

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

3 **Ordinance delegating authority under Charter, Section 9.118, to the General Manager of**  
4 **the San Francisco Public Utilities Commission (SFPUC) to enter into grant agreements**  
5 **with terms of 20 years under the SFPUC’s Green Infrastructure Grant Program, subject**  
6 **to certain specified conditions including a July 1, 2020, sunset date.**

7 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.  
8 **Additions to Codes** are in *single-underline italics Times New Roman font*.  
9 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.  
10 **Board amendment additions** are in double-underlined Arial font.  
11 **Board amendment deletions** are in ~~strikethrough Arial font~~.  
12 **Asterisks (\* \* \* \*)** indicate the omission of unchanged Code  
13 subsections or parts of tables.

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

15 Section 1. Background.

16 (a) San Francisco has a combined sewer system that collects and treats both  
17 wastewater and stormwater in the same network of pipes. The San Francisco Public Utilities  
18 Commission (“SFPUC” or “Commission”) has a multi-faceted program to maximize the  
19 detention and retention of stormwater.

20 (b) Green infrastructure uses vegetation, soils, and other elements and practices  
21 that mimic nature to soak up and store stormwater. Green infrastructure is a cost-effective,  
22 resilient approach for managing wet weather impacts that provides many benefits. Green  
23 infrastructure reduces and treats stormwater at its source while delivering environmental,  
24 social, and economic benefits.

25 (c) The SFPUC desires to encourage owners of parcels containing large impervious  
areas – such as concrete parking lots and asphalt covered playgrounds – to install Green

1 infrastructure projects on their parcels that will reduce the amount of stormwater runoff  
2 entering the SFPUC's sewer system, and thereby improve system performance.

3 (d) Towards that end, at a public hearing on November 13, 2018, the Commission, by  
4 its Resolution No. 18-0189, approved the SFPUC Green Infrastructure Grant Program  
5 Guidelines, a copy of which is on file with the Clerk of the Board of Supervisors in File No.  
6 181113. The Resolution authorizes the SFPUC General Manager to award grants to  
7 property owners to construct green infrastructure projects on their parcels such as permeable  
8 pavement, rain gardens/bioretention, impervious surface removal, and vegetated roofs.  
9 Under the Grant Program Guidelines, grantees must meet the following six eligibility criteria:

10 1. Project Size: The proposed project must manage stormwater runoff from  
11 a minimum of 0.5 acres of impervious surface.

12 2. Project Location: The proposed project must be located on a parcel  
13 connected to a SFPUC-owned and operated sewer system service area.

14 3. Performance: The proposed project must capture runoff from the 90th  
15 percentile 24-hour storm, equivalent to 0.75-inch total depth. The 90th percentile 24-hour  
16 storm represents an amount of precipitation that 90% of all rainfall events do not exceed, as  
17 compared to the historical period of record.

18 4. Grant Team Experience: The grant team must include the property  
19 owner, an identified grant or project manager, and a licensed engineer or landscape architect  
20 registered in the State of California. The proposed project team must collectively demonstrate  
21 a history of successful project implementation and have experience designing, constructing,  
22 and/or maintaining green infrastructure.

23 5. Concept Design: The applicant must submit a conceptual design plan  
24 drawing approximately equivalent to a 10% level of design that satisfies specific criteria set  
25 forth in the Grant Program guidelines.

1                   6.       At Least Two Co-Benefit Opportunities: Green infrastructure projects  
2 provide a variety of co-benefit opportunities in addition to reducing the amount of stormwater  
3 runoff that enters the SFPUC sewer system. Projects are required to demonstrate at least  
4 two of the following co-benefits: location within or serving an Environmental Justice Area or  
5 Disadvantaged Community, as designated by the SFPUC; provide public access to the project  
6 site to promote awareness of and education about the importance of stormwater  
7 management; groundwater recharge through infiltration of stormwater in the Westside  
8 Groundwater Basin; non-potable water reuse of retained stormwater for other applications,  
9 such as irrigation; the incorporation of education and/or curriculum opportunities into the  
10 project that explain how green infrastructure assets work and their impact on watersheds and  
11 the SFPUC's sewer system; providing job training opportunities in the green infrastructure  
12 sector; and/or integration of biodiversity and native habitat into the project's design, such as  
13 native pollinator gardens.

