

**REVISED LEGISLATIVE DIGEST**

(1/29/2019, Amended in Board)

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

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

Existing Law

Section 9.118(b) of the Charter requires Board of Supervisors approval for agreements having a term in excess of ten years. From time to time, the Board has, by ordinance, delegated its authority under this Charter provision to approve certain types of agreements.

Amendments to Current Law

In this uncodified ordinance, the Board of Supervisors would delegate to the SFPUC General Manager authority to enter into certain grant agreements with a 20-year term without seeking Board approval. The delegation would apply only to grants awarded in conformance with the requirements of SFPUC's Green Infrastructure Grant Program Guidelines (Grant Program), which the SFPUC approved at a public hearing on November 13, 2018 by Commission Resolution No. 18-0189.

Under the Grant Program, SFPUC may award grants of up to \$2 million each to owners of San Francisco properties with large impervious areas to construct green infrastructure projects on their parcels that use vegetation, soils, and other elements and practices that mimic nature to soak up and store stormwater. Examples of such projects include the installation of permeable pavement, rain gardens/bioretention, impervious surface removal, and vegetated roofs. Under the Grant Program, grants may be awarded only to owners of properties at least 0.5 acres in size and the proposed green infrastructure project must capture runoff from the 90th percentile 24-hour storm, equivalent to 0.75-inch total depth. The 90th percentile 24-hour storm represents an amount of precipitation that 90% of all rainfall events do not exceed, as compared to the historical period of record. Grantees must also satisfy additional eligibility criteria specified in Commission Resolution No. 18-0189. The Grant Agreement requires that the Grantee maintain the green infrastructure project for the 20-year term of the agreement, authorizes the SFPUC to conduct periodic inspections of the Grantee's construction, operation, and maintenance of the project, and provides the SFPUC with remedies against the Grantee in the event that the Grantee fails to maintain the project for the 20-year term.

The ordinance would require the SFPUC, starting on July 1, 2019, to submit quarterly written reports to the Board of Supervisors summarizing all grant agreements entered into pursuant to this ordinance.

The delegation of authority and the reporting requirements provided for under this ordinance would expire on July 1, 2020.

### Background Information

San Francisco has a combined sewer system that collects and treats both wastewater and stormwater in the same network of pipes. The SFPUC desires to encourage owners of parcels containing large impervious areas – such as concrete parking lots and asphalt covered playgrounds – to install green infrastructure projects on their parcels to reduce the amount of stormwater runoff that enters the SFPUC’s sewer system, and thereby improve system performance.

Ongoing, proper maintenance of green infrastructure projects is critical for these projects to function properly and benefit the SFPUC sewer system for the useful life of these assets. The SFPUC has determined that the useful life of the type of green infrastructure projects that are eligible for funding under the Grant Program is at least 20 years.

This digest reflects amendments adopted by the Budget and Finance Committee at its regular meeting on January 10, 2019.

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