October 7, 2009, the Board of Supervisors approved a settlement of the lawsuit filed by the City, through the City's Attorney's Office, against Mirant Potrero which provided for (a) the closure of the Potrero Power Plant by December 31, 2010, (b) the payment of \$1,100,000 from Mirant Potrero to the City to reimburse the City Attorney \$100,000 for its costs and, \$1,000,000 to fund neighborhood improvement and mitigation measures, such as asthma prevention and neighborhood beautification projects in the neighborhoods most impacted by the operations of the Potrero Plant, Potrero Hill and Bayview.

Fiscal Impacts

- An estimated total of \$150,333 would be appropriated for the promotion of indoor air quality, including \$120,000 to retrofit approximately 14 furnaces in two Bayview District's air quality hot spots, and \$30,333 to determine the two Bayview District air quality hot spots by air sampling and testing conducted by Lawrence Berkeley Lab scientists.
- An estimated total of \$225,000 would be appropriated for the promotion of physical activity by supplementing activities of an existing program, SF LIVE!! – District 10, including \$6,000 for multi-media outreach to District 10 communities and \$219,000 to expand the awarding of its contracts to Potrero-Hill based vendors of DPH-specified healthy living activities.
- An estimated total of \$159,600 would be appropriated to fund the installation and maintenance of two community gardens, including \$30,000 for lead testing of the soil and the necessary infrastructure to construct two community gardens, and \$129,600 for Potrero Hill Family Resource Center interns' salaries and materials and supplies.
- An estimated total of \$464,244 would be appropriated to fund the Promotion of Pediatric Asthma Education and Parental Education Project, including \$60,000 for funding an asthma educator at the Potrero Hill Health Center, \$179,244 to fund an Asthma Health Worker II position at SFGH's Pediatric Asthma Clinic, and \$225,000 to fund a parental education project.

Policy Considerations

- DPH plans to expend the requested \$1,000,000 over the three year period from the date of appropriation in FY 2011-12 through FY 2013-14 ending June 30, 2014.
- The requested \$1,000,000 supplemental appropriation reflects only estimates and DPH is still in the process of developing detailed program and expenditure plans, including the process that will be used to award funding, the specific organizations that would receive funds, and the specific amounts

awarded to each organization.

Recommendations

- Approval of the proposed ordinance is a policy decision for the Board of Supervisors.
- If the Board of Supervisors wishes to review a more detailed program and expenditure plan once it's been finalized, including what specific organizations will be receiving funds, the process of awarding such funding, and the specific amounts awarded to each organization, the Budget and Legislative Analyst recommends that the \$1,000,000 of Mirant Potrero settlement funding be placed on Budget and Finance Committee Reserve pending the finalization of those details.

MANDATE STATEMENT / BACKGROUND

Mandate Statement

In accordance with Section 9.105 of the City Charter, subject to the Controller's certification of the availability of funds, the Board of Supervisors or the Mayor may initiate amendments to the annual appropriation ordinance. All funds of the annual appropriation ordinance are subject to appropriations approval by the Board of Supervisors.

Background

The Potrero Power Plant located on Illinois Street, between 22nd and 23rd Streets, has been in existence in its current form since 1965, making it one of the oldest fossil fuel-burning power plants still in operation in California. In December, 2002, the Board of Supervisors approved a resolution endorsing an Electricity Resource Plan, which provided for the closure of older fossil fuel power plants in San Francisco, including the Potrero Power Plant, and their replacement with a combination of energy efficiency, renewable energy, clean distributed generation¹, transmission upgrades and cleaner, more reliable and flexible fossil-fueled resources (Resolution No. 827-02). On January 30, 2007 the Board of Supervisors approved a resolution that the Potrero Power Plant cease operations and urged Mirant Potrero, the owner of the Potrero Power Plant, to close the Potrero Power Plant (Resolution No. 52-07). On June 24, 2008 the Board of Supervisors approved a resolution urging the California Public Utilities Commission and California Independent System Operator² (ISO) to update the San Francisco Action Plan³ in order to facilitate the closure of the Potrero Power Plant (Resolution 299-08).

