

File No. 160682

Committee Item No. 11

Board Item No. \_\_\_\_\_

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Sub-Committee

Date July 20, 2016

Board of Supervisors Meeting

Date \_\_\_\_\_

#### Cmte Board

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| <input type="checkbox"/>            | <input type="checkbox"/> | Resolution                                   |
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| <input type="checkbox"/>            | <input type="checkbox"/> | Youth Commission Report                      |
| <input type="checkbox"/>            | <input type="checkbox"/> | Introduction Form                            |
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Completed by: Linda Wong Date July 15, 2016

Completed by: Linda Wong Date \_\_\_\_\_



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Edwin M. Lee  
Mayor

Deborah O. Raphael  
Director

May 6, 2016

**MEMORANDUM**

TO: Angela Calvillo, Clerk of the Board of Supervisors

CC: Budget and Legislative Analyst's Office

FM: Joe Salem, Budget and Finance Manager  
Shawn Rosenmoss, Manager of Development and SF Carbon Fund

RE: Request for Release from Reserve from the San Francisco Carbon Fund

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The San Francisco Department of the Environment is currently administering the San Francisco Carbon Fund and is seeking to release funds from reserve. This program is supported by a 13% "carbon fee" the City of San Francisco levies on municipal airline travel, as well voluntary contributions from conferences and conventions seeking to mitigate their event-related greenhouse gas emissions. Ordinance 172-09 instructs the Department of the Environment to administer the revenue generated through this fee and invest in local projects that mitigate and sequester carbon emissions. During the past 7 years, the fund has invested in a range of greening projects and a biodiesel fueling facility. The Department is requesting the release of the balance from reserve, in the amount of \$120,000 (index code 220212).

SF Carbon Fund funds released from reserve will be used to cover grant awards selected during CY2015/16 which were selected through a competitive Request for Proposals (RFP) process. The Department conducted a RFP process during the 4<sup>th</sup> quarter of FY2015 and based on the RFP process, \$250,000 new grants were awarded to support neighborhood greening and compost projects that sequester carbon.

In addition, the SF Carbon Fund released an RFP in April 2016 to select an organization to operate a revolving micro-loan program for small businesses to access the upfront capital necessary to participate in the SF Energy Watch program, which provides energy efficiency retrofits and is operated through California Public Utilities Commission funding and implemented by the Department of the Environment. The SF Carbon Fund is providing \$20,000 to this grant. Energy retrofits will provide substantial permanent carbon reductions while resulting in reduced energy bills for San Francisco's small local neighborhood businesses.

As of May 25, 2016, index code 220212 shows that the Department has spent \$289,974 from the SF Carbon Fund. There is a total combined balance of encumbrances for current grant awards of \$437,100 leaving a net balance of \$254,955.

<b>Item 11</b> <b>File 16-0682</b>	<b>Department:</b> Department of Environment (DOE)
<b>EXECUTIVE SUMMARY</b>	
<p style="text-align: center;"><b>Legislative Objectives</b></p>	
<p>The Department of the Environment is requesting the Budget and Finance Committee of the Board of Supervisors to release the \$120,000 placed on Budget and Finance reserve in FY 2015-16 to award the funds for local projects that mitigate and sequester carbon emissions.</p>	
<p style="text-align: center;"><b>Key Points</b></p>	
<ul style="list-style-type: none"> <li>• The Department of the Environment administers the Carbon Mitigation Program, which is a program funded by surcharges on air travel by City employees in order to reduce or offset local greenhouse gas emissions.</li> <li>• In FY 2015-16, the Budget and Finance Committee placed \$324,721 in Carbon Mitigation Program appropriations on Budget and Finance Committee Reserve, pending submission to the Budget and Finance Committee of budget details on the use of these funds.</li> </ul>	
<p style="text-align: center;"><b>Fiscal Impact</b></p>	
<ul style="list-style-type: none"> <li>• Following a competitive RFP process, the Department of the Environment awarded \$230,625 in grants to local organizations during FY 2015-16.</li> <li>• \$120,000 of the \$230,625 are on Budget and Finance Committee reserve.</li> <li>• The Department of the Environment is requesting release of the \$120,000 placed on Budget and Finance Committee reserve in FY 2015-16 for the projects selected to receive grant awards, which would leave a balance of \$204,721 of the FY 2015-16 Carbon Mitigation Program appropriation on reserve.</li> </ul>	
<p style="text-align: center;"><b>Recommendation</b></p>	
<ul style="list-style-type: none"> <li>• Approve the requested release of \$120,000 on Budget and Finance Committee reserve.</li> </ul>	

**MANDATE STATEMENT**

Administrative Code Section 3.3(e) provides for the committee of the Board of Supervisors having jurisdiction over the budget (Budget and Finance Committee) to place funds on reserve. These funds may be released by the Budget and Finance Committee.

Administrative Code Chapter 52 established the Carbon Mitigation Program, which is administered by the Department of the Environment and funded by surcharges on certain activities, such as air travel by City employees. Funds generated by the Carbon Mitigation Program are deposited into the Carbon Impact Payments account. Carbon Impact Payment funds are allocated to the Department of the Environment's costs to administer the Carbon Mitigation Program and to projects to reduce greenhouse gas emissions.

**BACKGROUND**

In 2009, the Board of Supervisors approved an ordinance amending the San Francisco Administrative Code by adding Chapter 52 to establish the San Francisco Carbon Mitigation Program (Ordinance No. 172-09). The program is administered by the Department of the Environment to reduce or offset local greenhouse gas emissions.

