

1 [Issuance of New Clean Renewable Energy Bonds – Not to Exceed \$6,600,000]

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3 **Resolution approving the issuance of not to exceed \$6,600,000 aggregate principal**
4 **amount of New Clean Renewable Energy Bonds to be issued by the Public Utilities**
5 **Commission of the City and County of San Francisco, acting on behalf of the City and**
6 **County of San Francisco (Commission); approving the execution and delivery by the**
7 **Commission of an Equipment Lease/Purchase Agreement, an Acquisition Fund and**
8 **Account Control Agreement, a Direct Purchase Agreement, and a Filing Agent**
9 **Agreement; and authorizing the taking of appropriate actions in connection therewith;**
10 **and related matters.**

11
12 WHEREAS, Pursuant to Section 9.107(8) of the Charter of the City and County of San
13 Francisco (City), the Board of Supervisors of the City (Board) is authorized to provide for the
14 issuance of revenue bonds by the Commission for the acquisition, construction, installation,
15 equipping, improvement or rehabilitation of equipment or facilities for renewable energy and
16 energy conservation; and

17 WHEREAS, The Commission has applied for and received an allocation of \$6,600,000
18 (Allocation) from the Internal Revenue Service under the New Clean Renewable Energy Bond
19 (NCREBs) program of the United States federal government; and

20 WHEREAS, NCREBs are tax credit bonds that allow a qualified issuer to receive a
21 reimbursement from the United States government, equal to the lesser of the interest payable
22 on such bonds or 70% of the tax credit rate applicable to such bonds; and

23 WHEREAS, The Allocation provides the Commission with an opportunity to issue
24 NCREBs (Commission NCREBs) to finance the cost of acquiring and installing solar energy
25 facilities comprised of the San Francisco City Hall Solar Energy Facility, the Davies Symphony

1 Symphony Hall Solar Energy Facility, and the University Mound Reservoir North Basin Micro
2 Hydro Energy Facility (together, the "NCREBs Project"), all as more fully described in the
3 Commission's application to the Internal Revenue Service for the Allocation; and,

4 WHEREAS, The Commission, pursuant to the terms of Resolution No. 11-0183,
5 adopted by the Commission on October 25, 2011 (the "Commission Resolution"), has
6 authorized the execution and delivery of Commission NCREBs, in the form of an Equipment
7 Lease/Purchase Agreement (Taxable Direct Pay New Clean Renewable Energy Bond),
8 expected to be dated as of the first day of the month in which said agreement will be executed
9 and delivered, by and between the Commission and Banc of America Leasing & Capital, LLC
10 ("Bank of America"), in the principal amount of not to exceed \$6,600,000 (the "NCREB
11 Lease/Purchase Agreement") for the purpose of financing the costs of acquiring and installing
12 the NCREBs Project (including reimbursement to the Commission for such costs), as well as
13 for the payment of costs of issuance and other incidental costs therefor; and,

14 WHEREAS, The obligation of the Commission to make payments under the NCREB
15 Lease/Purchase Agreement is payable solely from the Net Revenues (as defined in the
16 NCREB Lease/Purchase Agreement) of the hydroelectric portion of the City's Power
17 Enterprise; now, therefore, be it

18 RESOLVED By the Board of Supervisors of the City and County of San Francisco, as
19 follows:

20 Section 1. Recitals. All of the recitals herein are true and correct.

21 Section 2. Approval and Authorization of Commission NCREBs. The execution and
22 delivery of the Commission NCREBs, in the form of the NCREB Lease/Purchase Agreement,
23 in an aggregate principal amount not to exceed \$6,600,000, with a term not to exceed 20
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1 years, and bearing interest at an interest rate not to exceed 12%, is hereby authorized and
2 approved by the Board.

3 Section 3. Approval and Authorization of NCREB Lease/Purchase Agreement. The
4 Board hereby authorizes and approves the execution and delivery by the Commission of the
5 NCREB Lease/Purchase Agreement in an aggregate principal amount not to exceed
6 \$6,600,000, to provide funds to be used for the NCREBs Project. The form of the NCREB
7 Lease/Purchase Agreement, in substantially the form presented to the Board, is hereby
8 approved. The authorized officers specified in the Commission Resolution (the "Authorized
9 Officers") are hereby authorized and directed to approve and to execute the NCREB
10 Lease/Purchase Agreement, with such changes, additions, amendments or modifications
11 therein which such Authorized Officers may deem necessary or desirable and as the City
12 Attorney may require or approve, the approval of such additions or changes to be conclusively
13 evidenced by the execution and delivery of the NCREB Lease/Purchase Agreement.

14 Section 4. Approval and Authorization of Acquisition Fund and Account Control
15 Agreement. The Board hereby authorizes and approves the execution and delivery by the
16 Commission of an Acquisition Fund and Account Control Agreement (the "Acquisition Fund
17 and Account Control Agreement"), to provide investment direction and disbursement
18 procedures for funds to be used for the NCREBs Project. The form of the Acquisition Fund
19 and Account Control Agreement, in substantially the form presented to the Board, is hereby
20 approved. The Authorized Officers are hereby authorized and directed to approve and to
21 execute the Acquisition Fund and Account Control Agreement, with such changes, additions,
22 amendments or modifications therein which the Authorized Officers may deem necessary or
23 desirable and as the City Attorney may require or approve, the approval of such additions or
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1 changes to be conclusively evidenced by the execution and delivery of the Acquisition Fund
2 and Account Control Agreement.

