SFE Budget Overview: FY 2026-2027 and FY 2027-2028

San Francisco Board of Supervisors
Budget & Appropriations Committee

February 25, 2026

SAN FRANCISCO
ENVIRONMENT
DEPARTMENT

Credit: Unsplash.com

Agenda

1. Department History and Purpose
2. Budget Background
   - Recent Funding Losses
   - Grants at Risk
3. Impact of Funding Losses
   - Commission Funding Request
4. Questions

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For 30 years, SFE has been the City's climate accountability, coordination, and equity engine.

1997 – 1st Sustainability Plan

2004 – 1st Climate Action Plan (CAP)

2021 – Current CAP

2026 – Forthcoming CAP

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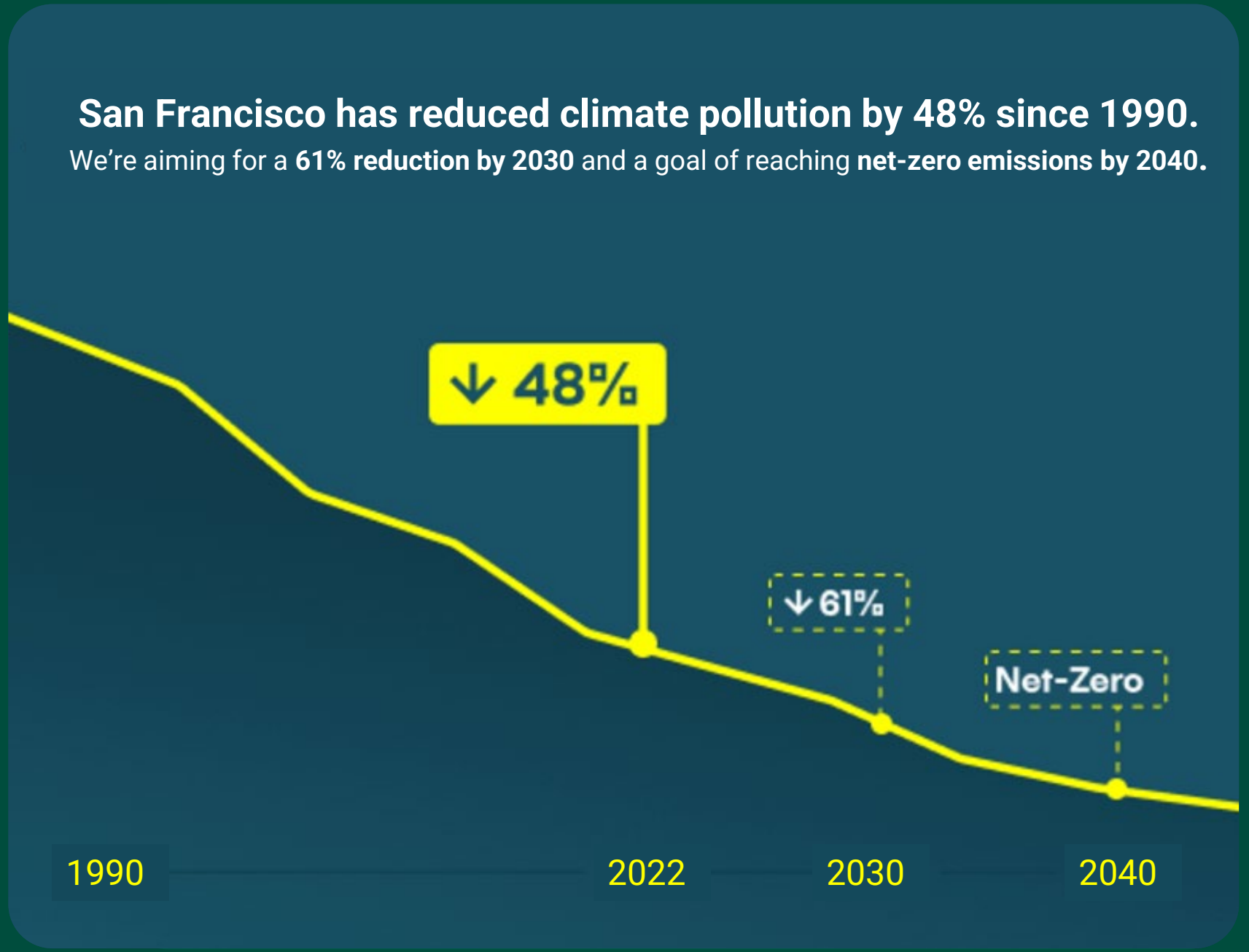
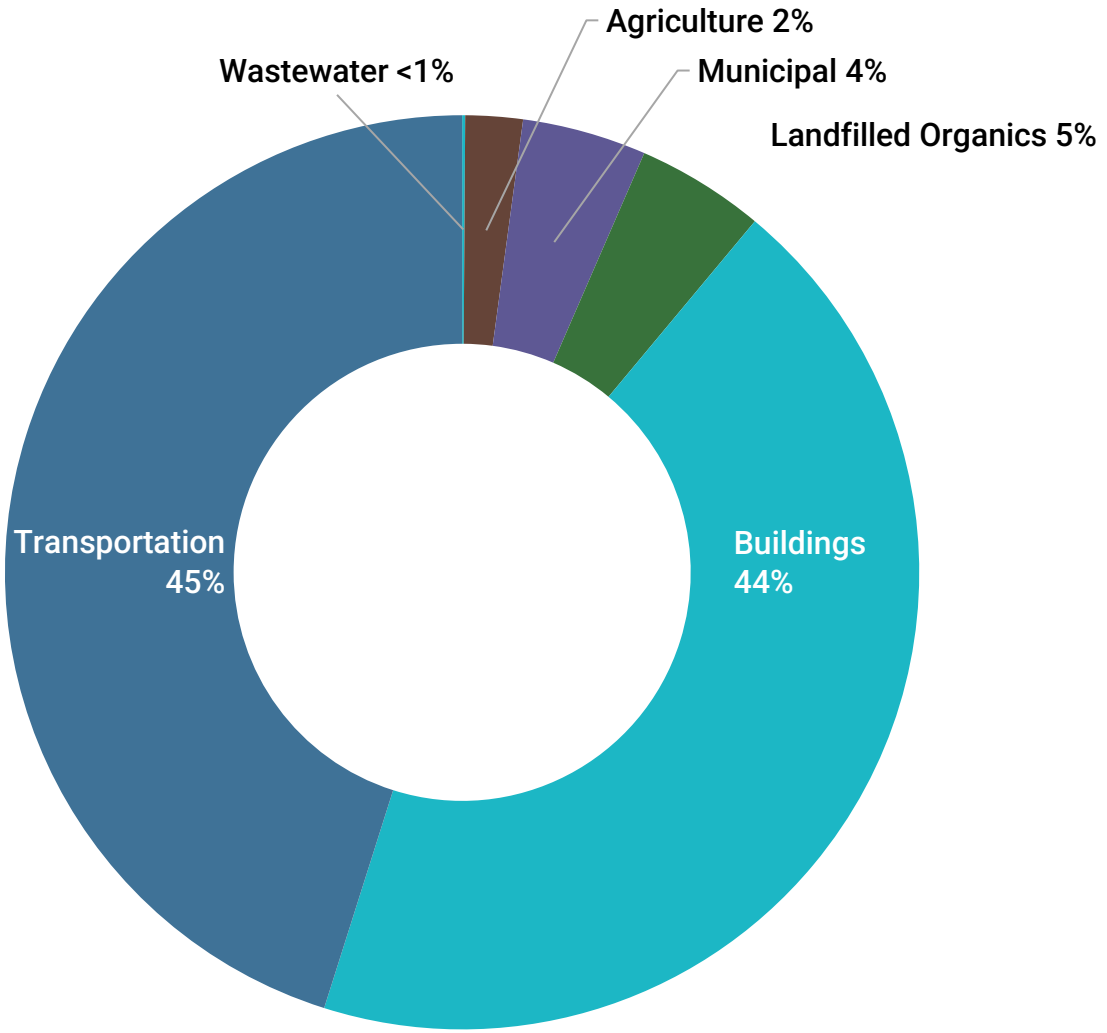
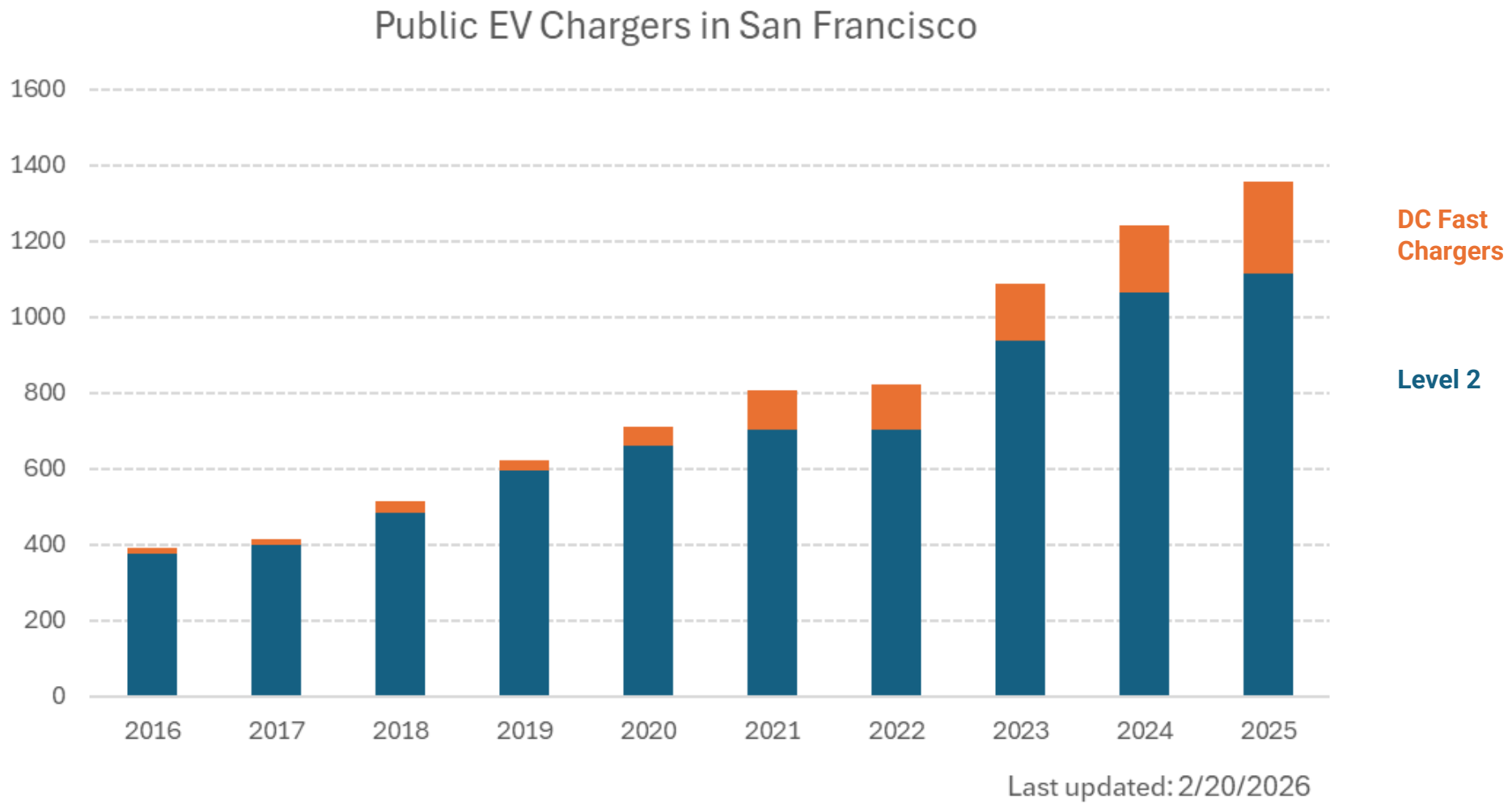
Emissions reduction since 1990