The Carbon Mitigation Program is supported by fees levied on airline travel for official City business at an amount equal to 13 percent of the ticket price, as well as voluntary contributions from conferences and conventions held in San Francisco in which the conference or convention sponsor seeks to mitigate their event-related greenhouse gas emissions. The Department of the Environment uses the Carbon Mitigation Program revenues to award grants to local projects that reduce and sequester carbon emissions.

Total Carbon Mitigation Program revenues to date are \$982,029 and total expenditures and encumbrances are \$677,030, resulting in \$304,999 in unexpended funds.

In FY 2015-16, the Budget and Finance Committee placed \$324,721 in Carbon Mitigation Program appropriations on Budget and Finance Committee Reserve, pending submission to the Budget and Finance Committee of budget details on the use of these funds.

**DETAILS OF PROPOSED LEGISLATION**

The Department of the Environment is requesting the Budget and Finance Committee of the Board of Supervisors to release the \$120,000 of the \$324,721 placed on Budget and Finance Committee reserve in FY 2015-16 for the Carbon Mitigation Program.

**FISCAL IMPACT**

In July 2015, the Department of the Environment issued a Request for Proposals (RFP) for neighborhood greening and carbon projects that sequester carbon and reduce carbon emissions. As a result of the competitive RFP process, the Department of the Environment awarded \$230,625 in grants to local organizations during FY 2015-16. \$120,000 of the \$230,625

are on Budget and Finance Committee reserve. Table 2 below details the grantees and expenditures which would be paid for with the requested \$120,000 release of reserved funds.

**Table 2: Carbon Mitigation Program Release of Reserve**

Grantee	Project	Amount
Matter of Trust	Assess use of compost to sequester carbon	\$25,000
Starr King Open Space	Remove pavement and plant native plants	20,000
Mission Asset Fund	Micro-loan fund for small business energy efficiency retrofit program	20,000
Parks Alliance-Urban Sprouts	Remove hardpack and plant trees	20,000
Pomeroy Rec Center	Remove hardpack and plant community garden	15,000
Friends of the Urban Forest	Remove pavement and plant trees	20,000
<b>Total</b>		<b>\$120,000</b>

The Department of the Environment is now requesting release of the \$120,000 placed on Budget and Finance Committee reserve in FY 2015-16 for the projects selected to receive grant awards following the competitive process. The requested release of \$120,000 out of the total of \$324,721 placed on reserve would leave a balance of \$204,721 of the FY 2015-16 Carbon Mitigation Program appropriation on reserve.

#### **RECOMMENDATION**

Approve the requested release of \$120,000 on Budget and Finance Committee reserve.



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EDWIN M. LEE  
Mayor

DEBORAH RAPHAEL  
Director

## **REQUEST FOR PROPOSALS**

### **SMALL BUSINESS REVOLVING LOAN FUND FOR ENERGY EFFICIENCY RETROFITS**

<b>Grant RFP Issue Date</b>	March 30, 2016	
<b>Final day for questions (email only)</b>	April 13, 2016 Responses via email and posted on web	<a href="mailto:shawn.rosenmoss@sfgov.org">shawn.rosenmoss@sfgov.org</a>
<b>Proposals Due</b>	No later than 5:00 PM, Wednesday, April 20, 2016	<a href="mailto:shawn.rosenmoss@sfgov.org">shawn.rosenmoss@sfgov.org</a>
<b>Announcement of Awards</b>	May 24, 2016	

#### **I. Introduction**

The mission of the San Francisco Department of the Environment (SF Environment, or SFE) is to improve, enhance, and preserve the environment, and to promote San Francisco's long-term wellbeing by developing innovative, practical and wide-ranging environmental programs in recycling, toxics reduction, environmental justice, energy efficiency, clean transportation, urban agriculture and urban forest. SF Environment is committed to the shared prosperity of all San Franciscans and to that end, creates groundbreaking legislation, educates the public by providing comprehensive and accessible information, and supports local community based organizations.

The Department is seeking a community-based lending institution to administer the Energy Efficiency Small Business Revolving Loan Fund (RLF) pilot program, which will provide short-term microloans to small San Francisco businesses that participate in the SF Energy Watch (SFEW) program. Since 2006, the SFEW has helped over 5,000 commercial customers lower their energy costs by switching to energy efficient equipment, resulting in 107 GWh (107,000,000 kWh) in energy savings and over 18,000 kW of demand reduction. SFEW does this by providing expert, objective technical assistance; access to low-cost, high-efficiency equipment; generous cash rebates; and a network of qualified contractors to cost effectively complete the retrofits. (<http://sfenvironment.org/energywatch>)

The goals and objectives of the RLF Pilot are to:

- Offer a new service (co-pay microloans) to past and new SFEW customers in order to complete more projects.
- Help customers implement projects that improve monthly business cash flow and provide long





terms financial savings.

- Support the City's climate goal of reducing greenhouse gas emissions related to energy use.
- Support Mayor Ed Lee's broad agenda and work plan for "shared prosperity." Mayor Lee has stated, "For San Francisco to reach new levels of environmental achievement, our solutions climate change and environmental sustainability must be accessible and benefit all San Franciscans."

Funds for the RLF are being made available through the San Francisco Carbon Fund and the PG&E Government and Communities Partnerships Strategic Energy Resources (SER) fund.