¹ Distributed generation is a method of electricity generation where electricity is generated from many small energy sources rather than large centralized facilities, such as fossil fuel (coal, gas powered), nuclear, large solar power plants or hydropower plants.

² An ISO is a voluntarily-formed entity that ensures comparable and nondiscriminatory access by power suppliers to regional electric transmission systems, independent of the commercial interests of power suppliers who also may be owners of transmission facilities in the region. The ISO assumes operational control of the use of transmission facilities, administers a system wide transmission tariff applicable to all market participants, and maintains short-term system reliability.

³ The San Francisco Action Plan details the requirements for closing the Hunters Point Power Plant, which has been closed, and the Potrero Power Plant.

On October 7, 2009, the Board of Supervisors approved an ordinance authorizing the settlement of a lawsuit filed by the City, through the City Attorney's Office, against Mirant Potrero alleging that Mirant Potrero was in violation of the City's Unreinforced Masonry Building⁴ (UMB) Ordinance (Ordinance No. 220-09).⁵ The settlement provided for (a) the closure of the Potrero Power Plant by December 31, 2010, (b) the payment of \$1,100,000 from Mirant Potrero to the City to reimburse the City Attorney \$100,000 for its costs and, \$1,000,000 to fund neighborhood improvement and mitigation measures, such as asthma prevention and neighborhood beautification projects in the neighborhoods most impacted by the operations of the Potrero Plant, which were identified to be the Potrero Hill and Bayview neighborhoods. The \$1,000,000 settlement funds for neighborhood improvement and mitigation measures were placed in a Public Health Special Reserve Fund pending consultation with the Asthma Task Force⁶ and the Power Plant Task Force⁷ on the best use of the \$1,000,000 in funds.

On March 24, 2011 a joint meeting was held between the Power Plant Task Force and the Asthma Task Force with 30 Potrero Hill community-members attending and providing input on potential uses for the \$1,000,000 in settlement funds received by the City as a result of the settlement agreement with Mirant Potrero. On May 16, 2011 the Asthma Task Force submitted a series of recommendations regarding use of the \$1,000,000 in settlement funds received by the City based on the results of that meeting. The recommendations were based on their ability to meet the following criteria: (a) result in tangible change or activity, (b) have potential for sustaining such change, and (c) improve the community's quality of life for people with asthma and/or reduce the burden of chronic disease.

DETAILS OF PROPOSED LEGISLATION

The proposed ordinance would appropriate a total of \$1,000,000 of Mirant Potrero settlement funds from the Public Health Special Reserve Fund to the Department of Public Health (DPH) for the following four projects:

- (1) **the promotion of indoor air quality by retrofitting approximately 14 furnaces** in existing housing located in two Bayview District's air quality hot spots, whose selection will be determined at a future date. According to Ms. Karen Cohn, Program Manager of Children's Environmental Health Promotion (CEHP) of the Environmental Health Division at DPH, the primary goal of the proposed furnace retrofits is to improve the health and well-being of

⁴ A UMB is a building or structure having at least one unreinforced masonry (typically brick) bearing wall.

⁵ The UMB Ordinance was approved by the Board of Supervisors in 1992 and required property owners of UMBs with buildings of five or more units to identify and file the type of hazards of each particular UMB building, and to seismically upgrade all UMBs by February, 2006.

⁶ The Asthma Task Force is comprised of 17 Board of Supervisors-appointed members and works with a broad range of city, regional, state and national partners to prevent and control asthma by improving indoor and outdoor environments and promoting proper asthma medical management, focusing on housing, schools, child care and the medical community.

⁷ The Power Plant Task Force is comprised of six members and was charged with monitoring the status of Mirant Potrero's Application for Certification to the California Energy Commission (CEC) and reported on the ramifications of increased electricity generation from the Potrero Power Plant. Following the suspension of the Mirant Application for Certification, the City, through the Public Utilities Commission (PUC), applied to the CEC to site 3 to 4 Combustion Turbines in or near the Southern Waterfront. The Task Force will now look at any and all issues relating to power generation and the effects on the neighborhood.

residents in Bayview by reducing fine particulate matter resulting from poor outdoor air quality conditions.