Carbon emissions by sector



2022 San Francisco community-wide emissions



EV charging access more than triples in past decade

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The nation’s most comprehensive **All-Electric New Construction Ordinance**

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Image: SFE

Unlocking innovation – eliminating barriers for new climate solutions

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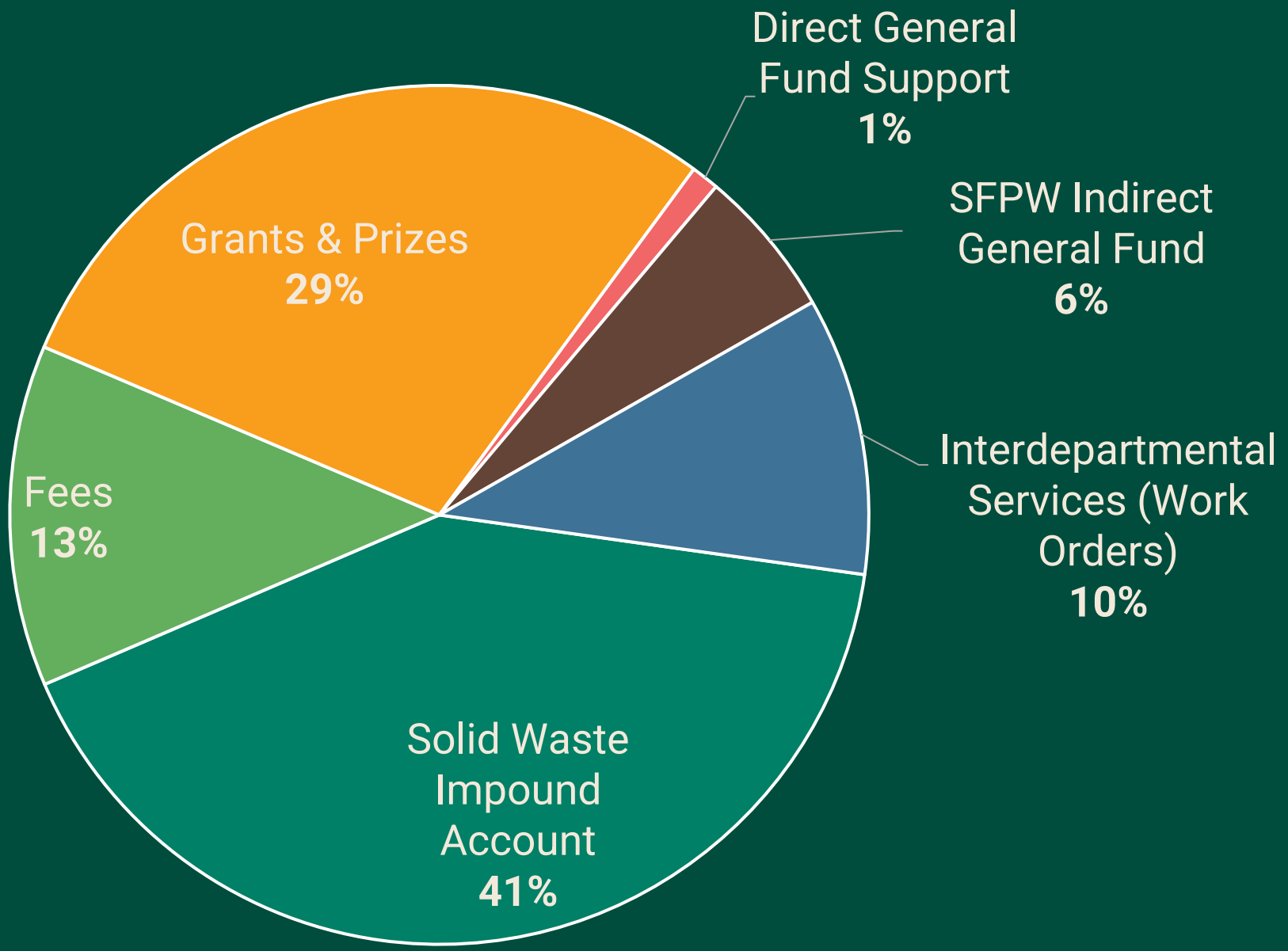
Budget Background

How SFE is funded for FY 2026-27



FY 2026-27 AAO Department Proposed Budget

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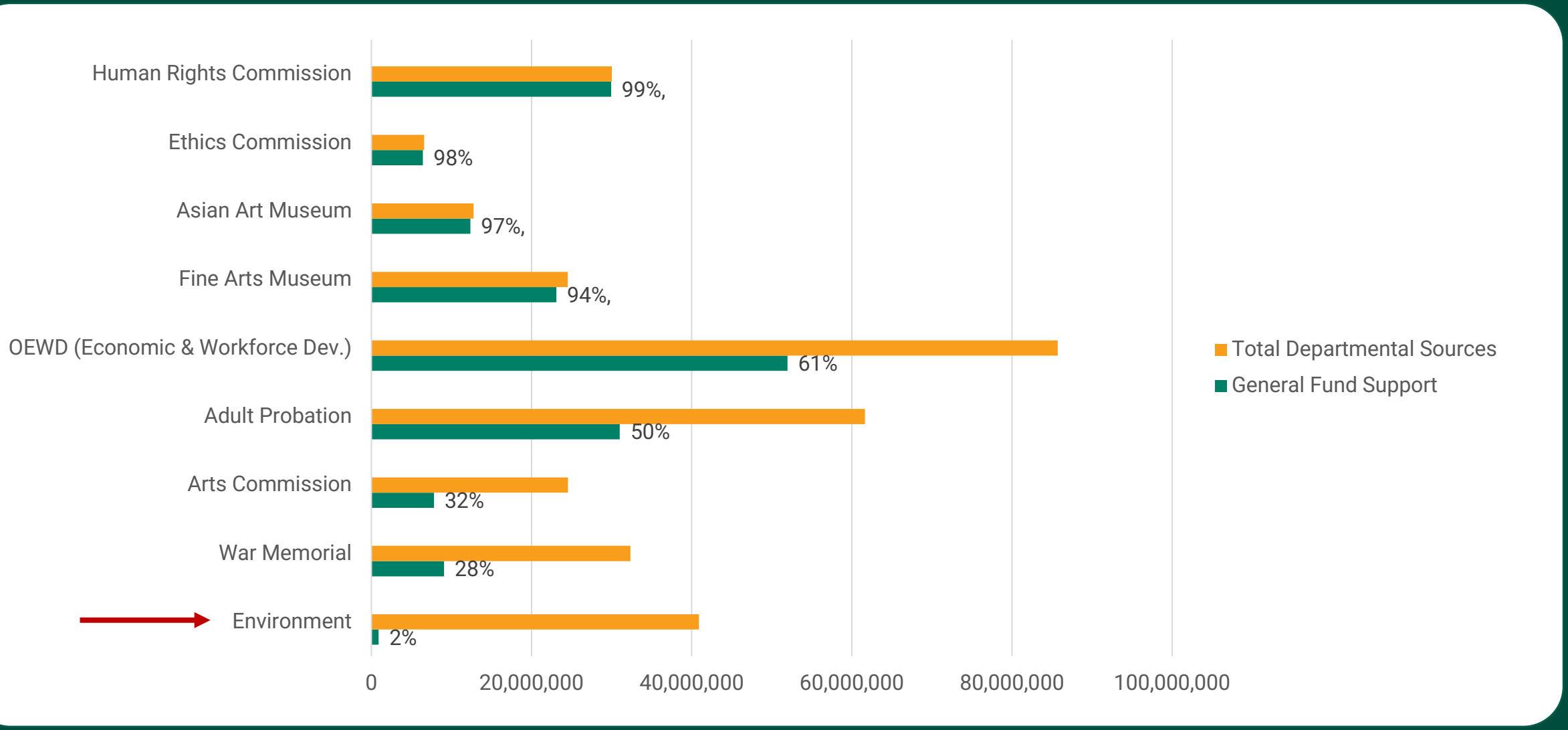

Current year General Fund budget (% of total)