The SF Carbon Fund is supported by an innovative "carbon fee" the City of San Francisco levies on municipal airline travel, as well voluntary contributions from conferences and conventions seeking to mitigate their event-related greenhouse gas emissions. The SF Carbon Fund is administered by SFE and invests in local projects that mitigate and sequester carbon and enhance the quality of the environment. The Fund has made investments in biodiesel, urban forest and greening projects. (<http://sfenvironment.org/article/community-climate-action/san-francisco-carbon-fund>)

SER is a budget line item unique to PG&E Government and Community Partnerships to fund specific non-resource expansion activities as outlined in PG&E's 2013-2014 Program Implementation Plan filed with the California Public Utilities Commission (CPUC) that help meet California's ambitious energy efficiency strategic plan goals.

### **Notice of Funding Availability**

SF Environment will provide up to \$40,000 of which no less than \$25,000 will be allocated to seed the RLF for this project, with the remainder available to cover other costs associated with the Pilot. SFE is seeking up to two (2) organizations to operate the RLF to meet the following:

- RLF microloans will range from \$100-\$4,999 and must target small businesses that enroll in the SFEW program. It is anticipated that approximately 20-30 businesses will participate in the program in the first pilot year.
- Loans will be re-paid from energy savings resulting from energy retrofits provided through SFEW. Estimated microloan terms will range from 6-18 months, depending on when the projected energy costs savings are estimated to pay off the loan amount. Specific repayment terms will be developed in partnership with SFE as part of the project.
- Eligible RLF administrative expenses under the contemplated arrangement include but are not limited to: program development (final underwriting criteria, administrative fee structure, documentation, etc.); applicant screening; underwriting; loan servicing; recordkeeping and reporting; coordinating with SF Environment and business technical assistance. Initially, RLF administrative expenses will be reimbursed by monies available at the beginning of the project.
- Should the Pilot prove to be successful, ongoing administrative expenses may be reimbursed by other means (e.g. capitalized or one-time fees) with approval by SF Environment.

Loan repayments maintain the RLF to make dollars available to future borrowers and support ongoing administration of the RLF.



As resources become available, additional funds may be added to the RLF. RLF loan amounts and terms may be adjusted accordingly with prior approval by SF Environment.

SFE reserves the option to award single or multiple awards. SFE program staff will collaborate closely with awardee(s) to develop and implement all aspects of the program, and will lead front-end work with small business sites, oversee technical project work, and review and approve projected energy savings estimates for specific projects, and lead all outreach and marketing activities.

## **II. Eligibility and Requirements**

### **A. Eligibility**

1. Applicants must be San Francisco-based or operate a San Francisco office; must be a 501(C)(3) non-profit corporation registered with the Internal Revenue Service; and must be in good standing with the State of California's Registry of Charitable Trusts.
2. Applicants should have experience working with and lending to small businesses, and possess a California Lender's License. If Applicant is a Community Development Financial Institution (CDFI), please note in response.
3. Applicants must demonstrate a history and track record of providing small loans and related lending services to San Francisco's diverse communities, particularly in the small business sector.
4. Applicants must identify how they will address the cultural and linguistic diversity issues of San Francisco's population.
5. Applicants must comply with all applicable local and federal government regulations.
6. Applicants must demonstrate the ability to deliver services through collaborative efforts, particularly with the SFE staff and contractors, and local small businesses.

### **B. Specific RLF Portfolio, Borrower Eligibility, and Administration Requirements**

#### RLF Portfolio:

1. RLF microloans must not exceed \$4,999.
2. Interest rates on RLF microloans should be as close to zero percent as possible; if not possible, rates must be fixed and should not exceed 1% "all-in" rate to borrower.
3. RLF microloan repayment terms are to be fixed monthly payments, and set based on discussions between awardee(s) and SFE.
4. RLF microloans may only be used to provide financing for co-pays for approved energy efficiency retrofits through SFEW.
5. The RLF portfolio default rate should not exceed 15% of the total outstanding microloan capital.

#### RLF Borrower Eligibility:





1. The RLF borrower must operate a business that is located within the boundaries of the City and County of San Francisco.
2. The RLF borrower must be referred to the RLF by the SFEW team.
3. The RLF repayment term in the loan agreement must not exceed the borrower's remaining tenant lease agreement term.

RLF Administration:

1. The RLF administrator is responsible for the full operation of the RLF including but not limited to: applicant intake and processing; underwriting, closing/disbursements, servicing, and overall RLF financial management and reporting.
2. The RLF administrator will work with designated SFE representative(s) to ensure RLF borrowers meet the requirements for participation in the program.
3. The RLF administrator must comply with all relevant regulations and policies.

### III. Evaluation Criteria

SFE will evaluate proposals based on the following factors and criteria:

1. Meet eligibility requirements, as described in Section A. (5 points)
2. The extent to which proposed activities and products meet priorities outlined in the RFP and align with local and national best practices. (20 points)
3. The extent to which the applicant demonstrates experience and success administering a similar type of loan program for small businesses. (15 points)
4. The extent to which strategies and activities exhibit cultural competencies working with small business populations that are racial/ethnic minorities. (25 points)
5. The extent to which the Pilot budget is demonstrated to be reasonable, how the proposal will institute processes and controls to keep loan interest rates near-zero, and how funds are leveraged from other sources and add capacity to existing services. (25 points)
6. The extent to which the applicant's Board of Directors has sufficient management and leadership experience to provide direction to the organization to successfully carry out its programs; and has adequate representation of program beneficiaries. (10 points)

### IV. Additional RLF Administrator Requirements

The use of City funds is subject to numerous local, state, and federal requirements.

