

File No. 200835

Committee Item No. 6

Board Item No. 11

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget & Appropriations Committee Date August 13, 2020

Board of Supervisors Meeting Date September 29, 2020

Cmte Board

- Motion
- Resolution
- Ordinance
- Legislative Digest
- Budget and Legislative Analyst Report
- Youth Commission Report
- Introduction Form
- Department/Agency Cover Letter and/or Report
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- Grant Information Form
- Grant Budget
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- Application
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OTHER (Use back side if additional space is needed)

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Completed by: Linda Wong Date August 7, 2020

Completed by: Linda Wong Date September 8, 2020

1 [Appropriation - Proceeds from CleanPowerSF Revenue - CleanPowerSF Capital
2 Improvements - \$4,331,326 - FY2020-2021 and FY2021-2022]

3 **Ordinance appropriating \$4,331,326 CleanPowerSF revenue for the CleanPowerSF**
4 **Capital Improvement Program for FY2020-2021 at \$1,898,497 and for FY2021-2022 at**
5 **\$2,432,829.**

6
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. The sources of funding outlined below are herein appropriated to reflect the
16 funding available for Fiscal Year 2020-2021.
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1 **SOURCES Appropriation**

| 2 | Fund / | Project & Activity / | Account | Description | Amount |
|----|------------------------------------|----------------------|--------------------|--------------|--------------------|
| 3 | Department ID | Authority | | | |
| 4 | 24761 | 10036187-0001 | 495045 | ITI from | \$1,898,497 |
| 5 | CleanPowerSF Cap | CleanPowerSF | ITI Fr 5Q- | CleanPowerSF | |
| 6 | Revenue Fund / | Capital Budget / | Cleanpowersf Funds | Funds | |
| 7 | 198644 HHP | 21297 | | | |
| 8 | CleanPowerSF | CleanPowerSF | | | |
| 9 | | Capital | | | |
| 10 | Total SOURCES Appropriation | | | | \$1,898,497 |

11
 12 Section 2. The uses of funding outlined below are herein appropriated in Accounts
 13 584030 (Capital Renewal Project), 581130 (CON-Internal Audits), and reflects the projected
 14 uses of funding to support the CleanPowerSF Capital Improvement Program at the San
 15 Francisco Public Utilities Commission for Fiscal Year 2020-2021.

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 17 **USES Appropriation**

| 18 | Fund / | Project & Activity / | Account | Description | Amount |
|----|------------------|----------------------|-----------------|-----------------|-----------|
| 19 | Department ID | Authority | | | |
| 20 | 24761 | 10036106-0001 | 584030 | Local Renewable | \$437,500 |
| 21 | CleanPowerSF Cap | Local Renewable | Capital Renewal | Energy Program | |
| 22 | Revenue Fund / | Energy Program / | Projects | | |
| 23 | 198644 HHP | 21297 | | | |
| 24 | CleanPowerSF | Local Renewable | | | |
| 25 | | Energy Program | | | |

| 1 | Fund / | Project & Activity / | Account | Description | Amount |
|----|---------------------------------|----------------------|-----------------|--------------------|--------------------|
| 2 | Department ID | Authority | | | |
| 3 | | | | | |
| 4 | 24761 | 10036107-0001 | 584030 | CleanPowerSF | \$1,457,200 |
| 5 | CleanPowerSF Cap | CleanPowerSF | Capital Renewal | Customer Program | |
| 6 | Revenue Fund / | Customer Program / | Projects | | |
| 7 | 198644 HHP | 21297 | | | |
| 8 | CleanPowerSF | CleanPowerSF | | | |
| 9 | | Customer Program | | | |
| 10 | | | | | |
| 11 | 24761 | 10036187-0001 | 581130 | CSA 0.2% | \$3,797 |
| 12 | CleanPowerSF Cap | CleanPowerSF | GF-CON-Internal | Controller's Audit | |
| 13 | Revenue Fund / | Capital Budget / | Audits | Fund | |
| 14 | 198644 HHP | 21297 | | | |
| 15 | CleanPowerSF | CleanPowerSF | | | |
| 16 | | Capital | | | |
| 17 | Total USES Appropriation | | | | \$1,898,497 |

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Section 3. Of the above appropriated amount, \$3,797, representing 0.2% of the expenditure budget net of audit costs, shall be allocated to support the Controller's Audit Fund, pursuant to Charter Appendix F1.113. These appropriations may be increased or decreased by the Controller based on changes to expenditure appropriations to conform to the applicable Charter formula.

