

## **RESOLUTION NO. 2010-546**

Adopted by the Sacramento City Council

September 7, 2010

### **APPROVING THE ISSUANCE BY THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY OF RECOVERY ZONE FACILITY REVENUE BONDS FOR THE SUNEDISON PORTFOLIO #2**

#### **BACKGROUND:**

- A. The California Statewide Communities Development Authority (the "Authority") is authorized by California Government Code section 6500 et seq. and an Amended and Restated Joint Exercise of Powers Agreement dated as of June 1, 1988 (the "Agreement") between certain local agencies throughout the State of California, including the City of Sacramento (the "City"), to issue revenue bonds for the purpose of promoting economic development in the State of California.
- B. SunEdison, LLC, or related entities, has requested that the Authority adopt a plan of financing providing for the issuance of Recovery Zone Facility Revenue Bonds (the "Bonds") in one or more series issued from time to time, including bonds issued to refund such revenue bonds in one or more series from time to time, and at no time to exceed \$1,200,000 in outstanding aggregate principal amount, to finance the following project, generally known as SunEdison Portfolio #2 (the "Project"): the installation of solar equipment located at Park Place II, 4700 Natomas Boulevard, Sacramento, California.
- C. The Bonds or a portion thereof will be "private activity bonds" for purposes of the Internal Revenue Code of 1986 (the "Code").
- D. Under section 147(f) of the Code, prior to their issuance, private-activity bonds are required to be approved by the "applicable elected representative" of the governmental units on whose behalf such bonds are expected to be issued and by a governmental unit having jurisdiction over the entire area in which any facility financed by such bonds is to be located, after a public hearing held following reasonable public notice.
- E. The members of this City Council are the applicable elected representatives of the City.
- F. There has been published in a newspaper of general circulation within the City, at least 14 days prior to the date hereof, a notice that a public hearing regarding the Bonds would be held on a date specified in such notice.
- G. The public hearing was conducted on the date specified in the notice, at which time an opportunity was provided to interested parties to present arguments both for and against the issuance of the Bonds.

- H. The Authority is also requesting that the City Council approve the issuance of any refunding bonds hereafter issued by the Authority at no time to exceed \$1,200,000 for the purpose of refinancing the Bonds that finance the Project (the "Refunding Bonds"), but only if federal tax laws do not require additional public hearings, consideration, or approval by the City Council.
- I. By its Resolution No. 2009-0939 adopted on December 8, 2009, the Board of Supervisors of the County of Sacramento (the "County") has declared the County a "recovery zone" within the meaning of section 1400U-1 of the Code. The City is located entirely within the County.
- J. It is intended that this resolution constitute the approval of the issuance of the Bonds required by section 147(f) of the Code and section 9 of the Agreement, and the ratification of the County's declaration of a recovery zone that includes the City.
- K. In addition to the federal public-hearing requirements, the State of California has established an application process which requires a letter of support from the jurisdiction in which the project is located. The City of Sacramento supports the efforts of SunEdison to provide green energy and economic growth to our community through the issuance of Recovery Zone Facility Bonds by the California Statewide Communities Development Authority.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

Section 1. The statements in the Background are correct.

Section 2. The City Council hereby approves the issuance by the Authority of the Bonds and the Refunding Bonds. It is the intent of the City Council that this resolution constitute approval of the Bonds for the purposes of section 147(f) of the Code and section 9 of the Agreement.

Section 3. The officers of the City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents that they deem necessary or advisable in order to carry out, give effect to, and comply with this resolution and the financing approved hereby.

Section 4. The officers of the City are hereby authorized and directed to take necessary action to support the application to CDLAC.

Section 5. The City Clerk is hereby directed to forward a certified copy of this resolution and a copy of the affidavit of publication of the hearing notice to—

Justin Cooper, Esq.  
Orrick, Herrington & Sutcliffe LLP  
405 Howard Street  
San Francisco, California 94105

Section 6. This resolution takes effect immediately upon its passage.

Adopted by the City of Sacramento City Council on September 7, 2010 by the following vote:

Ayes: Councilmembers Cohn, Hammond, McCarty, Pannell, Tretheway, and Mayor Johnson.

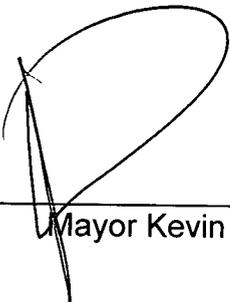
Noes: None.

Abstain: None.

Absent: Councilmembers Fong, Sheedy, and Waters.

Attest:

  
Shirley Concolino, City Clerk

  
Mayor Kevin Johnson