- **Accessibility:** Programs and services must be accessible to persons with disabilities.
- **Non-Discrimination:** Agencies must comply with federal and SF Human Rights Commission prohibitions against discrimination in fair housing and equal employment opportunity, and in awarding contracts. Agencies must also comply with the Equal Benefits Ordinance for domestic partners.



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- **Procurement:** Projects must comply with conflict of interest regulations, and regulatory procedures for obtaining and contracting for goods and services.
- **Ineligible Reimbursements:** Funds for activities occurring prior to the commencement date of the grant agreement cannot be reimbursed.
- **Political Activity:** Funds may not be used for political activity.
- **Final RLF borrower eligibility and microloan** underwriting standards must be approved by SFE. Additional documentation, including an annual work plan and an annual budget, must be completed and approved by SFE prior to any funds being committed or spent.
- **Grant Agreement/Contract Requirement** – Before the City can award funding, grantees or their implementation partner must become an approved city vendor and meet Human Rights Commission requirements. This process can be lengthy and should be started as early as possible to avoid delays in awards. Required forms can be downloaded from <http://www.sfgov.org/oca/purchasing/forms.htm>. For more information, contact HRC at 415-252-2500.
- **Proof of Insurance** – Insurance information is not required for the grant application. However, all funded projects will be required to show evidence of insurance. Insurance requirements and sample insurance certification forms can be obtained from [rachel.buerkle@sfgov.org](mailto:rachel.buerkle@sfgov.org) or downloaded at <http://sfgsa.org/Modules/ShowDocument.aspx?documentid=729>.

## **V. Review Process and Schedule**

SFE staff will evaluate all complete and eligible proposals and make award recommendations to the Commission on the Environment for final approval.

Please submit questions about the RFP or completing the application to Shawn Rosenmoss at [shawn.rosenmoss@sfgov.org](mailto:shawn.rosenmoss@sfgov.org).

## **VI. Application Format and Deadline –**

Proposals must be double-sided, 8.5" x11", at least 12-point font, with 1-inch margins and should be no more than 8 pages in length. The page limit includes the narrative, budget and cover sheet. Responses to RFP questions must follow the format as it is presented.

**Electronic submissions are required.** Submit proposals to: [shawn.rosenmoss@sfgov.org](mailto:shawn.rosenmoss@sfgov.org)

**Proposals will NOT be accepted after the submission deadline of  
5:00 PM, Wednesday, April 20, 2016.  
No Exceptions**



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**Applicants are responsible for meeting the submission deadline. Applicants should allow at least 2 hours to submit a full application electronically. There will be no extensions. For submission problems contact 415-355-3746**



## Cover Sheet Attachment A

CONTACT INFORMATION:			
Applicant:			
Contact Person:			
Address:		Zip:	
Phone:		E-Mail:	

ORGANIZATION DETAILS:	
Supervisory District:	Neighborhood:
Total Organization Budget:	\$
RLF Microloan Capital	\$
RLF Admin ( %)	\$
RLF Total	\$

**Templates can be downloaded from <http://www.sfenvironment.org/about/grants>. Incomplete applications will be disqualified.**

CHECKLIST ITEMS	COMPLETED
ATTACHMENT A: COVER SHEET, PROPOSAL NARRATIVE (PDF)	
ATTACHMENT B: BUDGET (PDF)	
ATTACHMENT C: PROOF OF NON-PROFIT STATUS	
ATTACHMENT D: BOARD OF DIRECTORS AND LEAD STAFF RESUMES	

### SIGNATURE:

The signatory declares that: (1) they are authorized to sign on behalf of all entities in the partnership; (2) the proposal accurately outlines the project; (3) funding will be used solely for the purposes outlined in this proposal.

Project Signatory (Print)	Signature	Date
Title	E-mail	Phone



***Proposal Narrative Format*** (eight pages maximum, including cover page, narrative questions and budget)

**1. Background and history:**

This section should provide a description of the applicant's lending philosophy and mission, specific micro-lending experience serving small businesses in San Francisco, including current portfolio size, default rate, and average amount of loan.

**2. Proposed Activities:**

This section should describe the proposed RLF program, including coordinating with SFE and SFEW staff, type of microloan products, underwriting standards/criteria, loan servicing, innovative repayment approaches, and technical assistance. Key information should include:

- Proposed RLF activities, services, and microloan products
- Proposed Administrator's process and system of loan disbursement and repayment
- Additional borrower eligibility criteria and loan underwriting standards
- RLF management standards
- Additional services already provided by Proposed Administrator that are leveraged by the Pilot and which may enhance the long term financial health of small businesses served

**3. Evaluation:**

This section should describe how the RLF will be monitored for financial stability, lending success, and progress toward the proposed objectives and outcomes. Describe how the impact of the proposed RLF on San Francisco small businesses will be evaluated. Include a description of how data is used to tailor and improve services to meet the communities' needs.

**4. Budget**

Please include a budget and describe how the project is cost effective and leverages other resources (Attachment B).