- (2) **the promotion of physical activity** by supplementing activities of an existing program, SF LIVE!! – District 10. SF LIVE!!- District 10 is a partnership of community-based organizations led by the Community Health Promotion and Prevention Section (CHPP) of DPH. According to Ms. Cohn, CHPP currently contracts with Bayview Hunters Point Foundation⁸ to manage funds for SF LIVE!! – District 10, which awards subcontracts to community vendors that offer healthy living activities specified by DPH, such as dance classes, healthy food demonstrations, and walking clubs for District 10 residents, located in Potrero Hill, Bayview Hunters Point, Visitacion Valley, Silver Terrace, Dogpatch, Little Hollywood, and the Portola districts.
- (3) **the promotion of community gardens** to install two community gardens, one at the Oscaryne Williams Center of Hope at 85 Turner Terrace and a second larger garden at a Texas Street location, to benefit residents of the San Francisco Housing Authority Potrero Terrace/Annex sites and the larger Potrero Hill community. According to Ms. Cohn, the proposed community garden project is part of a larger existing Rebuild Potrero project within the HOPE San Francisco project, previously awarded to Bridge Housing Corporation, to rebuild the current Housing Authority Potrero sites into mixed income housing sites and engage with the community as part of that rebuild.
- (4) the (a) **promotion of pediatric asthma education** in the community and at San Francisco General Hospital (SFGH) and (b) **parental education** via the Healthy Generation Project, which is also part of the larger existing Rebuild Potrero Project.

FISCAL IMPACTS

Ms. Jenny Louie, Budget Manager at DPH, advises the \$1,000,000 in Mirant Potrero settlement funds would be appropriated to fund four projects described below from FY 2011-12 through FY 2013-14.

Furnace Retrofits for Improved Indoor Air Quality

According to Ms. Louie, as shown in Table 1, approximately \$120,000 of Mirant Potrero settlement funds would be appropriated to DPH for the new furnace units installed as part of the approximately 14 furnace retrofits of existing housing in air quality hot spots in the Bayview District to be expended from FY 2011-12 through FY 2013-14. Ms. Louie advises that the furnace retrofits would be implemented through the Mayor's Office of Housing through a yet-to-be-determined process. As shown in Table 1, the estimated cost of each furnace retrofit will vary depending on the conditions of each individual furnace.

⁸ According to Ms. Karen Cohn, the current contract with Bayview Hunters Point Foundation has a term from April 1, 2010 through June 30, 2013 for a not-to-exceed amount of \$5,188,237, including \$1,160,804 for FY 2011-12.

	Number of Units	Estimated Cost per Unit	Estimated Costs For Housing Units
If already with adequate forced air natural gas furnace system	6	\$5,000	\$30,000
If needing furnace replacement	6	10,000	60,000
If needing furnace replacement and asbestos abatement	2	15,000	30,000
Total	14		\$120,000

According to Ms. Louie, as shown in Table 2, approximately \$30,333 of Mirant Potrero settlement funds would be appropriated for project design and implementation from FY 2011-12 through FY 2013-14. Ms. Cohn advises that DPH plans to partner with the Mayor's Office of Housing on the proposed furnace retrofits, who will likely contract with (a) Lawrence Berkeley Laboratory who DPH has been in conversation with regarding this project to conduct the air sampling and other necessary scientific evaluation to complete the project and (b) a yet-to-be-determined community benefits organization to aid in the selection of the homes receiving the new furnace units. While the specific community benefits organization has not yet been selected, Ms. Cohn advises that given that only approximately \$4,666 is available for this purpose, DPH will likely use these funds to augment an existing DPH contract with a local nonprofit organization that has existing relationships within the community to facilitate the home selection.

	Estimated Cost
Staff Time for Mayor's Office of Housing	\$14,000
Contract with Lawrence Berkeley Laboratory	11,667
Community Benefits Organization Contract	4,666
Total	\$30,333

Therefore, as shown above, an estimated total of \$150,333 (\$120,000 plus \$30,333), or an average of \$50,111 annually among three fiscal years, would be appropriated for the 14 furnace retrofits of existing housing in air quality hot spots from FY 2011-12 beginning on the date of appropriation through FY 2013-14 ending on June 30, 2014. Dr. Rajiv Bhatia, Environmental Health Director at DPH advises that the furnace retrofit project is a demonstration project only

and not intended as a sustainable program beyond FY 2013-14, such that no additional City funds would be used to fund this project.