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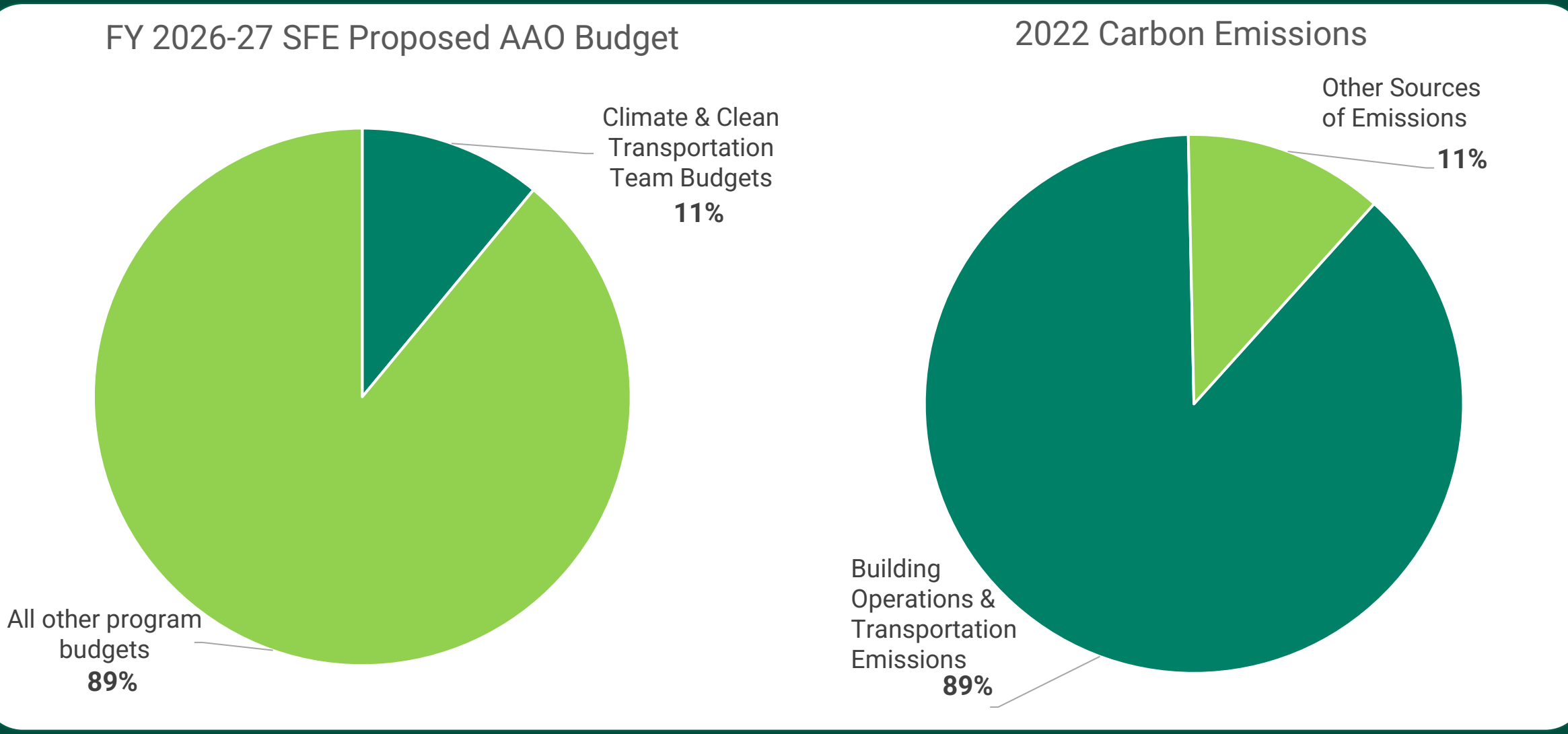

Funding vs carbon emission sources

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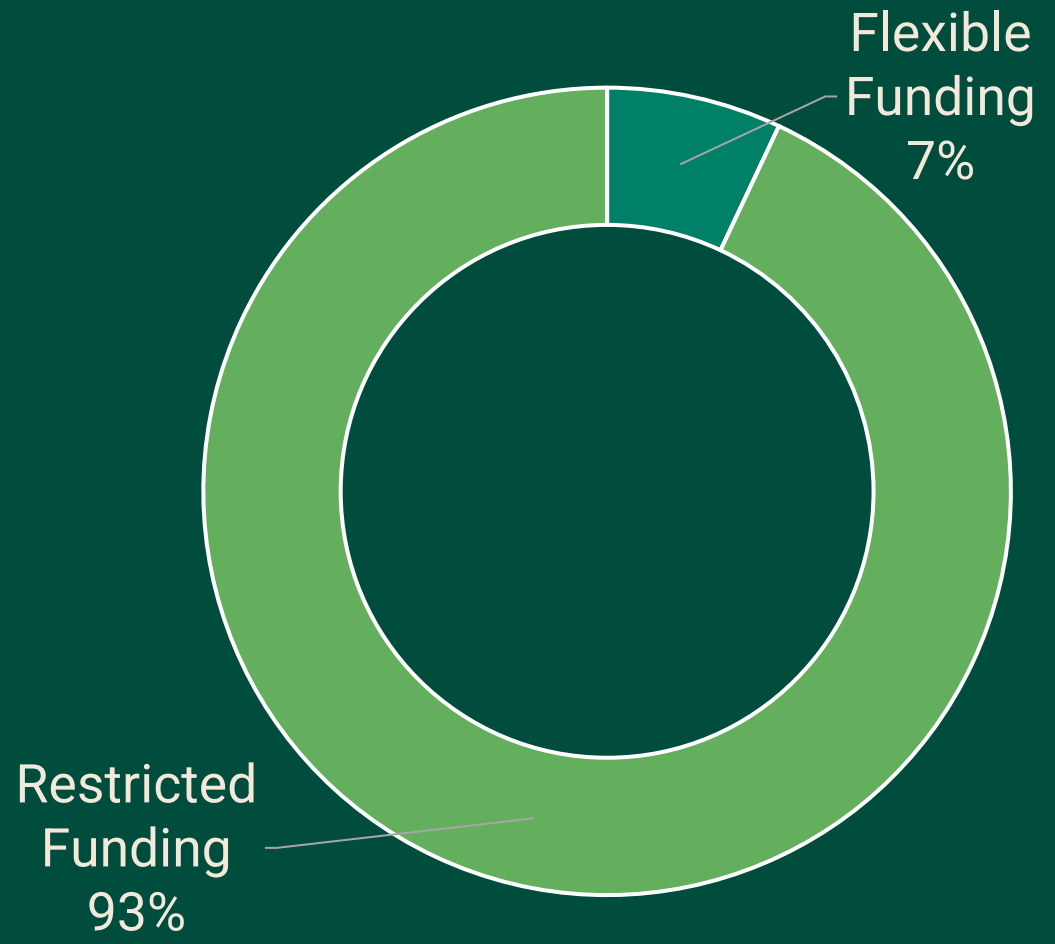
Why can’t funding be reallocated?

- Over 90% of funds are restricted (impound, fees, grants) and tied to specific scopes and deliverables.
- Many are time-limited and require specialized staff to execute and report.



