

BOARD of SUPERVISORS



City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco 94102-4689  
Tel. No. 554-5184  
Fax No. 554-5163  
TDD/TTY No. 554-5227

May 24, 2017

**File No. 170485**

Lisa Gibson  
Environmental Review Officer  
Planning Department  
1650 Mission Street, 4<sup>th</sup> Floor  
San Francisco, CA 94103

Dear Ms. Gibson:

On April 25, 2017, the Supervisor Mark Farrell introduced the following legislation:

**File No. 170485**

**Resolution authorizing the inclusion of properties within the territory of the City and County of San Francisco in the California Municipal Finance Authority Open Property-Assessed Clean Energy ("PACE") Programs; authorizing the California Municipal Finance Authority to accept applications from City property owners, conduct contractual assessment proceedings and levy contractual assessments within the territory of the City and County of San Francisco; and authorizing related actions, as defined herein.**

This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board

A handwritten signature in black ink, appearing to read "Linda Wong".

By: Linda Wong, Assistant Clerk

Attachment

c: Joy Navarrete, Environmental Planning  
Jeanie Poling, Environmental Planning

1 [Authorizing Inclusion of City Properties in California Municipal Finance Authority Open  
2 Property-Assessed Clean Energy Programs]

3 **Resolution authorizing the inclusion of properties within the territory of the City and**  
4 **County of San Francisco in the California Municipal Finance Authority Open Property-**  
5 **Assessed Clean Energy (“PACE”) Programs; authorizing the California Municipal**  
6 **Finance Authority to accept applications from City property owners, conduct**  
7 **contractual assessment proceedings and levy contractual assessments within the**  
8 **territory of the City and County of San Francisco; and authorizing related actions, as**  
9 **defined herein.**

10  
11 WHEREAS, The California Municipal Finance Authority (“Authority”) is a joint exercise  
12 of powers authority authorized and existing pursuant to Joint Powers Act (Government Code  
13 Section 6500 *et seq.*) and that certain Joint Exercise of Powers Agreement, dated as of June  
14 1, 2004, the members of which include numerous cities and counties in the State of California,  
15 including the City and County of San Francisco (“City); and

16 WHEREAS, The Authority is implementing Property Assessed Clean Energy (PACE)  
17 programs, which it has designated CMFA Open PACE, consisting of CMFA Open PACE  
18 programs each administered by a separate program administrator (collectively with any  
19 successors, assigns, replacements or additions, the “Programs”), to allow the financing or  
20 refinancing of renewable energy, energy efficiency, water efficiency and seismic strengthening  
21 improvements, electric vehicle charging infrastructure and such other improvements,  
22 infrastructure or other work as may be authorized by law from time to time (collectively, the  
23 “Improvements”) through the levy of contractual assessments pursuant to Chapter 29 of  
24 Division 7 of the Streets & Highways Code (“Chapter 29”) within counties and cities  
25

1 throughout the State of California that consent to the inclusion of properties within their  
2 respective territories in the Programs and the issuance of bonds from time to time; and

3 WHEREAS, The program administrators currently active in administering Programs are  
4 Energy Efficient Equity, Inc.; BlueFlame PACE Services LLC; OnPACE Energy Solutions,  
5 LLC; and Structured Finance Associates, LLC; and

6 WHEREAS, From time to time there will be changes and additions to the program  
7 administrators and the Authority will notify the City in advance of any additions or changes;  
8 and

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

12 WHEREAS, The City desires to allow the owners of property ("Participating Property  
13 Owners") within its territory to participate in the Programs and to allow the Authority to conduct  
14 assessment proceedings under Chapter 29 within its territory and to issue bonds to finance or  
15 refinance Improvements; and

16 WHEREAS, The territory within which assessments may be levied for the Programs  
17 shall include all of the territory within the City's official boundaries; and

18 WHEREAS, The Authority will conduct all assessment proceedings under Chapter 29  
19 for the Programs and issue any bonds issued in connection with the Programs; and

20 WHEREAS, The City will not be responsible for the conduct of any assessment  
21 proceedings; the levy of assessments; any required remedial action in the case of  
22 delinquencies in such assessment payments; or the issuance, sale, administration repayment  
23 or guarantee of any bonds issued in connection with the Programs; now therefore, be it

24 RESOLVED, That Board finds and declares that the foregoing recitals are true and  
25 correct; and, be it

1 FURTHER RESOLVED, That this Board of Supervisors hereby finds and declares that  
2 properties in the territory of the City will benefit from the availability of the Programs within the  
3 territory of the City and, pursuant thereto, the conduct of special assessment proceedings by  
4 the Authority pursuant to Chapter 29 and the issuance of bonds to finance or refinance  
5 Improvements; and, be it

6 FURTHER RESOLVED, That in connection with the Programs, the City hereby  
7 consents to the conduct of special assessment proceedings by the Authority pursuant to  
8 Chapter 29 on any property within the territory of the City and the issuance of bonds to  
9 finance or refinance Improvements; provided, that

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

13 (2) The City will not be responsible for the conduct of any assessment proceedings; the  
14 levy of assessments; any required remedial action in the case of delinquencies in such  
15 assessment payments; or the issuance, sale, administration, repayment or guarantee of any  
16 bonds issued in connection with the Programs; and, be it

17 FURTHER RESOLVED, That the Controller, the Executive Director of the Department  
18 of the Environment and the Director of the Office of Public Finance and their respective  
19 designees are hereby authorized and directed to make applications for the Programs  
20 available to all property owners who wish to finance or refinance Improvements; provided, that  
21 the Authority shall be responsible for providing such applications and related materials at its  
22 own expense; and, be it

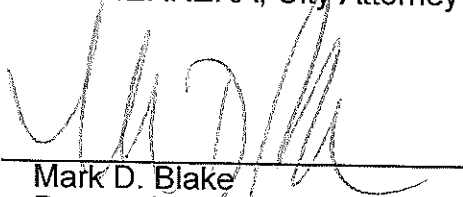
1 FURTHER RESOLVED, That the Controller, the Executive Director of the Department  
2 of the Environment and the Director of the Office of Public Finance and their respective  
3 designees are hereby authorized and directed to execute and deliver such certificates,  
4 requisitions, agreements and related documents as are reasonably required by the Authority  
5 to implement the Programs; and, be it

6 FURTHER RESOLVED, That the Board of Supervisors hereby finds that adoption of  
7 this Resolution is not a "project" under the California Environmental Quality Act, because the  
8 Resolution does not involve any commitment to a specific project which may result in a  
9 potentially significant physical impact on the environment, as contemplated by Title 14,  
10 California Code of Regulations, Section 15378(b)(4)); and, be it

11 FURTHER RESOLVED, This Resolution shall take effect immediately upon its  
12 adoption.

13  
14 APPROVED AS TO FORM:  
15 DENNIS J. HERRERA, City Attorney

16  
17 By:



18 Mark D. Blake  
19 Deputy City Attorney

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