14               (e)       Under the Grant Program Guidelines, grantees may receive up to \$765,000 per  
15 impervious acre of property, or fraction thereof, for which stormwater is managed by the green  
16 infrastructure project, for up to a maximum amount of \$2,000,000 per grant.

17               (f)       To receive funding under the Green Infrastructure Grant Program, a grantee  
18 must enter into a Stormwater Management Agreement ("Grant Agreement"), a template of  
19 which is on file with the Clerk of the Board of Supervisors in File No. 181113. SFPUC has  
20 determined that the useful life of the type of green infrastructure projects that are eligible for  
21 funding under the Grant Program is at least 20 years. Ongoing, proper maintenance of green  
22 infrastructure projects is critical for these projects to function properly and benefit the SFPUC  
23 sewer system for the useful life of these assets. Accordingly, the Grant Agreement requires  
24 that the Grantee maintain the green infrastructure project for the 20-year term of the  
25 agreement, authorizes the SFPUC to conduct periodic inspections of the Grantee's

1 construction, operation, and maintenance of the project, and provides the SFPUC with  
2 remedies against the Grantee in the event that the Grantee fails to maintain the project for the  
3 20-year term. The Grant Agreement also requires the Grantee to execute and record against  
4 the property a deed restriction that serves to notify future owners that the 20-year  
5 maintenance obligation runs with the land.

6 (g) In approving the Grant Program, the Commission delegated authority to the  
7 SFPUC General Manager to negotiate, award, and execute Grant Agreements with a term of  
8 20 years and recommended that the Board of Supervisors adopt an ordinance delegating its  
9 authority under Charter Section 9.118 to the SFPUC General Manager to execute the Grant  
10 Agreements for a term in excess of 10 years.

11  
12 Section 2. Delegation of Authority Under Charter Section 9.118 to SFPUC General  
13 Manager.

14 (a) Delegation of Authority. Pursuant to its authority under Charter Section 9.118, the  
15 Board of Supervisors delegates to the SFPUC General Manager authority to enter into Grant  
16 Agreements under the Green Infrastructure Grant Program referenced in Section 1 of this  
17 ordinance, in substantially the same form as on file with the Clerk of the Board of Supervisors  
18 in File No. 181113, for a term in excess of 10 years, so long as (i) the term does not exceed  
19 20 years and (ii) the Commission, at a publicly noticed hearing, approves any such Grant  
20 Agreement. The Board of Supervisors further authorizes the SFPUC General Manager to  
21 enter into any amendments or modifications to the Grant Agreements that do not extend the  
22 terms of the agreements beyond 20 years, and that the SFPUC General Manager determines,  
23 in consultation with the City Attorney, are in the best interest of the City, do not materially  
24 decrease the City's rights or materially increase the obligations or liabilities of the City, are  
25

1 necessary or advisable to effectuate the purposes and intent of the Grant Program, and are in  
2 compliance with all applicable laws, including the City Charter.

3 (b) Reporting Requirement. Starting with the quarter beginning July 1, 2019, SFPUC  
4 shall submit quarterly written reports to the Clerk of the Board of Supervisors summarizing all  
5 Grant Agreements SFPUC has entered into during the prior quarter pursuant to the authority  
6 granted under subsection 2(a) of this ordinance. Each such report shall be submitted no later  
7 than 30 days following the completion of the quarter that is the subject of the report.

8 (c) Sunset Date. The delegation of authority provided for under subsection 2(a) of this  
9 ordinance shall (i) apply only to Grant Agreements, and amendments or modifications of  
10 Grant Agreements, executed before July 1, 2020, and (ii) expire by operation of law on July 1,  
11 2020. The reporting requirements provided for under subsection (2)(b) of this ordinance shall  
12 expire by operation of law upon submission of the quarterly report covering the quarter ending  
13 June 30, 2020.

14  
15 Section 3. Effective Date. This ordinance shall become effective 30 days after  
16 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the  
17 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board  
18 of Supervisors overrides the Mayor’s veto of the ordinance.

19  
20 APPROVED AS TO FORM:  
21 DENNIS J. HERRERA, City Attorney

22 By: \_\_\_\_\_  
23 JONATHAN P. KNAPP  
24 Deputy City Attorney

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