FILE NO. 090800

ORDINANCE NO.

| 1      | [Establishing Carbon Mitigation Program.]   |
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| 2      |   |
| 3      | Ordinance amending the San Francisco Administrative Code by adding a new Chapter  |
| 4      | 52 to establish the San Francisco Carbon Mitigation Program administered by the   |
| 5      | Department of the Environment to reduce or offset local greenhouse gas emissions;   |
| 6      | and making environmental findings.  |
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| 8<br>9 | Note: Additions are <u>single-underline italics Times New Roman</u> ;<br>deletions are <del>strikethrough italics Times New Roman</del> .<br>Board amendment additions are double underlined. |
| 10     | Board amendment deletions are strikethrough normal.   |
| 11     | Be it ordained by the People of the City and County of San Francisco:   |
| 12     | Section 1. The San Francisco Administrative Code is hereby amended by adding a  |
| 13     | new Chapter 52, to read as follows:   |
| 14     | CHAPTER 52: SAN FRANCISCO CARBON MITIGATION PROGRAM   |
| 15     | (a) There shall be a San Francisco Carbon Mitigation Program administered by the  |
| 16     | Department of the Environment to address the carbon pollution generated by City operations, and by  |
| 17     | other activities of City officials and employees in the course and scope of their duties. The Program   |
| 18     | shall surcharge specified activities that create carbon pollution and shall redirect and expend the   |
| 19     | resulting funds to sustainable local projects that offset greenhouse gas emissions.   |
| 20     | (b) The Director of the Department of the Environment, or his or her designee, in   |
| 21     | consultation with the Controller, shall implement and administer the San Francisco Carbon Mitigation  |
| 22     | Program. The Director may, from time to time, promulgate appropriate rules, regulations and   |
| 23     | guidelines to implement the Program. In implementing the Program, the Director shall authorize  |
| 24     | Carbon Mitigation Program project expenditures only for public or private initiatives that the Director   |
| 25     |   |

| 1  | finds are sustainable and will reduce or offset greenhouse gas emissions in the San Francisco Bay           |
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| 2  | <u>Area.</u>  |
| 3  | (c) Beginning July 1, 2009, each City department shall offset increased air pollution                       |
| 4  | attributable to airline travel for official City business by paying an amount equal to 13% of the actual    |
| 5  | airline ticket price for all airline travel undertaken by City officials and employees in the course and    |
| 6  | scope of their duties (hereinafter referred to as a " Carbon Impact Payment"). A Carbon Impact              |
| 7  | Payment is required for each airline ticket, whether the City directly purchases the ticket, or the City or |
| 8  | a non-City source reimburses the City department, official or employee for the ticket.                      |
| 9  | (d) The Controller shall accumulate Carbon Impact Payments separate and apart from                          |
| 10 | other City funds. The Controller shall approve the procedures for administering the Carbon Impact           |
| 11 | Payments account and for making deposits thereto and expenditures therefrom. Expenditures from and          |
| 12 | encumbrances on the Carbon Impact Payments account shall be subject to the budget and fiscal                |
| 13 | provisions of the Charter. Any unexpended and unencumbered balance in the Carbon Impact                     |
| 14 | Payments account remaining at the close of any fiscal year shall be deemed to have been provided for a      |
| 15 | specific purpose within the meaning of Section 6.306 of the Charter and shall carry forward and be          |
| 16 | accumulated in the Carbon Impact Payments account in the succeeding fiscal year. The Controller             |
| 17 | shall not be required to credit interest to any Carbon Impact Payments account balance.                     |
| 18 | (e) Carbon Impact Payments may fund necessary and reasonable administrative costs that                      |
| 19 | the Department of the Environment incurs in implementing the San Francisco Carbon Mitigation                |
| 20 | Program, with any remaining balance applied to projects to reduce greenhouse gas emissions in the           |
| 21 | San Francisco Bay Area that comply with the requirements of this Chapter 52. Where permitted by the         |
| 22 | funding source, the Department of the Environment may aggregate Carbon Impact Payments from                 |
| 23 | different departments and any other available monies to fund qualifying projects. Except where              |
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## 1 *otherwise required by law, the Department of the Environment shall supervise and control the*

- 2 <u>expenditures of all funds appropriated from the Carbon Impact Payments account.</u>
- 3 (f) Where laws governing a funding source do not authorize the payment of Carbon Impact
- 4 Payments or prohibit expenditures of Carbon Impact Payments for projects qualifying under this
- 5 *Chapter 52, the department authorizing the travel shall, in lieu of making a Carbon Impact Payment,*
- 6 *use an amount equivalent to the otherwise required Carbon Impact Payment for expenditures that the*
- 7 *department determines, after consultation with the Director of the Environment, or his or her designee,*
- 8 *are sustainable and will reduce greenhouse gas emissions.*
- 9 (g) The Department of the Environment is authorized to apply for, accept, and expend any
- 10 grants, gifts or other funds that the City and County of San Francisco receives to implement projects to
- 11 *reduce greenhouse gas emissions in the San Francisco Bay Area that comply with the requirements of*
- 12 *this Chapter 52. The Controller shall accumulate monies from such grants, gifts or other funds*
- 13 <u>separate and apart from other City funds, except that, where permitted by the funding source, the</u>
- 14 <u>Controller may accumulate such monies with other funds in the Carbon Impact Payments account. Any</u>
- 15 <u>unexpended and unencumbered grants, gifts or other funds not accumulated in the Carbon Impact</u>
- 16 *Payments account that are remaining at the close of any fiscal year shall carry forward for their*
- 17 *intended purposes in the succeeding fiscal year.*
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| 1  | Section 2. Environmental Findings.   |
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| 2  | The Planning Department has determined that the actions contemplated in this                 |
| 3  | Ordinance are in compliance with the California Environmental Quality Act (California Public |
| 4  | Resources Code sections 21000 et seq.). Said determination is on file with the Clerk of the  |
| 5  | Board of Supervisors in File No and is incorporated herein by reference.                     |
| 6  |  |
| 7  | APPROVED AS TO FORM:   |
| 8  | DENNIS J. HERRERA, City Attorney   |
| 9  | By:<br>Catharine Barnes  |
| 10 | Deputy City Attorney   |
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