Promotion of Physical Activity

According to Ms. Louie, as shown in Table 3 below, an estimated total of \$225,000 of Mirant Potrero settlement funds would be appropriated for the promotion of physical activity by supplementing activities of an existing program, SF LIVE!! – District 10 to be expended over the three-year period from FY 2011-12 through FY 2013-14 based on their current programming in the affected neighborhoods. An estimated \$6,000, or \$2,000 per year, of the Mirant Potrero settlement funds would be appropriated for multi-media outreach to District 10 communities, such as radio, print media, and MUNI bus advertising. An estimated \$219,000, or \$73,000 per year in Mirant Potrero funds would be used to expand the subcontracts awarded to Potrero-Hill based vendors of DPH-specified healthy living activities. Ms. Louie advises that the specific Potrero-Hill based vendors have yet to be determined. According to Ms. Louie, no additional funding beyond what is proposed in the subject supplemental appropriation would be used to fund this project.

Multi-Media Outreach	\$6,000
Subcontracts to Potrero Hill-based Community-based Agencies to lead Activities	219,000
Total	\$225,000

Community Gardens

According to Ms. Louie, as shown in Table 4 below, approximately \$30,000 of Mirant Potrero settlement funds would be appropriated for start-up costs to be expended during the first year of the project, FY 2011-12, including lead testing of the soil and the necessary infrastructure to construct two community gardens, one at the Potrero Family Resource Center/Oscaryne Williams Center of Hope at 85 Turner Terrace and a second larger garden site at a Texas Street location. The two community gardens are located on Housing Authority land. DPW will work with the Housing Authority, Bridge Housing Corporation,⁹ and the community to build the proposed gardens. However, an MOU or contractual relationship has not yet been established. Ms. Cohn will conduct the lead testing of the soil as part of the planning and implementation process.

	Estimated Cost per Community Garden	Estimated Total Cost for a Total of Two Community Gardens
Lead Testing	\$500	\$1,000
Garden Infrastructure	14,500	29,000
Total	\$15,000	\$30,000

Ms. Louie advises that, as shown in Table 5 below, approximately \$129,600 of Mirant Potrero settlement funds would be appropriated and passed through to a non-profit organization, such as the Potrero Hill Family Resource Center for interns' salaries and materials and supplies from FY

⁹ Bridge Housing Corporation is the developer chosen by the Mayor's Office of Housing to rebuild the current Housing Authority Potrero sites into mixed income housing sites.

2011-12 through FY 2013-14, for the two gardens, or \$43,200 per year of the project for maintenance of the two gardens. However, Ms. Louie confirms that to date, DPH has not entered into a separate contract with Potrero Hill Family Resource Center. The Potrero Hill Family Resource Center, a nonprofit organization, offers an array of programs to low-income residents of the Potrero Hill neighborhood such as a food pantry, educational workshops, and other community-building activities, currently manages the maintenance of other community gardens in the neighborhood and provides community outreach in the Potrero Hill neighborhood. According to Mr. Douglas Legg, Chief Financial Officer for the DPW, Potrero Hill Family Resource Center or another selected non-profit organization will continue to conduct community outreach without additional funding from the Mirant Potrero settlement.

Table 5: Estimated Operating Costs of Community Gardens Project From FY 2011-12 through FY 2013-14

	Cost Per Community Garden	Total Cost
Materials and Supplies	\$36,000	\$72,000
Cost of 12-Month \$2,400 Individual Stipend For 4 Interns*	\$28,800	\$57,600
Total	\$64,800	\$129,600

*Each Intern would be paid \$2,400 per year. Ms. Louie estimates that 4 interns would be required for each site over the three years of the project (\$2,400 multiplied by four interns multiplied by 3 years).