3 Section 5. Approval and Authorization of Direct Purchase Agreement. The Board
4 hereby authorizes and approves the execution and delivery by the Commission of a Direct
5 Purchase Agreement (the "Direct Purchase Agreement"), to provide the terms on which Bank
6 of America will purchase the NCREBs from the Commission. The form of the Direct Purchase
7 Agreement, in substantially the form presented to the Board, is hereby approved. The
8 Authorized Officers are hereby authorized and directed to approve and to execute the Direct
9 Purchase Agreement; with such changes, additions, amendments or modifications therein
10 which the Authorized Officers may deem necessary or desirable and as the City Attorney may
11 require or approve, the approval of such additions or changes to be conclusively evidenced by
12 the execution and delivery of the Direct Purchase Agreement.

13 Section 6. Approval and Authorization of Filing Agent Agreement. The Board hereby
14 authorizes and approves the execution and delivery by the Commission of a Filing Agent
15 Agreement (the "Filing Agent Agreement"), to provide the terms on which U.S. Bank National
16 Association will file the necessary federal forms to assure the receipt by the Commission of
17 the federal subsidy payments payable by the federal government as a reimbursement for the
18 payments due by the Commission under the NCREB Lease/Purchase Agreement. The form
19 of the Filing Agent Agreement, in substantially the form presented to the Board, is hereby
20 approved. The Authorized Officers are hereby authorized and directed to approve and to
21 execute the Filing Agent Agreement, with such changes, additions, amendments or
22 modifications therein which the Authorized Officers may deem necessary or desirable and as
23 the City Attorney may require or approve, the approval of such additions or changes to be
24 conclusively evidenced by the execution and delivery of the Filing Agent Agreement.

1 Section 7. Proposition P. Pursuant to Proposition P approved by the voters of the City
2 in November 2002, this resolution and the Commission NCREBs are subject to, and
3 incorporate by reference, the provisions of Section 5A.30 et. seq. ("Public Utilities Revenue
4 Bond Oversight Committee") of Chapter V of the San Francisco Administrative Code. In
5 accordance with the requirements of Proposition P, to the extent permitted by law, one-
6 twentieth of one percent of the gross proceeds of the Commission NCREBs shall be
7 deposited in a fund established by the Controller's Office and appropriated by the Board at the
8 direction of the Public Utilities Revenue Bond Oversight Committee (RBOC) established by
9 Proposition P to cover the costs of said committee; provided that any amounts so paid from
10 the proceeds of the Commission NCREBs that have not been spent by RBOC in connection
11 with such Commission NCREBs (as contemplated by Article 5A.31(c) of the Administrative
12 Code) within 30 months of the date of issuance of such Commission NCREBs shall be
13 returned to the Commission for deposit into the Acquisition Fund and expended by the
14 Commission to acquire and construct the NCREB Project.

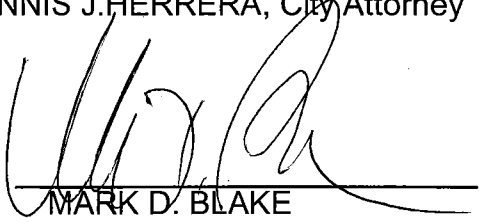
15 Section 8. General Authority. The General Manager of the Commission, the
16 Controller, the Treasurer of the City, the City Attorney, and all other appropriate officers,
17 employees, representatives and agents of the City are hereby authorized and directed to
18 execute and deliver any and all documents, certificates and representations, including, but not
19 limited to, signature certificates, no-litigation certificates, tax certificates, to do any and all
20 things and take any and all actions which may be necessary or advisable, in their discretion,
21 to effectuate the execution and delivery of the Commission NCREBs, NCREB
22 Lease/Purchase Agreement, the financing of the NCREBs Project, and the actions that the
23 Board has approved in this resolution.

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APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By:



MARK D. BLAKE
Deputy City Attorney



City and County of San Francisco
Tails
Resolution

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

File Number: 111192

Date Passed: November 22, 2011

Resolution approving the issuance of not to exceed \$6,600,000 aggregate principal amount of New Clean Renewable Energy Bonds to be issued by the Public Utilities Commission of the City and County of San Francisco, acting on behalf of the City and County of San Francisco (Commission); approving the execution and delivery by the Commission of an Equipment Lease/Purchase Agreement, an Acquisition Fund and Account Control Agreement, a Direct Purchase Agreement, and a Filing Agent Agreement; and authorizing the taking of appropriate actions in connection therewith; and related matters.

November 16, 2011 Budget and Finance Committee - RECOMMENDED

November 22, 2011 Board of Supervisors - ADOPTED

Ayes: 11 - Avalos, Campos, Chiu, Chu, Cohen, Elsbernd, Farrell, Kim, Mar, Mirkarimi and Wiener

File No. 111192

I hereby certify that the foregoing
Resolution was ADOPTED on 11/22/2011 by
the Board of Supervisors of the City and
County of San Francisco.

Angela Calvillo
Clerk of the Board

Mayor Edwin Lee

Date Approved