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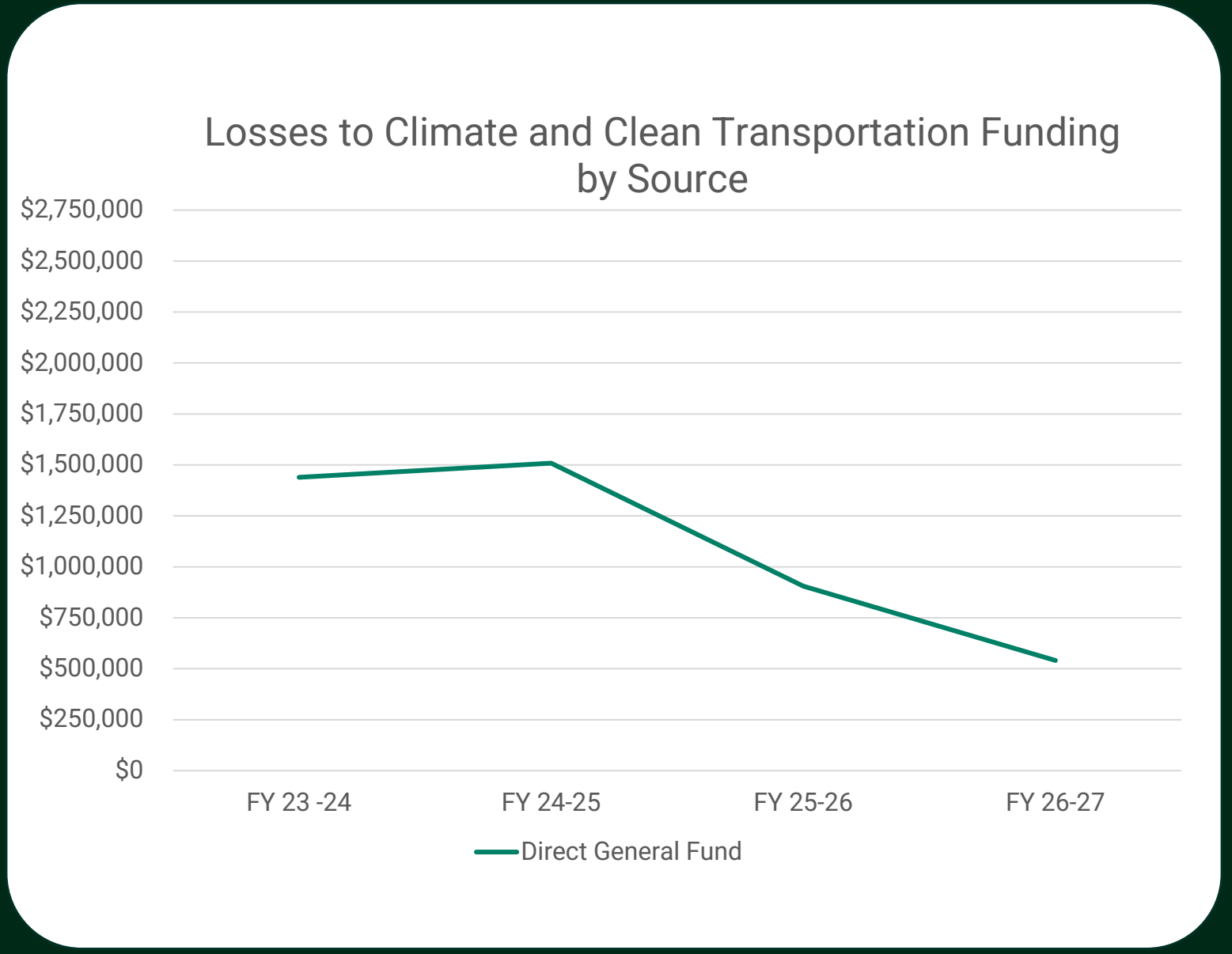
SFE budget challenges

- General Fund
- Public Works indirect General Fund support
- Work order changes
- Grants

More than an 80% decline in direct General Fund support over 4 years

- FY 22-23: The Board of Supervisors allocated CAP funding of $2.6M, bringing total General Fund support to $2,929,677.
- FY 26-27: Current Department budget proposal only includes $544,886 of General Fund.

Direct General Fund support



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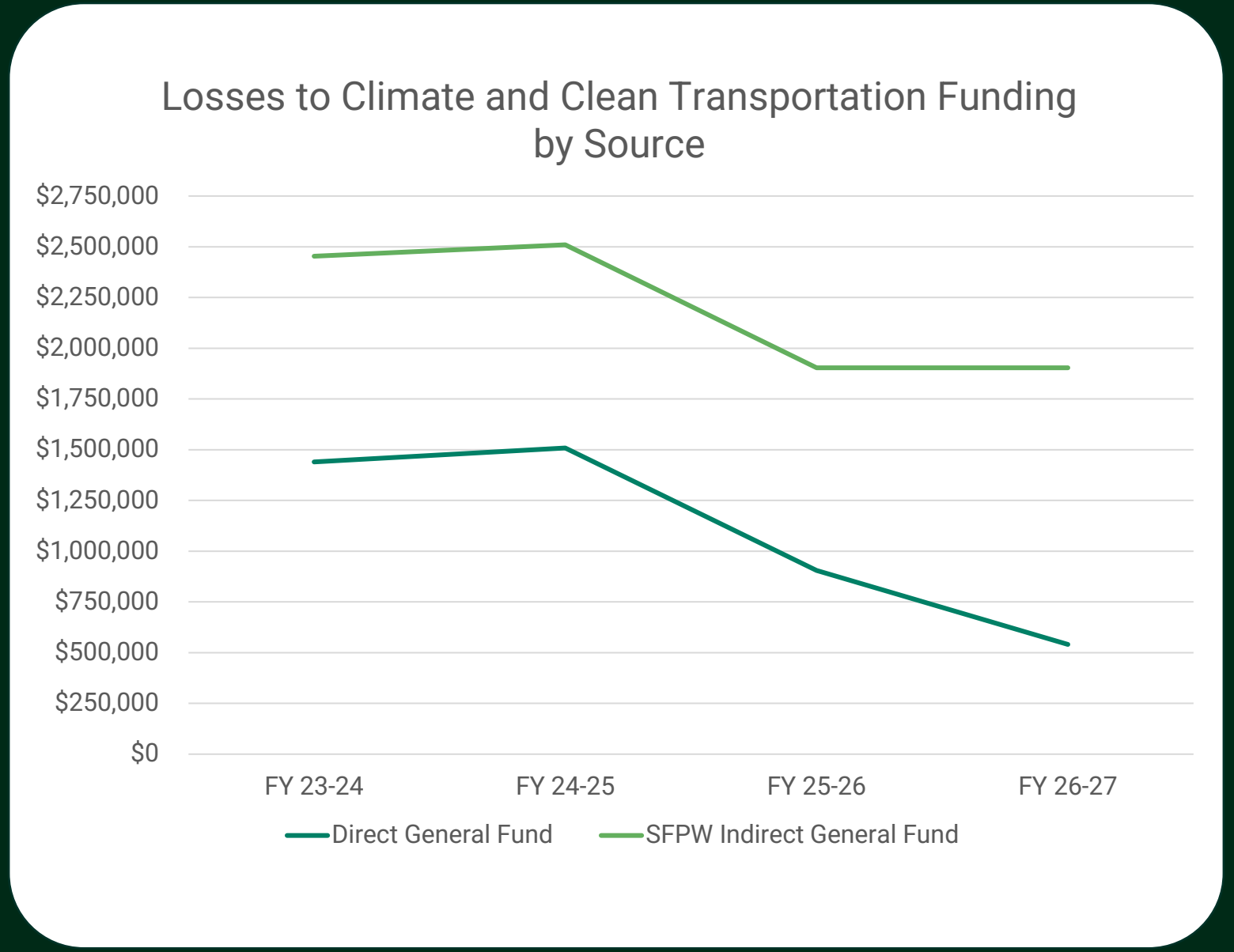
SF Public Works indirect General Fund support for climate and clean transportation work



