

File No. 14183

Committee Item No. 10

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Committee

Date December 3, 2014

Board of Supervisors Meeting

Date _____

Cmte Board

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| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Resolution |
| <input type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
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| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
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Completed by: Linda Wong Date November 26, 2014

Completed by: _____ Date _____

1 [Authorizing Participation in the CaliforniaFIRST Program - Renewable Energy Efficiency
2 Program]

3 **Resolution authorizing the City and County of San Francisco to join the**
4 **CaliforniaFIRST Program; authorizing the California Statewide Communities**
5 **Development Authority to accept applications from property owners, conduct**
6 **contractual assessment proceedings, and levy contractual assessments within the**
7 **territory of the City and County; and authorizing related actions as defined in the**
8 **Resolution.**

9
10 WHEREAS, The California Statewide Communities Development Authority ("California
11 Communities") is a joint exercise of powers authority comprised of numerous cities and
12 counties in the State of California, including the City and County of San Francisco (the "City");
13 and

14 WHEREAS, California Communities has established the CaliforniaFIRST program to
15 help finance certain renewable energy, energy efficiency and water efficiency improvements
16 (the "Improvements") through the levy of contractual assessments pursuant to Chapter 29 of
17 Division 7 of the Streets & Highways Code ("Chapter 29") and the issuance of improvement
18 bonds ("the Bonds") under the Improvement Bond Act of 1915 (Streets and Highways Code,
19 Sections 8500 and following) (the "1915 Act"), to be secured by the unpaid contractual
20 assessments; and

21 WHEREAS, Chapter 29 provides that assessments may be levied under its provisions
22 only with the free and willing consent of the owner of each lot or parcel on which an
23 assessment is levied at the time the assessment is levied; and

24 WHEREAS, The City desires to allow the owners of property within its jurisdiction
25 ("Participating Property Owners") to participate in the CaliforniaFIRST Program and to allow

1 California Communities to conduct assessment proceedings under Chapter 29 and to issue
2 Bonds under the 1915 Act to finance the Improvements; and

3 WHEREAS, California Communities will conduct assessment proceedings under
4 Chapter 29 and issue Bonds under the 1915 Act to finance Improvements, and take such
5 other measures to ensure that Bonds, and the assessment proceedings therefor, are valid
6 under California law (the "Proceedings"); and

7 WHEREAS, The City will not be responsible for the conduct of any assessment
8 proceedings, the levy or collection of assessments or any required remedial action in the case
9 of delinquencies in such assessment payments, or the issuance, sale or administration of the
10 Bonds or any other bonds issued in connection with the CaliforniaFIRST Program; and

11 WHEREAS, Pursuant to Government Code, Section 6586.5, the Clerk of the Board of
12 Supervisors has caused a notice of public hearing to be published once at least five days prior
13 to the date hereof in a newspaper of general circulation in the City; and

14 WHEREAS, The Board of Supervisors has conducted a public hearing concerning the
15 significant public benefits of the CaliforniaFIRST Program and the financing of the
16 Improvements; now, therefore, be it

17 RESOLVED, That the Board of Supervisors hereby finds and declares that the
18 issuance of bonds by California Communities in connection with the CaliforniaFIRST Program
19 will provide significant public benefits, including without limitation, savings in effective interest
20 rate, bond preparation, bond underwriting and bond issuance costs and reductions in effective
21 user charges levied by water and electricity providers within the boundaries of the City and
22 County; and, be it

23 FURTHER RESOLVED, That, in connection with the CaliforniaFIRST Program, the
24 Board of Supervisors hereby consents on behalf of the City and County to the conduct of
25 special assessment proceedings by California Communities pursuant to Chapter 29 on any

1 property within the Proposed Boundaries and the issuance of Bonds under the 1915 Act;
2 provided, that

3 (1) Such actions are conducted pursuant to the Proceedings;

4 (2) The Participating Property Owners, who shall be the legal owners of such
5 property, execute a contract pursuant to Chapter 29 and comply with other applicable
6 provisions of California law in order to accomplish the valid levy of assessments; and

7 (3) The City will not be responsible or liable for: the conduct of any assessment
8 proceedings; the levy or collection of assessments or any required remedial action in the case
9 of delinquencies in such assessment payments; or the issuance, sale or administration of the
10 Bonds or any other bonds issued in connection with the CaliforniaFIRST Program; and

11 (4) The issuance of Bonds will occur following receipt of a final judgment in a
12 validation action filed by California Communities pursuant to Code of Civil Procedure Section
13 860 that the Bonds are legal obligations of California Communities; and, be it

14 FURTHER RESOLVED, That, pursuant to the requirements of Chapter 29, California
15 Communities has prepared and will update from time to time the "Program Report" for the
16 CaliforniaFIRST Program (the "Program Report"), and California Communities will undertake
17 assessment proceedings and the financing of Improvements as set forth in the Program
18 Report; and, be it

19 FURTHER RESOLVED, That the Director of the Department of the Environment, and
20 the Director's designees, are hereby designated as the contact persons for California
21 Communities in connection with the CaliforniaFIRST Program, and are hereby authorized and
22 directed to make applications for the CaliforniaFIRST program available to all property owners
23 who wish to finance Improvements, provided that California Communities shall be responsible
24 for providing such applications and related materials at its own expense; and, be it

