[Accept and Expend Grant - Environmental Protection Agency - Clean Ports Program -

\$55,386,000]

December 31, 2028.

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Resolution authorizing the Port of San Francisco, contingent on Port Commission approval, to accept and expend a grant award in the amount of \$55,386,000 from the United States Environmental Protection Agency (EPA), to fund the San Francisco Waterfront Emissions-Free Ferry System for the period of January 1, 2025, through

WHEREAS, The Port manages the San Francisco waterfront within its jurisdictional boundaries as the gateway to a world class city, and advances environmentally and financially sustainable maritime, recreational and economic opportunities to serve the City, Bay Area, California, and nation; and

WHEREAS, The Port of San Francisco is an economic engine welcoming millions of people to its jurisdiction each year while supporting operations that provide sustainable jobs for people in the community; and

WHEREAS, On August 16, 2022, President Biden signed the Inflation Reduction Act into law, marking one of the largest investments in the American economy, energy security, and climate that Congress has made in the nation's history; and

WHEREAS, The Inflation Reduction Act of 2022 provides EPA with \$3 billion to fund zero-emission port equipment and infrastructure as well as climate and air quality planning at U.S. ports; and

WHEREAS, On February 28, 2024, the EPA announced the availability of \$3 billion in grant funding through the Clean Ports Program to help ports transition to zero-emissions operations, reduce diesel pollution, engage with the local community, create a safer

workplace for our maritime workforce, and to develop a plan to mitigate air emissions while promoting equity and environmental justice; and

WHEREAS, On May 24, 2024, the Port of San Francisco and San Francisco Bay Ferry submitted a \$55.4 million grant application to fund the San Francisco Waterfront Emissions-Free Ferry System; and

WHEREAS, The EPA Clean Ports Program grant requires a 10% match, but the Port of San Francisco proposed a 22% match totaling \$15.5 million to improve the competitiveness of its application; and

WHEREAS, The San Francisco Public Utilities Commission has committed \$13.6 million in bond proceeds to support installation of critical electrification infrastructure to the Downtown Ferry Terminal, subject to future bond issuances and appropriations, to support the required match; and

WHEREAS, The San Francisco Bay Ferry has committed \$1.9 million in grant passthrough funding, including \$0.9 million Regional Measure 3 and \$1.0 million Transit and Intercity Rail Capital Program funding to support the required match; and

WHEREAS, On October 16, 2024, the EPA announced the Port of San Francisco was selected to receive an EPA award for the full funding request of \$55.4 to fund the San Francisco Waterfront Emissions-Free System Project; and

WHEREAS, The San Francisco Waterfront Emissions-Free Ferry System Project will fund four unique components including construction of the Mission Bay Ferry Landing, electrification infrastructure at the Downtown San Francisco Ferry Terminal, a zero-emission 400-passenger fast ferry, and a maritime workforce development program; and

WHEREAS, This funding will build out a zero-emission network that connects the communities served by SF Bay Ferry, including Oakland, Richmond, Vallejo and Alameda with financial and biotech employment centers; and

WHEREAS, These projects under SF Bay Ferry's Rapid Electric Emission-Free (REEF) Ferry Program will accelerate a new standard for clean ferries nationwide and serve as a training platform for the Bay Area's maritime workforce development program; and

WHEREAS, The grant also includes funding to support a maritime workforce development program operated by the Working Waterfront Coalition that will train more than 200 apprentices aimed at establishing a skilled workforce pipeline to address the shortage of maritime professionals crucial for the operation and expansion of comprehensive regional ferry service; and

WHEREAS, The EPA grant provides crucial funding that leverages more than \$115 million from other local, state, and federal sources, including Regional Measure 3, CalSTA Transit and Intercity Rail Capital Program, FTA Rapid Electric Emission-Free Ferry funding, City and County of San Francisco Capital Funds, San Francisco Sales Tax, and private funding; and

WHEREAS, This grant does not create any new positions and will not require an amendment to the Annual Salary Ordinance; and

WHEREAS, Indirect costs were not included in the grant to improve the competitiveness of the grant application; and

WHEREAS, Administrative Code, Section 2.6-3, requires the Budget Analyst to review legislation and report on matters that are deemed to have fiscal impact and the Budget and Legislative Analyst determined this matter has fiscal impact and requires a fiscal impact report be submitted prior to the legislation being heard in a fiscal committee; now, therefore, be it

RESOLVED, Due to the lack of a fiscal impact report, as required by Administrative Code, Section 2.6-3, the funds accepted for this grant shall be placed into the Board of Supervisors' reserve until released; and, be it

FURTHER RESOLVED, That the Board of Supervisors hereby authorizes the Port of San Francisco to accept \$55,386,000 from the United State Environmental Protection Agency Clean Ports Program, to fund the San Francisco Waterfront Emissions-Free Ferry System Project; and, be it

FURTHER RESOLVED, Once the fiscal impact requirements of Administrative Code, Section 2.6-3 have been resolved, the Board of Supervisors delegates their authority to release these funds to the Budget and Finance Committee and the Clerk of the Board is directed to schedule a hearing at the Budget and Finance Committee to duly review the complete file and consider the release of the funds to the Port; and, be it

FURTHER RESOLVED, That the Port shall be hereby authorized to expend the grant award of \$55,386,000 upon the release of funds from the Board of Supervisors' Reserve; and, be it

FURTHER RESOLVED, That the Port, subject to the Board of Supervisors' approval, authorizes the Executive Director or her designee to execute for and on behalf of the City and County, any documents necessary to enter into the grant agreement with the United States Environmental Protection Agency, including any extensions, augmentations, or amendments, thereof; and, be it

FURTHER RESOLVED, That within thirty (30) days of the Grant Agreement being fully executed by all parties, the Port Executive Director shall provide the final agreement to the Clerk of the Board of Supervisors for inclusion into the official file.

1	Recommended:	Approved: _	/s/
2			Benjamin McCloskey,
3			Interim Mayor's Budget Director
4	ls/		
5	Elaine Forbes	Approved: _	/s/Jocelyn Quintos for Greg Wagner
6	Executive Director		Greg Wagner, Controller
7	Port of San Francisco		
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City and County of San Francisco **Tails**

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

Resolution

File Number:

241217

Date Passed: January 14, 2025

Resolution authorizing the Port of San Francisco, contingent on Port Commission approval, to accept and expend a grant award in the amount of \$55,386,000 from the United States Environmental Protection Agency (EPA), to fund the San Francisco Waterfront Emissions-Free Ferry System for the period of January 1, 2025, through December 31, 2028.

January 14, 2025 Board of Supervisors - AMENDED, AN AMENDMENT OF THE WHOLE **BEARING NEW TITLE**

> Ayes: 11 - Chan, Chen, Dorsey, Engardio, Fielder, Mahmood, Mandelman, Melgar, Sauter, Sherrill and Walton

January 14, 2025 Board of Supervisors - ADOPTED AS AMENDED

Ayes: 11 - Chan, Chen, Dorsey, Engardio, Fielder, Mahmood, Mandelman, Melgar, Sauter, Sherrill and Walton

File No. 241217

I hereby certify that the foregoing Resolution was ADOPTED AS AMENDED on 1/14/2025 by the Board of Supervisors of the City and County of San Francisco.

> Angela Calvillo Clerk of the Board

Daniel Lurie Mayor

Date Approved

1.16.2025