

[RESOLUTION AUTHORIZING SALE OF SPECIAL TAX BONDS.]

Resolution authorizing the issuance and sale of special tax bonds in an aggregate principal amount not to exceed \$10,000,000, and approving the form of a Fiscal Agent Agreement, a Purchase Contract and a Security Agreement and authorizing and approving other related actions in connection therewith.

WHEREAS, The Board of Supervisors of the City and County of San Francisco (the “City”) has conducted proceedings under and pursuant to Chapter 43, Article X of the San Francisco Administrative Code (the “Code”), which incorporates the Mello-Roos Community Facilities Act of 1982 (the “Act”), to form “City and County of San Francisco Special Tax District No. 2009-1 (San Francisco Sustainable Financing)” (the “Special Tax District”), to authorize the levy of special taxes upon the land within the Special Tax District, and to issue bonds secured by said special taxes for the purpose of financing and refinancing the acquisition, installation and improvement of energy efficiency, water conservation and renewable energy improvements to or on real property and in buildings, whether such real property or buildings are privately owned or publicly owned (the “Facilities”), all as described in those proceedings; and,

WHEREAS, On October 6, 2009, by Resolution No. 387-09, this Board of Supervisors adopted a Resolution adopting local goals and policies for community facilities districts (the “Goals and Policies”); and,

WHEREAS, The Board of Supervisors now wishes to provide for the issuance of the special tax bonds to finance a portion of the Facilities and related costs and expenses, and there have been submitted to this Board of Supervisors certain documents described below providing for the issuance of the special tax bonds for the Special Tax District and the use of

1 the proceeds of those bonds, and this Board of Supervisors with the aid of its staff, has
2 reviewed the documents and found them to be in proper order; and,

3 WHEREAS, all conditions, things and acts required to exist, to have happened and to
4 have been performed precedent to and in the issuance of the special tax bonds and the levy
5 of the special taxes as contemplated by this resolution and the documents referred to herein
6 exist, have happened and have been performed in due time, form and manner as required by
7 the laws of the State of California, including the Code; now, therefore, be it

8 RESOLVED, that pursuant to the Code, this resolution and the Fiscal Agent Agreement
9 (as defined below), special tax bonds designated the “City and County of San Francisco
10 Special Tax District No. 2009-1 (San Francisco Sustainable Financing) Special Tax Bonds,
11 Series A” (the “Bonds”) in an aggregate principal amount not to exceed \$10,000,000 are
12 hereby authorized to be issued. The Bonds shall be executed in the form, mature, be payable
13 in the priorities and bear interest at the rates as provided in the Fiscal Agent Agreement; and
14 be it

15 FURTHER RESOLVED, that the issuance of the Bonds is in compliance with the Code
16 and applicable provisions of the Goals and Policies; and be it

17 FURTHER RESOLVED, because Section 53345.8(a) of the Act requires, with certain
18 exceptions specified in the Act, that, in connection with the issuance of bonds secured by
19 special taxes in the Special Tax District, the value of the real property subject to special taxes
20 levied in the Special Tax District be at least three times the principal amount of the bonds that
21 are secured by a special tax levied on property within the Special Tax District or a special
22 assessment levied on property within the Special Tax District, the City will issue bonds for the
23 Special Tax District, including the Bonds, if both of the following requirements have been met:

24 (i) For each parcel that will be improved with Facilities as a result of issuance of
25 the bonds to be issued, the Taxable Property Value (as defined in the Fiscal Agent Agreement

1 defined below) of such parcel shall be at least ten times one of the following amounts, as
2 applicable: (A) if the proceeds of the bonds to be issued will only be used to finance Facilities
3 for such parcel, the aggregate principal amount of such bonds and (B) if the proceeds of the
4 bonds to be issued will be used to finance Facilities for a number of parcels, the aggregate
5 principal amount of such bonds attributable to that parcel. In order to calculate the principal
6 amount of the bonds to be issued that is attributable to a parcel for purposes of clause (ii) of
7 the previous sentence, the attributable portion shall be equal to the aggregate principal
8 amount of such bonds multiplied by a fraction, the numerator of which is the maximum
9 amount of Special Taxes that may be levied on such parcel, and the denominator of which is
10 the maximum amount of Special Taxes that may be levied on all parcels of land that will be
11 improved with Facilities as a result of issuance of the series of bonds to be issued.