1 Section 4. The Controller is authorized to record transfers between funds and adjust the
 2 accounting treatment of sources and uses appropriated in this ordinance as necessary to
 3 conform to Generally Accepted Accounting Principles and other laws.

4
 5 Section 5. The sources of funding outlined below are herein appropriated to reflect the
 6 funding available for Fiscal Year 2021-2022.

7
 8 **SOURCES Appropriation**

| Fund / Department ID | Project & Activity / Authority | Account | Description | Amount |
|------------------------------------|-----------------------------------|--------------------|--------------|--------------------|
| 24761 | 10036187-0001 | 495045 | ITI from | \$2,432,829 |
| CleanPowerSF Cap | CleanPowerSF | ITI Fr 5Q- | CleanPowerSF | |
| Revenue Fund / | Capital Budget / | Cleanpowersf Funds | Funds | |
| 198644 HHP | 21297 | | | |
| CleanPowerSF | CleanPowerSF | | | |
| | Capital | | | |
| Total SOURCES Appropriation | | | | \$2,432,829 |

18
 19 Section 6. The uses of funding outlined below are herein appropriated in Accounts
 20 584030 (Capital Renewal Project), 581130 (CON-Internal Audits), and reflect the projected
 21 uses of funding to support the CleanPowerSF Capital Improvement Program at the San
 22 Francisco Public Utilities Commission for Fiscal Year 2021-2022.

1 **USES Appropriation**

| 2 | Fund / | Project & Activity / | Account | Description | Amount |
|----|---------------------------------|----------------------|-----------------|--------------------|--------------------|
| 3 | Department ID | Authority | | | |
| 4 | 24761 | 10036106-0001 | 584030 | Local Renewable | \$508,500 |
| 5 | CleanPowerSF Cap | Local Renewable | Capital Renewal | Energy Program | |
| 6 | Revenue Fund / | Energy Program / | Projects | | |
| 7 | 198644 HHP | 21297 | | | |
| 8 | CleanPowerSF | Local Renewable | | | |
| 9 | | Energy Program | | | |
| 10 | | | | | |
| 11 | 24761 | 10036107-0001 | 584030 | CleanPowerSF | \$1,919,463 |
| 12 | CleanPowerSF Cap | CleanPowerSF | Capital Renewal | Customer Program | |
| 13 | Revenue Fund / | Customer Program / | Projects | | |
| 14 | 198644 HHP | 21297 | | | |
| 15 | CleanPowerSF | CleanPowerSF | | | |
| 16 | | Customer Program | | | |
| 17 | | | | | |
| 18 | 24761 | 10036187-0001 | 581130 | CSA 0.2% | \$4,866 |
| 19 | CleanPowerSF Cap | CleanPowerSF | GF-CON-Internal | Controller's Audit | |
| 20 | Revenue Fund / | Capital Budget / | Audits | Fund | |
| 21 | 198644 HHP | 21297 | | | |
| 22 | CleanPowerSF | CleanPowerSF | | | |
| 23 | | Capital | | | |
| 24 | Total USES Appropriation | | | | \$2,432,829 |
| 25 | | | | | |

1 Section 7. Of the above appropriated amount, \$4,866, representing 0.2% of the
2 expenditure budget net of audit costs, is to be allocated to support the Controller's Audit Fund,
3 pursuant to Charter Appendix F1.113. These appropriations may be increased or decreased by
4 the Controller based on changes to expenditure appropriations to conform to the applicable
5 Charter formula.

6
7 Section 8. The Controller is authorized to record transfers between funds and adjust the
8 accounting treatment of sources and uses appropriated in this ordinance as necessary to
9 conform to Generally Accepted Accounting Principles and other laws.