Therefore, an estimated total of \$159,600 (\$30,000 plus \$129,600) of Mirant Potrero settlement funds would be appropriated to fund the installation, construction and maintenance of the two community gardens from FY 2011-12 through FY 2013-14 (\$30,000 plus \$129,600). Mr. Legg advises that DPW has no plans to fund the continued maintenance of the two community gardens after the \$159,600 of Mirant Potrero settlement money is expended and the Potrero Hill Family Resource Center will assume ongoing maintenance responsibility for the two community gardens after FY 2013-14.

Promotion of Pediatric Asthma Education and Parental Education

Ms. Louie advises that a total of approximately \$60,000 of Mirant Potrero settlement funds would be appropriated for the first component of the Promotion of Pediatric Asthma Education and Parental Education Project, funding an asthma educator at Potrero Hill Health Center, a DPH primary care health center, to provide one-on-one patient education as well as community outreach presentations for the three years of the project, or \$20,000 per year.

According to Ms. Louie, as shown in Table 6 below, a total of approximately \$179,244 or \$59,748 per year over the three year period, of Mirant Potrero settlement funds would be appropriated to fund the second component of the Promotion of Pediatric Asthma Education and Parental Education Project, an Asthma Health Worker II position at SFGH's Pediatric Asthma Clinic to provide case management focused on Potrero Hill patients, including home visits to promote control of environmental triggers and increase appropriate referrals to code enforcement agencies regarding unhealthy housing conditions from FY 2011-12 through FY 2013-14. The Budget and Legislative Analyst notes that the \$179,244 estimated to fund the second component of the Promotion of Pediatric Asthma Education and Parental Education project from FY 2011-12 through FY 2013-14 does not account for salary increases over those three years and therefore the total amount required to be expended will likely be slightly higher than estimated. Ms. Louie advises that it is uncertain what funding source would be used to cover those additional costs.

Estimated Salary of Asthma Health Worker II position (\$44,252 annually)	\$132,756
Mandatory Fringe Benefits (\$15,496 annually)	46,488
Total	\$179,244

Also, an estimated total of approximately \$225,000, or \$75,000 per year, of Mirant Potrero settlement funds would be appropriated to fund the third component of the Promotion of Pediatric Asthma Education and Parental Education Project, a three-year parental education pilot project called the Healthy Generation Project, to teach parents skills in child development such as how to protect their children from environmental toxins, improve their children's diets, and increase emotional security and enrichment from FY 2011-12 through FY 2013-14. The Mayor's Office of Housing, as part of Rebuild Potrero, has provided a total of \$15,000 in funding for the development of a separate parental education series which will be taught at the Potrero Hill Family Resource Center with consultation by University of California at San Francisco (UCSF) Pediatric Environmental Specialty Unit representative and expert, Dr. Mary Burke. According to Ms. Weinstein, Community Builder at Bridge Housing Corporation, Dr. Burke has received approximately \$7,500 of the \$15,000 in funds provided by the Mayor's Office of Housing to support her research with Potrero Hill residents and complete her development of the curriculum of the three-year pilot project. Approximately \$2,500 in Mayor's Office of Housing Funds has been awarded to Davis and Associates, a private communications consulting firm, to develop the final proposal to find the remaining funding needed for the three-year pilot project. Approximately \$2,500 of those funds remains unspent. According to Ms. Cohn, the cost of the three-year pilot is approximately \$350,000. Therefore, if the proposed ordinance is approved, an additional \$125,000 (\$350,000 need less \$225,000 under this proposed ordinance) is required to conduct the three-year pilot project. Ms. Weinstein advises that outside funders will be sought to fund the remaining \$125,000 of the program once the proposal has been finalized. Ms. Cohn advises that the requested additional \$225,000 will augment this existing parent education project but the specific uses for the \$225,000 in funds are still being determined based on the needs of the program.

Therefore, as shown in Table 7, an estimated total of \$464,244 or \$154,748 per year of Mirant Potrero settlement funds would be appropriated to fund the Promotion of Pediatric Asthma Education and Parental Education Project from FY 2011-12 through FY 2013-14.