**5. Organization Capacity:**

Describe the applicant's ability to implement the proposed RLF, including the primary staff that will implement the RLF. Provide a list of the organization's Board of Directors, including name, neighborhood, and affiliation/occupation. Provide a one-page resume for each key staff. (Attachment D)

**CITY AND COUNTY OF SAN FRANCISCO  
DEPARTMENT OF THE ENVIRONMENT  
SAN FRANCISCO CARBON FUND REQUEST FOR PROPOSALS**

<b>Grant RFP Issue Date</b>	Thursday, July 30, 2015	
<b>Pre-Application Meeting</b>	Monday, August 17, 2015, 10-11:30 am	1455 Market Street-12 <sup>th</sup> floor You must RSVP to <a href="mailto:shawn.rosenmoss@sfgov.org">shawn.rosenmoss@sfgov.org</a>
<b>Final day for questions (after pre-application meeting, via email only)</b>	Friday, August 28, 2015	<a href="mailto:shawn.rosenmoss@sfgov.org">shawn.rosenmoss@sfgov.org</a>
<b>Questions posted on website</b>	Ongoing until August 28, 2015	<a href="http://sfenvironment.org/about/grants">sfenvironment.org/about/grants</a>
<b>Proposals Due</b>	No later than 5:00 PM, Monday, September 7, 2015	<a href="mailto:shawn.rosenmoss@sfgov.org">shawn.rosenmoss@sfgov.org</a>
<b>Announcement of Awards</b>	Late September, 2015	

**SAN FRANCISCO DEPARTMENT OF THE ENVIRONMENT AND THE SAN FRANCISCO CARBON FUND**

The mission of the San Francisco Department of the Environment (SF Environment) is to improve, enhance, and preserve the environment, and to promote San Francisco's long-term wellbeing by developing innovative, practical and wide-ranging environmental programs in recycling, toxics reduction, environmental justice, energy efficiency, clean transportation, urban agriculture and urban forest. SF Environment is committed to the shared prosperity of all San Franciscans and to that end, creates groundbreaking legislation, educates the public by providing comprehensive and accessible information, and supports local community based organizations.

Since July 2009, the City and County of San Francisco has levied an innovative carbon fee on municipal airline travel. Revenue generated supports the San Francisco Carbon Fund (SF Carbon Fund), which is administered by SF Environment for projects that mitigate carbon emissions. The SF Carbon Fund invests in local projects that mitigate and sequester carbon and enhance the quality of the environment. The SF Carbon Fund has made investments in biodiesel, urban forest and greening projects.

The 2015 grant cycle will focus on mitigating carbon by 1) increasing the number of healthy trees, expanding locally appropriate habitats and decreasing the energy needed to treat the City's wastewater by reducing stormwater runoff from the sidewalks and streets, and 2) using compost to sequester and mitigate carbon emissions. Co-benefits of funded projects will contribute to the shared prosperity of all San Franciscans--supporting health and well-being by reducing urban heat island impacts and flooding risks, expanding the production of locally grown food, increasing the walkability of San Francisco neighborhoods, providing equitable access to green space, and restoring biodiversity.

The 2015 cycle of the SF Carbon Fund has two project categories:

1. **Urban Forest/Greening** Sequester carbon and increase canopy cover in the City through planting trees and/or decreasing energy needed to treat the City's wastewater by introducing and/or improving locally appropriate habitats. ELIGIBLE PROJECT TYPES INCLUDE (BUT NOT LIMITED TO): Street Trees, Alleyway Trees, Urban Orchards, Trees at Schools, Swales, Planted Buffer Strips, Rain Gardens, Constructed Wetland, Habitat Restoration, Edible Gardens or a combination of these.
2. **Compost:** Investigating the science and developing measurement protocols for using compost (alone or as a soil amendment) to sequester and mitigate greenhouse gas emissions.

SF Environment will assess local carbon reductions by estimating ecosystem services including the quantity of carbon sequestered or mitigated and the decrease in energy needed to treat stormwater. The estimated environmental benefit values will not be a determining factor in the funding evaluation process (e.g. the proposals with the largest values will not be given preference).

## CARBON FUND GRANT REQUIREMENTS

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Type 1 projects must be completed in with-in 36 months. Grantees must agree to maintain project vegetation for two years following the end of a 12-month project implementation phase and submit an annual Plant Inventory Report for a total of 3 reports (including an initial report within 3 months of the end of the first year). Plant inventories must list project species and note if a species has failed or is in danger of failing. If plant material dies the applicant agrees to replace it within 3 months of learning of the failure. The date the species is replaced must be indicated in the annual Plant Inventory Report.

Type 2 projects must be completed within 24 months.

### OWNERSHIP OF ENVIRONMENTAL BENEFITS

The SF Carbon Fund Urban Forestry carbon offset methodology is informed by the Climate Action Reserve's Urban Forestry Protocols. SF Environment will have sole ownership of all carbon sequestration benefits directly derived from projects implemented using SF Carbon Funds to account for the possibility of participating in CAR's Urban Forestry program or other carbon markets.

## GRANT PROCEDURES & GUIDELINES

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**Who can Apply** – Only 501(c) 3 nonprofit organizations and schools may apply. Non-profit applicants are required to submit proof of non-profit status before funds will be awarded. For-profit businesses or other city departments may participate as sub-contractors to an eligible organization. Those entities that have existing SF Environment grants will only be considered for funding if current grant-funded projects are on track.

**Grant Types and Sizes** – The SF Carbon Fund will award up to \$225,000. For Type 1 projects the minimum award will be \$15,000 and maximum will be \$100,000. Type 1 grants will be awarded for three (3) years, with the majority of the grant (90%) awarded in the first year and less funding (5% per year) for the following 24 months to cover maintenance and reporting. Project Type 2 grants will be between \$15,000 and \$25,000 and must be completed within 24 months. SF Environment may award full, partial or no funding. If no suitable proposals are submitted or if there are grant funds remaining upon completion of the grant process, SF Environment retains the right to reallocate the grant funds. ***Funding for each year of the grant is subject to satisfactory completion of grant-funded activities.***

**Geographic Focus** – Type 1 projects must be publicly accessible and within the City & County of San Francisco. Sites can be publicly or privately owned. With the exception of school-based projects, all Type 1 projects must be physically accessible to the public. Type 2 project proposals should indicate how the carbon savings or reductions are benefitting San Francisco and supporting its climate goals.

