Ordinance amending the San Francisco Administrative Code by adding a new Chapter 52 to establish the San Francisco Carbon Mitigation Program administered by the Department of the Environment to reduce or offset local greenhouse gas emissions; and making environmental findings.

Note: Additions are single-underline italics Times New Roman; deletions are strikethrough italics Times New Roman. Board amendment additions are double underlined. Board amendment deletions are strikethrough normal.

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

Section 1. The San Francisco Administrative Code is hereby amended by adding a new Chapter 52, to read as follows:

**CHAPTER 52: SAN FRANCISCO CARBON MITIGATION PROGRAM**

(a) There shall be a San Francisco Carbon Mitigation Program administered by the Department of the Environment to address the carbon pollution generated by City operations, and by other activities of City officials and employees in the course and scope of their duties. The Program shall surcharge specified activities that create carbon pollution and shall redirect and expend the resulting funds to sustainable local projects that offset greenhouse gas emissions.

(b) The Director of the Department of the Environment, or his or her designee, in consultation with the Controller, shall implement and administer the San Francisco Carbon Mitigation Program. The Director may, from time to time, promulgate appropriate rules, regulations and guidelines to implement the Program. In implementing the Program, the Director shall authorize Carbon Mitigation Program project expenditures only for public or private initiatives that the Director
finds are sustainable and will reduce or offset greenhouse gas emissions in the San Francisco Bay Area.

(c) Beginning July 1, 2009, each City department shall offset increased air pollution attributable to airline travel for official City business by paying an amount equal to 13% of the actual airline ticket price for all airline travel undertaken by City officials and employees in the course and scope of their duties (hereinafter referred to as a "Carbon Impact Payment"). A Carbon Impact Payment is required for each airline ticket, whether the City directly purchases the ticket, or the City or a non-City source reimburses the City department, official or employee for the ticket.

(d) The Controller shall accumulate Carbon Impact Payments separate and apart from other City funds. The Controller shall approve the procedures for administering the Carbon Impact Payments account and for making deposits thereto and expenditures therefrom. Expenditures from and encumbrances on the Carbon Impact Payments account shall be subject to the budget and fiscal provisions of the Charter. Any unexpended and unencumbered balance in the Carbon Impact Payments account remaining at the close of any fiscal year shall be deemed to have been provided for a specific purpose within the meaning of Section 6.306 of the Charter and shall carry forward and be accumulated in the Carbon Impact Payments account in the succeeding fiscal year. The Controller shall not be required to credit interest to any Carbon Impact Payments account balance.

(e) Carbon Impact Payments may fund necessary and reasonable administrative costs that the Department of the Environment incurs in implementing the San Francisco Carbon Mitigation Program, with any remaining balance applied to projects to reduce greenhouse gas emissions in the San Francisco Bay Area that comply with the requirements of this Chapter 52. Where permitted by the funding source, the Department of the Environment may aggregate Carbon Impact Payments from different departments and any other available monies to fund qualifying projects. Except where
otherwise required by law, the Department of the Environment shall supervise and control the expenditures of all funds appropriated from the Carbon Impact Payments account.

(f) Where laws governing a funding source do not authorize the payment of Carbon Impact Payments or prohibit expenditures of Carbon Impact Payments for projects qualifying under this Chapter 52, the department authorizing the travel shall, in lieu of making a Carbon Impact Payment, use an amount equivalent to the otherwise required Carbon Impact Payment for expenditures that the department determines, after consultation with the Director of the Environment, or his or her designee, are sustainable and will reduce greenhouse gas emissions.

(g) The Department of the Environment is authorized to apply for, accept, and expend any grants, gifts or other funds that the City and County of San Francisco receives to implement projects to reduce greenhouse gas emissions in the San Francisco Bay Area that comply with the requirements of this Chapter 52. The Controller shall accumulate monies from such grants, gifts or other funds separate and apart from other City funds, except that, where permitted by the funding source, the Controller may accumulate such monies with other funds in the Carbon Impact Payments account. Any unexpended and unencumbered grants, gifts or other funds not accumulated in the Carbon Impact Payments account that are remaining at the close of any fiscal year shall carry forward for their intended purposes in the succeeding fiscal year.
Section 2. Environmental Findings.

The Planning Department has determined that the actions contemplated in this Ordinance are in compliance with the California Environmental Quality Act (California Public Resources Code sections 21000 et seq.). Said determination is on file with the Clerk of the Board of Supervisors in File No. 090800 and is incorporated herein by reference.

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

By: [Signature]
Catharine Barnes
Deputy City Attorney
Ordinance amending the San Francisco Administrative Code by adding a new Chapter 52 to establish the San Francisco Carbon Mitigation Program administered by the Department of the Environment to reduce or offset local greenhouse gas emissions; and making environmental findings.

July 7, 2009  Board of Supervisors — PASSED ON FIRST READING
Ayes: 9 - Alioto-Pier, Avalos, Campos, Chiu, Daly, Dufty, Mar, Maxwell, Mirkarimi
Noes: 2 - Chu, Elsbernd

July 14, 2009  Board of Supervisors — FINALLY PASSED
Ayes: 9 - Alioto-Pier, Avalos, Campos, Chiu, Daly, Dufty, Mar, Maxwell, Mirkarimi
Noes: 2 - Chu, Elsbernd
I hereby certify that the foregoing Ordinance was FINALLY PASSED on July 14, 2009 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

7/21/2009
Date Approved

Mayor Gavin Newsom