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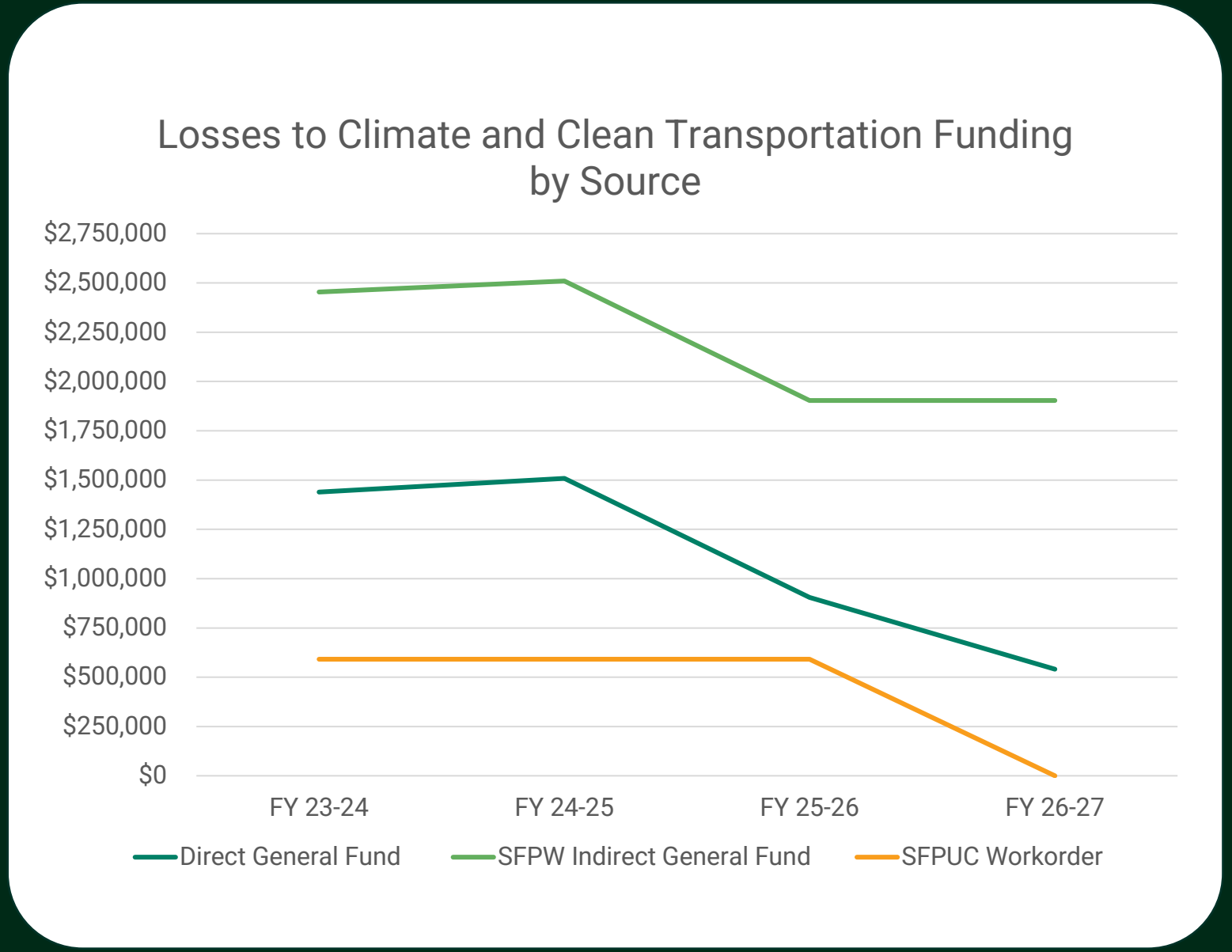
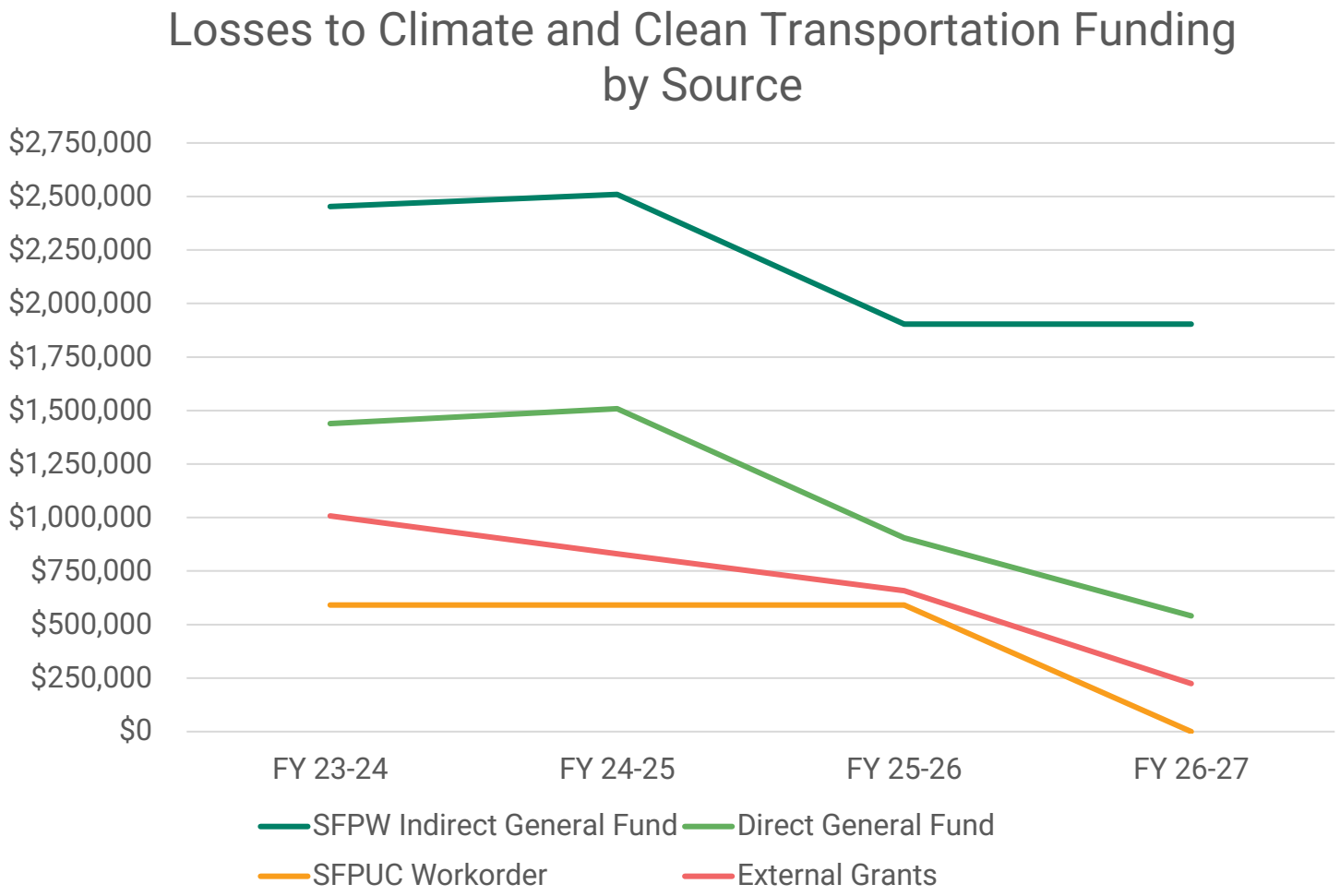
SFPUC work order funding for climate and clean transportation work