1 FURTHER RESOLVED, That the Mayor, the Controller, the Director of the Controller's
2 Office of Public Finance, and the Director of the Department of the Environment (and
3 designees of the foregoing), are hereby authorized and directed to execute and deliver such
4 closing certificates, requisitions, agreements and related documents as are reasonably
5 required by California Communities in accordance with the Program Report to implement the
6 CaliforniaFIRST Program for Participating Property Owners, and report back periodically to
7 this Board on the operation and effectiveness of such program; and, be it

8 FURTHER RESOLVED, That upon its adoption this Resolution shall go into effect
9 immediately, and that the Clerk of the Board of Supervisors is hereby authorized and directed
10 to transmit a certified copy of this resolution to the Secretary of California Communities at
11 2999 Oak Road, Suite 770, Walnut Creek, California 94597.

6586.5. (a) Notwithstanding Section 6587, an authority, or any entity acting on behalf of or for the benefit of an authority, may not authorize bonds to construct, acquire, or finance a public capital improvement except pursuant to Article 1 (commencing with Section 6500), unless all of the following conditions are satisfied with respect to each capital improvement to be constructed, acquired, or financed:

(1) The authority reasonably expects that the public capital improvement is to be located within the geographic boundaries of one or more local agencies of the authority that is not itself an authority.

(2) A local agency that is not itself an authority, within whose boundaries the public capital improvement is to be located, has approved the financing of the public capital improvement and made a finding of significant public benefit in accordance with the criteria specified in Section 6586 after a public hearing held by that local agency within each county or city and county where the public capital improvement is to be located after notice of the hearing is published once at least five days prior to the hearing in a newspaper of general circulation in each affected county or city and county. If the public capital improvement to be financed will provide infrastructure, services, or a golf course to support, or in conjunction with, any development project, the local agency for purposes of this subdivision shall be the city, county, or city and county with land use jurisdiction over the development project.

(3) A notice is sent by certified mail at least five business days prior to the hearing held pursuant to paragraph (2) to the Attorney General and to the California Debt and Investment Advisory Commission. This notice shall contain all of the following information:

- (A) The date, time, and exact location of the hearing.
- (B) The name and telephone number of the contact person.
- (C) The name of the joint powers authority.
- (D) The names of all members of the joint powers authority.
- (E) The name, address, and telephone number of the bond counsel.
- (F) The name, address, and telephone number of the underwriter.
- (G) The name, address, and telephone number of the financial

adviser, if any.

(H) The name, address, and telephone number of the legal counsel of the authority.

(I) The prospective location of the public capital improvement described by its street address, including city, county, and ZIP Code, or, if none, by a general description designed to inform readers of its specific location, including both the county and the ZIP Code that covers the specific location.

(J) A general functional description of the type and use of the public capital improvement to be financed.

(K) The maximum aggregate face amount of obligations to be issued with respect to the public capital improvement.

(b) Paragraph (3) of subdivision (a) does not apply to bonds:

(1) Issued pursuant to the Community Redevelopment Law, Part 1 (commencing with Section 33000) of Division 24 of the Health and Safety Code.

(2) To finance transportation facilities and vehicles.

(3) To finance a facility that is located within the boundaries of an authority, provided that the authority that issues those bonds consists of any of the following:

(A) Local agencies with overlapping boundaries.

(B) A county and a local agency or local agencies located entirely

within that county.

(C) A city and a local agency or local agencies located entirely within that city.

(4) To finance a facility for which an authority has received an allocation from the California Debt Limit Allocation Committee.

(5) Of an authority that consists of no less than 100 local agencies and the agreement that established that authority requires the governing body of the local agency that is a member of the authority in whose jurisdiction the facility will be located to approve the facility and the issuance of the bonds.

(c) This section and Section 6586.7 do not apply to bonds issued for any of the following purposes:

(1) To finance the undergrounding of utility and communication lines.

(2) To finance, consistent with the provisions of this chapter, facilities for the generation or transmission of electrical energy for public or private uses and all rights, properties, and improvements necessary therefor, including fuel and water facilities and resources.

(3) To finance facilities for the production, storage, transmission, or treatment of water, recycled water, or wastewater.

(4) To finance public school facilities.

(5) To finance public highways located within the jurisdiction of an authority that is authorized to exercise the powers specified in Chapter 5 (commencing with Section 31100) of Division 17 of the Streets and Highways Code, provided that the authority conducts the noticed public hearing and makes the finding of significant public benefit in accordance with this section.

(d) For purposes of this section, a local agency does not include a private entity.

OFFICE OF THE MAYOR
SAN FRANCISCO



EDWIN M. LEE
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: *for* Mayor Edwin M. Lee *NE*
RE: Authorizing San Francisco to Participate in the California FIRST Program –
Renewable Energy Efficiency Program
DATE: November 18, 2014

Attached for introduction to the Board of Supervisors is a resolution authorizing the City and County of San Francisco to join the California FIRST Program, authorizing the California Statewide Communities Development Authority to accept applications from property owners, conduct contractual assessment proceedings and levy contractual assessments within the territory of the City and County, and authorizing related actions.

Should you have any questions, please contact Nicole Wheaton (415) 554-7940.

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