12 (ii) The Board of Supervisors shall have made the determinations set forth in
13 Section 53345.8(b) or (c) of the Mello-Roos Act; and be it

14 FURTHER RESOLVED, that with respect to issuance of the Series A Bonds, the Board
15 of Supervisors hereby finds that the Series A Bonds do not present any unusual credit risk
16 because of the value-to-lien test described in the previous paragraph and other underwriting
17 criteria developed by City staff; and be it

18 FURTHER RESOLVED, that each of the Mayor, the Controller, the Director of the
19 Office of Public Finance, the City Attorney, or such other official of the City as may be
20 designated by such officers (each, an "Authorized Officer") is hereby authorized and directed
21 to execute and deliver the documents approved herein in substantially the form on file with the
22 Clerk of the Board of Supervisors, together with such additions or changes as are approved
23 by such Authorized Officer upon consultation with the City's bond counsel, including such
24 additions or changes as are necessary or advisable to permit the timely issuance, sale and
25 delivery of the Bonds, provided, however, that no additions or changes shall authorize an

1 aggregate principal amount of Bonds in excess of \$10,000,000. The approval of such
2 additions or changes shall be conclusively evidenced by the execution and delivery by an
3 Authorized Officer of the documents herein specified; and be it

4 FURTHER RESOLVED, that the Board of Supervisors hereby approves the form of the
5 Fiscal Agent Agreement (the "Fiscal Agent Agreement") by and between the City and a
6 banking corporation to be identified by the Director of the Office of Public Finance, as fiscal
7 agent (the "Fiscal Agent") with respect to the Bonds, in substantially the form on file with the
8 Clerk of the Board of Supervisors. The date, manner of payment, interest rate or rates,
9 interest payment dates, denominations, form, registration privileges, manner of execution,
10 place of payment, terms of redemption and other terms of the Bonds shall be as provided in
11 the Fiscal Agent Agreement as finally executed and delivered. The terms and provisions of
12 the Fiscal Agent Agreement, as executed, are incorporated herein by this reference as if fully
13 set forth herein. An Authorized Officer is hereby authorized and directed to execute the Fiscal
14 Agent Agreement on behalf of the City and the Clerk of the Board of Supervisors is hereby
15 authorized and directed to attest thereto, subject to the terms of this Resolution; and be it

16 FURTHER RESOLVED, that the Bonds will be sold to Renewable Funding, LLC (or a
17 related entity identified by Renewable Funding, LLC and acceptable to the City) (the "Bond
18 Purchaser") pursuant to a Purchase Contract (the "Purchase Contract") in substantially the
19 form on file with the Clerk. The terms and provisions of the Purchase Agreement, as
20 executed, are incorporated herein by this reference as if fully set forth herein. An Authorized
21 Officer is hereby authorized and directed to execute the Purchase Agreement on behalf of the
22 City and the Clerk of the Board of Supervisors is hereby authorized and directed to attest
23 thereto. The Board of Supervisors hereby finds that sale of the Bonds to the Bond Purchaser
24 at a private sale pursuant to the Purchase Contract will result in a lower overall cost than
25 would be achieved by selling the Bonds at a public sale utilizing competitive bidding; and be it

1 FURTHER RESOLVED, the Board of Supervisors hereby approves a Security
2 Agreement between the City and the Bond Purchaser, pursuant to which the Bond Purchaser
3 would provide security to the City for the Bond Purchaser's obligation to purchase the Bonds
4 pursuant to the Purchase Contract, which Security Agreement shall be substantially in
5 accordance with the terms set forth in the term sheet on file with the Clerk. An Authorized
6 Officer, following consultation with the City Attorney and bond counsel, is hereby authorized
7 and directed to execute the Security Agreement on behalf of the City and the Clerk of the
8 Board of Supervisors is hereby authorized and directed to attest thereto; and be it

9 FURTHER RESOLVED, that the Bonds shall be prepared, executed and delivered to
10 the Fiscal Agent for authentication, all in accordance with the terms of the Fiscal Agent
11 Agreement and the Purchase Contract. The Fiscal Agent, an Authorized Officer and other
12 responsible officers of the City are hereby authorized and directed to take such actions as are
13 required to cause the delivery of the Bonds upon receipt of the purchase price thereof; and be
14 it

15 FURTHER RESOLVED, that all actions heretofore taken by the officers and agents of
16 the City (including, but not limited to, the Authorized Officers) with respect to the
17 establishment of the Special Tax District and the sale and issuance of the Bonds are hereby
18 approved, confirmed and ratified, and the appropriate officers of the City are hereby
19 authorized and directed to do any and all things and take any and all actions and execute any
20 and all certificates, agreements and other documents, which they, or any of them, may deem
21 necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds
22 in accordance with this resolution, and any certificate, agreement, and other document
23 described in the documents herein approved. All actions to be taken by an Authorized Officer,
24 as defined herein, may be taken by such Authorized Officer or any designee, with the same
25 force and effect as if taken by the Authorized Officer; and be it

1 FURTHER RESOLVED, that this resolution shall take effect from and after its adoption.
2 The provisions of any previous resolutions in any way inconsistent with the provisions hereof
3 in and for the issuance of the Bonds as herein described are hereby repealed.

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

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By: _____

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MARK D. BLAKE
Deputy City Attorney

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