**Grant Agreement/Contract Requirement** – Before the City can award funding, grantees must become an approved city vendor and meet Human Rights Commission requirements. This process can be lengthy and should be started as early as possible to avoid delays in grant awards. Required forms can be downloaded from <http://www.sfgov.org/oca/purchasing/forms.htm>. For more information, contact HRC at 415-252-2500.

**Proof of Insurance** – Insurance information is not required for the grant application. However, all funded projects will be required to show evidence of insurance. Insurance requirements and sample insurance certification forms can be obtained from Rachel Buerkle, SF Environment, at [rachel.buerkle@sfgov.org](mailto:rachel.buerkle@sfgov.org) or downloaded at <http://sfgsa.org/Modules/ShowDocument.aspx?documentid=729>.

**Reimbursement Method** – SF Environment's payment process is cost-reimbursement. Payments will be withheld pending timely submission of deliverables, reports and inventories. SF Environment may consider providing an advance in situations where an applicant can demonstrate a legitimate fiscal need. Expenses accrued before the grant becomes effective or after the grant ends will not be eligible for reimbursement.

**Application Format and Deadline** – Proposal narratives must be double-sided, 8.5" x11", at least 12-point font, with 1-inch margins (tables can use 11-point font and have .5-inch margins). They should be no more than 11 pages in length (5 pages, front and back, plus the cover page). The 11-page limit includes the narrative, work plan, budget and cover sheet. Responses to RFP questions must follow the format as it is presented. The site map, plant list, and agreement letters are not included in the 11-page limit.

**Proposals will NOT be accepted after the submission deadline of  
5:00 PM, Monday, September 7, 2015.  
No Exceptions**

**Electronic submissions are required.** The Plant List should be an Excel document. All other attachments should be in PDF format. All documents should be titled with the attachment designation followed by the applicant name. For example, "Attachment D: Name of Organization". Allow plenty of time to upload documents.

Submit proposals to: [shawn.rosenmoss@sfgov.org](mailto:shawn.rosenmoss@sfgov.org)

**Applicants are responsible for meeting the submission deadline. Applicants should allow at least 2 hours to submit a full application electronically. There will be no extensions. For submission problems contact 415-355-3746**

## **SELECTION PROCESS AND SCORING**

Proposals will be evaluated by a selection committee based on criteria noted in the RFP. After initial review, competitive projects may be asked to submit proof of non-profit status, most recent organizational financial statements, and a project organizational chart.

Past performance for prior SF Environment grants will be taken into account during the selection process.

SF Environment staff may conduct interviews for programs not currently receiving funds from the Department of Environment. Follow up interviews will only be scheduled on submission of a competitive proposal.

**All questions should be emailed to Shawn Rosenmoss at [shawn.rosenmoss@sfgov.org](mailto:shawn.rosenmoss@sfgov.org)**

**In addition to responding to individual questions, all responses will be posted online weekly at [sfenvironment.org/about/grants](http://sfenvironment.org/about/grants)**

**APPLICATIONS THAT DO NOT INCLUDE ALL REQUIRED DOCUMENTS WILL BE  
DISQUALIFIED**



## PROPOSAL

Proposal narratives must use at least 12-point font and 1-inch margins and should be no more than 11 pages in length, including cover sheet, narrative, project work plan and budget. Tables (such as workplans and budgets) that are included in the narrative may use 11-point font and half-inch margins.

### 1. **PROJECT SUMMARY: (5 POINTS)**

Briefly describe the project type, goals and objectives, the accessibility of the site, the amount being requested and outline the major partners and collaborators. *HALF PAGE*.

### 2. **PROJECT DESCRIPTION: (125 TOTAL POINTS FOR TYPE 1 PROJECT; 105 POINTS FOR TYPE 2)**

Provide a comprehensive description of the project, the site, the goals and activities to be undertaken and how these are realistic and measurable using the following guidelines.

#### **GOALS AND OBJECTIVES: (5PTS)**

- Describe the goals and objectives of the project and show how they support SF Carbon Fund goals and Mayor Ed Lee's commitment to shared prosperity for all San Franciscans.

#### **CARBON REDUCTION: (35 PTS)**

- Describe how the project increases the sequestration of carbon in the City and/or reduces carbon emissions. For Type 1 projects, use the Plant List/Ecosystem Service Calculator (Attachment D) to calculate carbon savings and describe how your project will reduce carbon emissions and mitigate stormwater run-off. Ex: "The 200 trees planted for this project will reduce GHG emissions by xx tons and reduce storm water run-off by xx gallons". Additionally, provide qualitative descriptions of the impact of your project such as; improving the quality of stormwater runoff through the implementation of rain gardens, swales, vegetated buffers or wetlands; removing impervious surfaces to reduce stormwater runoff, or reducing impacts from Urban Heat Islands by increasing tree canopy in vulnerable communities.
- For Type 2 projects please describe how you intend to calculate carbon sequestration and mitigation.