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

FUNDS AVAILABLE
BEN ROSENFELD, Controller

By: /s/ _____
JON GIVNER
Deputy City Attorney

By: /s/ _____
BEN ROSENFELD
Controller

| | |
|--|---|
| <p>Item 4 File 20-0835</p> | <p>Department: Public Utilities Commission</p> |
| <p>EXECUTIVE SUMMARY</p> | |
| <p style="text-align: center;">Legislative Objectives</p> <ul style="list-style-type: none"> • The proposed ordinance would appropriate \$4,331,326 of CleanPowerSF’s revenues for two capital programs: the Local Renewable Energy Program and the Customer Program. <p style="text-align: center;">Key Points</p> <ul style="list-style-type: none"> • The Local Renewable Energy Program funds the development of new solar energy generation and storage facilities, which will help CleanPowerSF’s meet its renewable energy mix targets. • CleanPowerSF’s Customer Program funds incentive programs for residents and businesses to investment in clean energy, such as solar power installations, electric vehicles, and solar water heating. • According to the San Francisco Public Utilities Commission’s (SFPUC) 10-Year Financial Plan, CleanPowerSF does not expect to rely on debt to fund its Capital Improvement Program between FY 2020-21 and FY 2029-30. To pay for operations and capital investments, CleanPowerSF expects to increase rates 3 percent annually. <p style="text-align: center;">Fiscal Impact</p> <ul style="list-style-type: none"> • The Local Renewable Energy Program would receive \$946,000 and the Customer Program would receive \$3.4 million in FY 2020-21 & FY 2021-22. As required by the Charter, the Controller’s Office would receive \$8,663 for its audit program. These programs will be paid for by CleanPowerSF’s power sales to customers. <p style="text-align: center;">Recommendation</p> <ul style="list-style-type: none"> • Approve the proposed ordinance | |

MANDATE STATEMENT

Charter Section 9.105 states that the Board of Supervisors shall approve by ordinance all amendments to the Annual Appropriation Ordinance after the Controller certifies the availability of funds.

Charter Section F1.113 states that 0.2 percent of the City's budget, excluding bond debt, must be set-aside for the Controller's audit fund.

BACKGROUND

State law allows local governments to form Community Choice Aggregators (CCA) which are government owned retail electricity providers that purchase electricity for their customers and rely on investor owned utility distribution infrastructure. The SFPUC's CleanPowerSF enterprise is a CCA that provides electricity to residents and businesses in San Francisco and relies on PG&E distribution infrastructure to connect to its customers.

DETAILS OF PROPOSED LEGISLATION

The proposed ordinance would appropriate \$4,331,326 of CleanPowerSF's revenues for the Local Renewable Energy Program and the Customer Program, described below.

CleanPowerSF Capital Plan

According to the San Francisco Public Utilities Commission's (SFPUC) 10-Year Financial Plan, the CleanPowerSF Capital Improvement Program for FY 2020-21 through FY 2029-30 is \$75.8 million, all of which is funded by power revenues. CleanPowerSF does not expect to rely on debt to fund its Capital Improvement Program between FY 2020-21 and FY 2029-30. To pay for operations and capital investments, CleanPowerSF expects to increase rates 3 percent annually.

Local Renewable Energy Program

This program funds the development of new solar energy generation and storage facilities, which will help CleanPowerSF's meet its renewable energy mix targets. Funding in FY 2020-21 and FY 2021-22 would go towards planning and design. The facilities will be initially operated by third-parties but may be purchased by the CleanPowerSF in later years.

Customer Program

This program funds the development and implementation of programs that incentivize customers to invest in clean energy technology and decarbonization tools. Incentives are available for residences investing in solar power installations, electrical vehicles and solar water heating. Both residents and business can receive incentives from installing new, clean and efficient equipment for generating and storing energy.

FISCAL IMPACT

Table 1 below shows the sources and uses of the proposed appropriation in FY 2020-21 and FY 2021-22.

Table 1: Sources and Uses of Proposed Appropriation

| | FY 2020-21 | FY 2021-22 | Total |
|--------------------------------|-------------------|-------------------|------------------|
| Sources | | | |
| Capital Revenue | 1,898,497 | 2,432,829 | 4,331,326 |
| Total Sources | 1,898,497 | 2,432,829 | 4,331,326 |
| Uses | | | |
| Local Renewable Energy Program | 437,500 | 508,500 | 946,000 |
| Customer Program | 1,457,200 | 1,919,463 | 3,376,663 |
| Controller's Audit Fund | 3,797 | 4,866 | 8,663 |
| Total Uses | 1,898,497 | 2,432,829 | 4,331,326 |

Source: File 20-0835

As shown above, the Local Renewable Energy Program would receive \$946,000 and the Customer Program would receive \$3.4 million in FY 2020-21 & FY 2021-22. As required by the Charter, the Controller's Office would receive \$8,663 for its audit program. These programs will be paid for by CleanPowerSF's power sales to customers.

RECOMMENDATION

Approve the proposed ordinance.



TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: Sophia Kittler
RE: Appropriation -Proceeds from CleanPowerSF Revenue - \$4,331,326 for
CleanPowerSF Capital Improvements, FY2020-2021 and FY2021-2022
DATE: July 31, 2020

Ordinance appropriating a total of \$4,331,326 CleanPowerSF revenue, for the CleanPowerSF Capital Improvement Program for FY2020-2021 at \$1,898,497 and for FY2021-2022 at \$2,432,829.

Should you have any questions, please contact Sophia Kittler at 415-554-6153.



To: Angela Calvillo, Clerk of the Board of Supervisors
From: Ashley Groffenberger, Acting Mayor's Budget Director
Date: July 31, 2020
Re: Mayor's FY 2020-21 and FY 2021-22 Budget Submission

Madam Clerk,

In accordance with the Seventh Supplement to the Mayoral Proclamation Declaring the Existence of a Local Emergency dated February 25, 2020, the Mayor's Office hereby submits the Mayor's proposed budget by August 1, corresponding legislation, and related materials for Fiscal Year 2020-21 and Fiscal Year 2021-22.

In addition to the Mayor's Proposed FY 2020-21 and FY 2021-22 Budget Book, the following items are included in the Mayor's submission:

- The Annual Appropriation Ordinance and Annual Salary Ordinance, along with Administrative Provisions, physical copies of which will be delivered by the Controller's Office
- The proposed budget for the Office of Community Investment and Infrastructure for FY 2020-21
- 21 separate pieces of trailing legislation (see list attached)
- A Transfer of Function letter detailing the transfer of positions from one City department to another
- A letter addressing funding levels for nonprofit corporations or public entities for the coming two fiscal years

Please note the following:

- There are no Interim Exceptions proposed.
- Technical adjustments to the budget are being prepared, but are not submitted with this set of materials.

If you have any questions, please contact my office.

Sincerely,

Ashley Groffenberger
Acting Mayor's Budget Director

cc: Members of the Board of Supervisors
Budget and Legislative Analyst
Controller

| Department | Item | Relevance to Budget | Type |
|-------------------|---|--|-------------|
| HOM | Homelessness and Supportive Housing Fund Expenditure Plan for 2020-21 and 2021-22 | Expenditure plan included in budget. | Resolution |
| CON | Neighborhood Beautification Fund | Neighborhood Beautification Fund contribution levels assumed in budget. | Ordinance |
| CON | Access Line Tax CPI increase | Sets Access Line Tax. Revenues assumed in budget. | Resolution |
| CON | Prop J Certification - previously approved | Costs related to Prop J services assumed in budget. | Resolution |
| CON | Prop J Certification - new | Costs related to Prop J services assumed in budget. | Resolution |
| PUC | Hetch Hetchy Capital Budget | Appropriates funds to support PUC Hetch Hetchy capital budget expenditures. | Ordinance |
| PUC | CleanPowerSF Capital Budget | Appropriates funds to support PUC CleanPowerSF capital budget expenditures. | Ordinance |
| PUC | Wastewater Capital Budget | Appropriates funds to support PUC Wastewater Enterprise capital budget expenditures. | Ordinance |
| PUC | Water Capital Budget | Appropriates funds to support PUC Water Enterprise capital budget expenditures. | Ordinance |
| PUC | Power Debt Authorization | Authorizes debt issuance for Hetch Hetchy and CleanPowerSF capital projects. | Ordinance |
| PUC | Wastewater Debt Authorization | Authorizes debt issuance for Wastewater Enterprise capital projects. | Ordinance |
| PUC | Water Debt Authorization | Authorizes debt issuance for Water Enterprise capital projects. | Ordinance |
| LIB | In-Kind Grant of Friends of San Francisco Public Library | Grant assumed in budget. | Resolution |
| ADM | Medical Examiner Fees | Fee revenue assumed in budget. | Ordinance |
| ADM | Permit Center Fees | Fee revenue assumed in budget. | Ordinance |
| ADM | COP Refunding Authorization | Debt savings assumed in budget. | Ordinance |
| ADM | COP Refunding Appropriation | Appropriates and de-appropriates COP savings. | Ordinance |
| ADM | County Clerk Fee | Fee revenue assumed in budget. | Resolution |
| DPH | DPH Patient Rates | Fee revenue assumed in budget. | Ordinance |
| MOHCD | ESG Cares 2 | Grant assumed in budget. | Resolution |
| CON | BSIF Reserve Use | Use of reserve assumed in budget. | Resolution |