External grant funding for climate and clean transportation work



Why SFE is leverage, not overhead

- Since November 2022, SFE has been awarded over **$84 million** in grants.
- Using general fund dollars, SFE has secured over **$43 million** in competitive climate and clean transportation grants - a **$29:1** return on every dollar invested.
- Funds have supported electrification, EV charging infrastructure, small business assistance, and biodiversity.
- General fund enables the department to plan, coordinate, & compete for external investments — multiplying the City's impact.

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Current grants at risk of forfeiture (federal, state, local)

Grant/Funding Source	Award Amount	Work Status	Communities Impacted
Building Performance Standards	$20,000,000	Stalled	Large commercial and multifamily/community building owners
Public Charging Infrastructure	$15,000,000	Stalled	All SF residents/EV owners
Curbside Charging Planning	$1,244,951	Stalled	All SF residents/EV owners, particularly multifamily residents
San Francisco Clean Cities Coalition	$130,000/ annual	Restarting	All SF residents/EV owners and EV businesses
TECH Clean California Quick Start	$299,091	Starting Up	Low-income childcare facilities
CEC EV Phase II Blueprint	$222,368	Almost Finished	All SF residents/EV owners and EV businesses
SFCTA Prop L Grant Funding	$94,604	Pending	All SF residents/EV owners, particularly multifamily residents
Totals	~37M		

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Upcoming grants

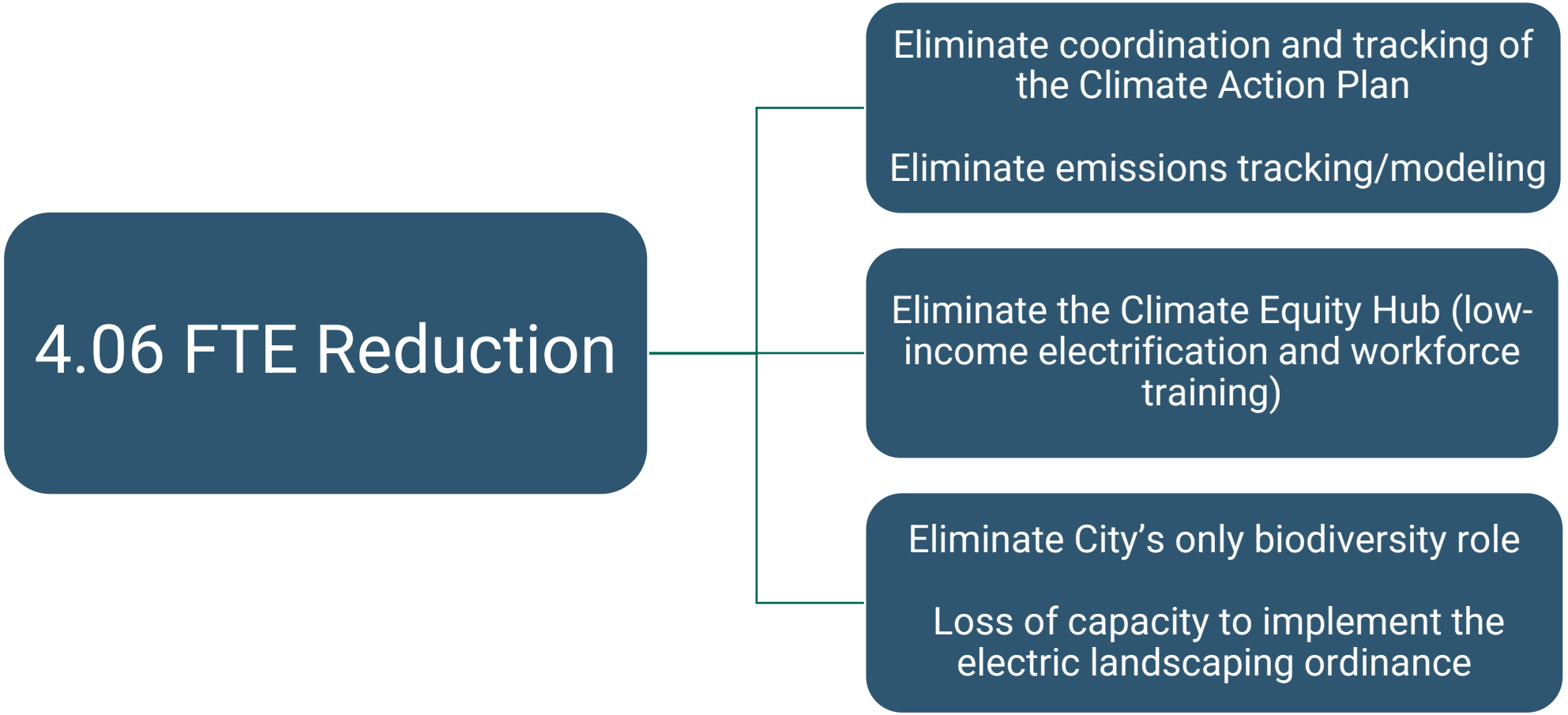
Grant/Funding Source	Requested Amount	Status	Communities Impacted
Bloomberg Cities Youth Climate Innovation	$50,000	Submitted	SF school-aged youth and students in higher education
LACI C40 Cities	Up to $120,000	Awarded	All SF residents/EV owners, particularly multifamily/commercial buildings
USDN Catalyst Fund	$19,500	Submitted	CCSF/All SF residents
Jumpstart	$20,000	Pending Submission	All SF residents/ EV owners
DPR	TBD	Pending	SF Environmental Justice Communities
CA Natural Resources Agency (Prop 4)	Millions	Pending	All SF residents/urban greening
Strategic Growth Council	Millions	Pending	All SF residents/community resilience centers
Extreme Heat and Community Resilience Program (prop 4)	Millions	Pending	All SF residents
California State Parks (Prop 4)	Millions	Pending	All SF residents/environmental justice communities