#### **NEIGHBORHOOD PROFILE AND CO-BENEFITS: (20 PTS)**

- Describe the project location and surrounding neighborhood and site accessibility and existing conditions. Describe project challenges and opportunities such as (1) lack of access to high quality open space (2) it is in a flood prone area (3) it is in a heat vulnerable community (urban heat island effect) and/or (4) other risks/opportunities that demonstrate the need for the project.
- Describe how the project builds community and/or engages the neighborhood.
- Describe how the project connects residents to the natural environment, creates new opportunities for physical activities and/or improves the walkability of the City.
- As appropriate, describe how the project creates new opportunities for locally grown, affordable food.
- Describe how the project supports other San Francisco environmental goals
- Describe additional community benefits, such as workforce development, job creation, networking opportunities, business district development, climate education, toxic reduction, etc.

#### **SITE MAP: (5 PTS-ATTACHMENT C)**

The map should indicate site boundaries, entry point(s) or visual accessibility. Note the location of the trees and plant material and identify the species or species mix.

#### **PLANT PALETTE AND GREENING: (10 PTS. FOR TYPE 2 PROJECTS, THIS WILL BE NOT BE INCLUDED IN EVALUATION)**

- Describe whether (and how) invasive species will be removed from the site.
- Describe whether (and how) riparian or wetland habitats will be restored.
- As appropriate, describe how the project supports the City's Urban Orchard & Agriculture goals.
- As appropriate, describe how the project supports the City's Urban Forestry Master Plan.

- As appropriate, describe how the project supports the City's Biodiversity Goals.
- Describe how the project restores locally appropriate habitat and supports and sustains vital wildlife.

**PROJECT IMPLEMENTATION: (10 PTS)**

- For Type 1 projects, describe how you will complete the implementation component of the project within 12 months from the start of the grant. For Type 2 projects, describe how you will complete the project within 24 months from the start of the grant.
- Describe how the project uses locally sourced materials, such as native, locally appropriate or harvestable plants sourced from a local nursery.
- If appropriate, describe how the project reuses existing site materials, such as repurposing existing concrete to create permeable pavers or the reuse of fallen trees to build site furniture.
- Describe how the project complies with the City's statutes and ordinances requiring the materials removed from the existing site be composted or recycled.
- Demonstrate that all of the necessary permits have been researched and timelines for securing permits have been assessed. While it is not required that you submit official permits with the proposal, you must submit a letter from the landowner for your project site.

**PROJECT MAINTENANCE & ONGOING STEWARDSHIP: (10 PTS FOR TYPE 1 PROJECTS, THIS WILL BE NOT BE INCLUDED IN TYPE 2 PROJECT EVALUATION )**

- Describe the plan for maintaining the project for 24 months after the initial 12-month implementation phase, including updating the Plant List/Ecosystem Services documentation, partners involved in maintenance, methods for monitoring, caring for and replacing trees and plant material if necessary.
- Detail how maintenance material will be taken care of and complies with local statutes and ordinances.
- Describe how the project follows the City's Integrated Pest Management Ordinance.
- Outline opportunities to minimize greenhouse gas emissions during maintenance, such as use of a renewable fuel for vehicles or maintenance equipment.

**3. QUALIFICATIONS: (15 PTS)**

- Describe the qualifications of your organization, partner organizations and key team members and their ability to achieve the goals of the project.
- Clearly articulate the role of each project partner.
- Describe successful management of similar grants and projects.

**4. BUDGET : (15 PTS)**

- Describe how the project goes beyond the scope of existing City operations and would not be realized without grant funding.
- Describe how the proposed project leverages other resources and funding.
- *For Type 1 projects, funding requested for personnel should not exceed 30% of the overall grant in order to maximize the ongoing impact of the project and ecological services provided. Type 2 proposals can request a greater percentage for personnel given the projects' investigative nature.*

**PERMITS**

While it is not required that you submit official permits with the proposal, you must submit a letter from the landowner of the project site (whether a City Department or private property) indicating commitment to the project. Grant funds cannot be disbursed until official permits are secured. Permit information can be found at:

- Street Trees: DPW/Bureau of Urban Forestry – (415) 641-2676, <http://www.sfdpw.org>
- Sidewalk Landscaping: DPW/Bureau of Urban Forestry – (415) 641-2676, <http://www.sfdpw.org>
- Minor Encroachments (planters, seating, etc): DPW/Bureau of Street Use– 554-5810, [www.sfdpw.org](http://www.sfdpw.org)

**APPLICATIONS THAT DO NOT INCLUDE ALL REQUIRED DOCUMENTS WILL BE  
DISQUALIFIED**

**SF CARBON FUND COVER SHEET**

<b>CONTACT INFORMATION:</b>			
Submitting Applicant:			
Contact Person:			
Address:			Zip:
Phone:		E-Mail:	
<b>PROJECT DETAILS:</b>			
Project Title:			
Project Address or Intersection:			
SF Carbon Fund Project Type:			
<input type="checkbox"/> <b>Urban Forest /Greening</b> <input type="checkbox"/> <b>Compost</b>			
Supervisorial District:		Neighborhood:	
Total Organization Budget:	\$		
Total Project Budget	\$		
Amount requested from SF Carbon Fund	\$		
Total Carbon Savings (from Attachment D)			

*All templates can be downloaded from <http://www.sfenvironment.org/about/grants>. Incomplete applications will be disqualified.*