Table 7: Estimated Total Amount of Mirant Potrero Settlement Funds to be Appropriated to Fund the Promotion of Pediatric Asthma Education and Parental Education Project from FY 2011-12 through FY 2013-14

Estimated Total Amount to be Appropriated to Fund First Component, Asthma Educator at Potrero Hill Health Center	\$60,000
Estimated Total Amount to be Appropriated to Fund Second Component, Asthma Health Worker II position at SFGH Pediatric Asthma Clinic	179,244
Estimated Total Amount to be Appropriated to Fund Third Component, a Parental Education Series at Potrero Hill Family Resource Center	225,000
Total	\$464,244

According to Ms. Cohn, the \$464,244 in estimated total funding for the three components of the Promotion of Pediatric Asthma Education and Parental Education Project currently planned may end up being expended slightly differently than detailed above but will meet the spirit of the goals as they are currently described.

Approximately \$999,177 of Mirant Potrero Settlement Funds Would be Expended From FY 2011-12 through FY 2013-14 Under the Proposed Ordinance

Although the proposed supplemental appropriation is for a total of \$1,000,000, as shown in Table 8 below, a total of \$999,177, or \$823 less than the requested \$1,000,000, in Mirant Potrero settlement funds is currently being requested to fund the proposed ordinance over the three year period from FY 2011-12 through FY 2013-14.

Table 8: Total Estimated Expenditures of \$1,000,000 in Mirant Potrero Settlement Funds Appropriated in the Proposed Ordinance

Furnace Retrofits for Improved Indoor Air Quality	\$150,333
Promotion of Physical Activity	225,000
Community Gardens	159,600
Promotion of Pediatric Asthma Education and Parental Education	464,244
Total	\$999,177

Ms. Louie advises that DPH plans to expend the entire \$1,000,000 of Mirant Potrero settlement funds and the budget summarized above is an estimate only.

POLICY CONSIDERATIONS

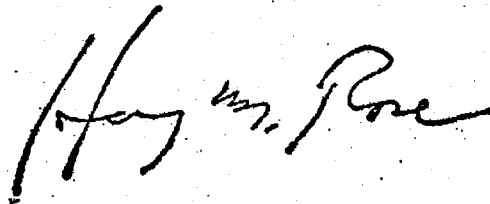
Although the proposed ordinance requests the appropriation of \$1,000,000 in Mirant Potrero settlement funds for FY 2011-12, DPH plans to expend the requested \$1,000,000 over the three

year period from FY 2011-12 through FY 2013-14. Ms. Louie advises that after FY 2011-12, the unexpended funds will be carried forward for the remaining two years of the projects.

Given that all of the entire requested \$1,000,000 supplemental appropriation reflects only estimates and DPH is still in the process of developing detailed program and expenditure plans, including the process that will be used to award funding, the specific groups and organizations that would receive funds and the specific amounts awarded to each group or organization, the Budget and Legislative Analyst considers approval of the proposed supplemental appropriation to be a policy decision for the Board of Supervisors. If the Board of Supervisors wishes to review a more detailed program and expenditure plan once it's been finalized, including the process of awarding such funding, the specific organizations that will receive funds, and the specific amounts awarded to each organization, the Budget and Legislative Analyst recommends that the \$1,000,000 of Mirant Potrero settlement funding be placed on Budget and Finance Committee Reserve pending the finalization of those details.

RECOMMENDATIONS

1. Approval of the proposed ordinance is a policy decision for the Board of Supervisors
2. If the Board of Supervisors wishes to review a more detailed program and expenditure plan once it's finalized, including the process of awarding such funding, the specific organizations that will receive funds, and the specific amounts awarded to each organization, the Budget and Legislative Analyst recommends that the \$1,000,000 of Mirant Potrero settlement funding be placed on Budget and Finance Committee Reserve pending the finalization of those details.



Harvey M. Rose

cc: Supervisor Chu
Supervisor Mirkarimi
Supervisor Kim
President Chiu
Supervisor Avalos
Supervisor Campos
Supervisor Cohen
Supervisor Elsbernd
Supervisor Farrell
Supervisor Mar
Supervisor Wiener
Clerk of the Board
Cheryl Adams
Controller
Rick Wilson