Impact of Funding Losses

Credit: Unsplash.com

What's at stake?

- Approximately 8 FTE proposed for elimination.
- Core climate accountability and clean transportation delivery reduced or eliminated.
- Lack of adequate multilingual outreach and engagement supporting these priority areas.
- Inability to meet compliance requirements and millions in foregone future grant opportunities.



Projected impact of the FY 26-27 budget on climate program

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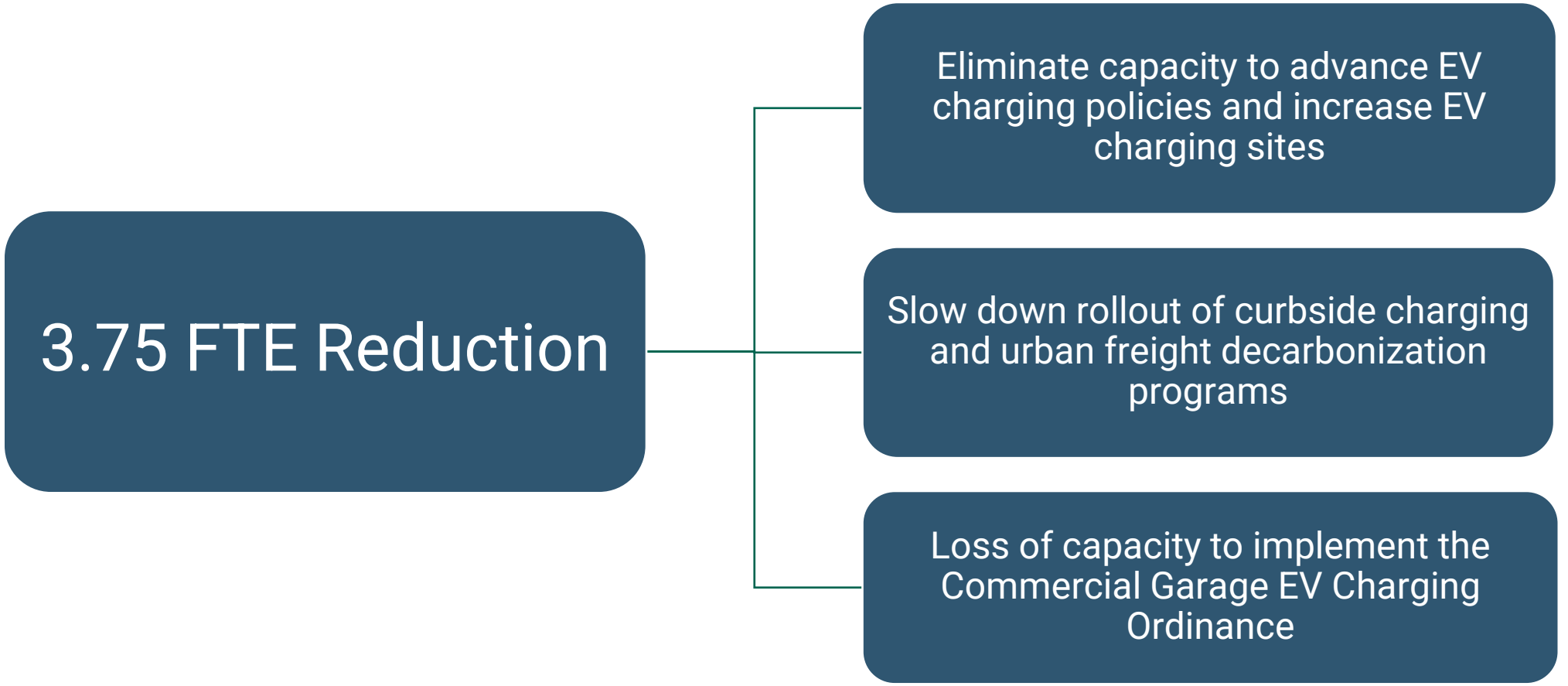

Projected impact of the FY 26-27 budget on clean transportation program

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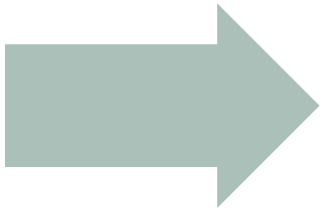
Ongoing 3.00 FTE reduction related to FY 25/26 PW indirect General Fund reduction



Nearly eliminated the ability to conduct outreach and engagement related to Clean Transportation, Climate, and Energy due to funding restrictions

Ongoing impact of the FY 25-26 budget on climate outreach

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Commission funding request (2.4.26)

Program Area	FTEs Supported	Personnel	Non-Personnel	Key Deliverables at Risk if Unfunded
Climate Action Planning	1.26	$352,617	$47,000	Citywide Climate Plan coordination, GHG inventory, CDP/C40 reporting
Transportation Decarbonization	3.75	$1,096,175	$65,000	EV charging and e-mobility policy, ordinance compliance, curbside charging and urban freight decarbonization support
Building Decarbonization & Climate Equity Hub	2.15	$498,854	$300,000	Direct installs, technical & financial assistance, workforce pathways, equity engagement
Healthy Ecosystems & Communities	0.65	$196,189	$88,600	Biodiversity, gas-free landscaping implementation
SUBTOTAL	**7.81**	**$2,143,835**	**$500,600**	**Ongoing core Climate and Clean Transportation capacity restored beginning in FY 26-27 Proposed Budget**
Community Outreach & Engagement	3.00	$562,131	$185,000	Outreach focused on climate action, building electrification, and electric mobility
TOTAL (not including new target reduction of $60k)	**10.81**	**$2,705,966**	**$685,600**	**Grand Total to address FY 25-26 impacts & proposed FY 26-27: $3,391,566**

Questions and thank you!

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Director

San Francisco Environment Department

SFEnvironment.org

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