CHECKLIST ITEMS	COMPLETED
<b>ATTACHMENT A:</b> COVER SHEET, PROPOSAL NARRATIVE, WORKPLAN (PDF)	
<b>ATTACHMENT B:</b> BUDGET (PDF) CAN ALSO BE INCLUDED AS PART OF ATTACHMENT A	
<b>ATTACHMENT C:</b> SITE MAP (PDF)	
<b>ATTACHMENT D:</b> PLANT LISTS & ESTIMATED ECOSYSTEM SERVICES (EXCEL DOCUMENT)	
<b>ATTACHMENT E:</b> AGREEMENT LETTER FOR ONGOING SITE MAINTENANCE (PDF)	
<b>ATTACHMENT F:</b> PARTNERSHIP MEMORANDUM OF UNDERSTANDING (PDF)	

**SIGNATURE:**

The signatory declares that: (1) they are authorized to sign on behalf of all entities in the partnership; (2) the proposal accurately outlines the project; (3) SF Carbon Fund grants will be used solely for the purposes outlined in this proposal.

Project Signatory (Print)	Signature	Date
Title	E-mail	Phone

**ATTACHMENT A: COVER SHEET, NARRATIVE, WORK PLAN:**

Show that the project is well thought-out and includes milestones and deliverables in a feasible timeline. Deliverables are specific: such as the number of participants; number of trees planted; number of workdays held, events posted on the SF Environment website; flyers created and distributed, etc. Program activities or major tasks are those services engaged in and provided to achieve deliverables and goals. Major tasks should include tasks necessary to evaluate the effectiveness of your project. Please specify who will be responsible for each task (Project Manager, Subcontractor, Outreach Worker, etc). Work plans must include reporting, mandatory grantee meetings and project evaluation. Add additional rows and pages to the workplan template as needed. Specify the dollar amount from your budget that will be allocated to the tasks in each quarter and provide a quarterly total.

- **PROJECT TYPE 1 SHOULD INCLUDE IMPLEMENTATION (FIRST 12 MONTHS) AND POST-IMPLEMENTATION MAINTENANCE (24 MONTHS FOLLOWING IMPLEMENTATION):** List all activities (including reporting and securing permits). Post-implementation activities should include maintenance activities and process for completing inventories. Inventories will be used to track the survival or the replacement of project trees and vegetation and should maintain consistent tree and plant material information over each report.

**ATTACHMENT B: BUDGET**

The budget should be reasonable with respect to the project goals and should show how your project leverages other resources (matching funds, in-kind support, donations) For Type 1 projects total personnel costs should not exceed 30% of the total funds sought from the SF Carbon Fund.

**ATTACHMENT C: SITE MAP**

Create a one-page digital or hand drawn 8-1/2" x 11" map that: (1) delineates the boundary of the project site (include the surrounding streets for context), indicates entry point(s) or visually accessible to the public to the site notes the location and the species of trees and/or vegetation zones and the species mix.

**ATTACHMENT D (excel document): PLANT LISTS & ESTIMATED ECOSYSTEM SERVICES**

Comprehensive instructions for completing Attachment D are included on Page 1 of the excel workbook *ATTACHMENT D MUST BE SUBMITTED AS AN EXCEL DOCUMENT. N/A for Project Type 2 proposals.*

**ATTACHMENT E: AGREEMENT LETTER FOR ONGOING SITE MAINTENANCE**

If applicable, attach any agreement that demonstrates ongoing access to the site for 24 months following the 12-month implementation phase of the project.

**ATTACHMENT F: PARTNERSHIP MEMORANDUM OF UNDERSTANDING (MOU)**

Where a partnering, collaborative or subcontracting relationship is proposed, the submission must include an MOU between partnering organization(s), which documents the relationship and delineates tasks for each party.

***All templates can be downloaded from <http://www.sfenvironment.org/about/grants>. Attachments should be labeled with the name of the attachment followed by the organization name. For example: "ATTACHMENT F: Name of Organization". Incomplete applications will be disqualified.***

## **SUPPORTING RESOURCES & REFERENCES FOR PLANNING PURPOSE AND GENERAL REFERENCE**

- TREES & VEGETATION

- SF PUC: Low Water Use & Climate Appropriate List (Trees, Shrubs)
  - SF PUC Stormwater Design Guidelines (Greening Guidelines)
  - SF Street Tree Recommendation List (SF Planning Department)
  - California Native Plant Society, Yerba Buena Chapter (Gardening with Natives)
  - California Invasive Plant Council (Cal-IPC) online inventory of Invasive Plants
  - San Francisco Urban Forest Master Plan
  - San Francisco Sustainability Plan: Biodiversity Chapter / Strategies
  - California Wetlands Tracker
  - Agriculture & Natural Resources, University of California
  - Berkeley Center for Diversified Farming Systems

- STORMWATER

- SF PUC: SF Stormwater Design Guidelines (Greening & Best Management Practices)
  - Stormwater Management Ordinance (No. 83-10)
  - EPA Stormwater Runoff & Impervious Surfaces

- ENERGY

- Energy Aware Planning Guide: Stormwater Reduction
  - Urban Tree Planting and Greenhouse Gas Reductions, Greg McPherson

- HUMAN HEALTH & WELL BEING

- San Francisco General Plan: Recreation & Open Space, Policy 2.1: Map 02
  - EPA: Community Cooling Strategies: Trees and Vegetation
  - 2004 SF Recreation Assessment

- PROJECT IMPLEMENTATION AND MAINTENANCE

- San Francisco's Construction & Demolition Debris Recovery
  - Zero Waste
  - Integrated Pest Management Ordinance

