Meeting Date: 12/15/2015

Report Type: Staff/Discussion

Report ID: 2015-01002

Title: Modernization of City's PACE Program and Modification of Exclusive Agreement with Ygrene

Location: Citywide

Recommendation: 1) Pass a Motion approving an amendment to the professional services agreement (PSA) with Ygrene that will suspend and ultimately end the City’s exclusive relationship with Ygrene; 2) pass a Resolution giving consent for the inclusion of properties in the Golden State Finance Authority (“GSFA”) Community Services District No. 2014-1 (Clean Energy) and approving associate membership in the GSFA; and 3) pass a Resolution giving consent for the inclusion of properties in the Golden State Finance Authority’s voluntary assessment program.

Contact: Randi L. Knott, Director of Governmental Affairs, (916) 808-5771, Office of the City Manager

Presenter: Randi L. Knott, Director of Governmental Affairs, (916) 808-5771, Office of the City Manager

Department: City Manager

Division: Executive Office

Dept ID:

Attachments:
1-Description/Analysis
2-Ygrene First Amendment to City Agreement
3-Resolution (Golden State Financing CFD)
4-Exhibit A (JPA Agreement for New Assoc Members)
5-Resolution (Voluntary Assessment Program)

City Attorney Review
Approved as to Form
Jeffrey L. Massey
12/3/2015 11:00:09 AM

Approvals/Acknowledgements
Department Director or Designee: Howard Chan - 11/30/2015 3:51:04 PM
Description/Analysis

Issue Detail: In 2011, the City Council approved a professional services agreement (PSA) with Ygrene Energy Fund to fund and administer a City-sponsored Property Assessed Clean Energy Program (PACE) as authorized by Assembly Bill 811. In 2012, the City and Ygrene expanded the PACE program as “Clean Energy Sacramento”.

Now that the program has matured, a competitive environment for PACE programs is preferred to ensure that consumers have a myriad of options for financing renewable energy, energy efficiency, and water conservation improvements. At this time, staff is recommending that 1) the City Council approve an amendment to the PSA with Ygrene that will suspend and ultimately end the City’s exclusive relationship with Ygrene; 2) adopt a Resolution giving consent for the inclusion of properties in the Golden State Finance Authority (“GSFA”) Community Services District No. 2014-1 (Clean Energy) and approving associate membership in the GSFA; and, 3) adopt a Resolution giving consent for the inclusion of properties in the Golden State Finance Authority’s voluntary assessment program. If these actions are approved by Council, staff will present the Council with opportunities to participate in other PACE programs to provide the public additional options. The resolution joining the GSFA and consenting to the inclusion of properties in the GSFA’s Community Facilities District must be approved prior to the resolution regarding contractual assessments.

Policy Considerations: The recommendations in this report are consistent with the City Council’s economic and sustainability priorities for the City. Participation in PACE program(s) remains voluntary and will enable owners of commercial and residential property to finance renewable energy, energy efficient, and water conservation improvements. The result will reduce operating costs for business owners, create jobs, lower utility expenses for homeowners and reduce greenhouse gas emissions.

Environmental Considerations: Adoption of the proposed resolutions and approval of the amendment to the PSA are not projects subject to CEQA because it has no potential to cause a significant effect on the environment.

Sustainability: PACE programs are one of the implementation actions identified in the 2011 Sustainability Plan and a voluntary implementation item in the City’s Climate Action Plan. For every project financed through Ygrene, or other service provider, there will be a corresponding decrease in greenhouse gas emissions from energy efficiency improvements.

Commission/Committee Action: Not applicable

Rationale for Recommendation: The City is committed to reducing its carbon footprint and to the “greening” of the City. By amending the PSA with Ygrene, and opting into the JPA, the City’s residents and businesses will have more choices for these projects and pricing may be more competitive.

Financial Considerations: There will be a significant reduction in staff hours as staff will no longer review each agreement. City staff will continue to ensure oversight of existing agreements with individual property owners that participated in the prior program. A system for invoicing for staff time for the existing contracts has been established with Ygrene.

Local Business Enterprise (LBE): Not applicable
Suspending Amendment to City Agreement 2011-1186

Professional Services Agreement

This SUSPENDING AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT (this "Amendment") is made and entered into as of ________________, (the “Effective Date”) by and between the CITY OF SACRAMENTO, a municipal corporation of the State of California (the "City"), and YGRENE ENERGY FUND CALIFORNIA, LLC ("Ygrene"). The City and Ygrene are sometimes referred to in this Amendment as the "Parties."

BACKGROUND

The Parties entered into that certain Professional Services Agreement dated as of October 4, 2011 (City Agreement No. 2011-1186 (the "Agreement").

Golden State Financing Authority (the “GSFA”) is a California joint powers authority that operates a Property Assessed Clean Energy ("PACE") program on a statewide basis.

The City, with the agreement of Ygrene, would like to discontinue its PACE program and become an associate member of GSFA to allow GSFA to run its own program within the City’s boundaries.

The Parties have agreed to amend the Agreement to suspend it and then terminate it in the event that the City remains an associate member of GSFA 6 months after the above Effective Date,

With these background facts in mind, the Parties agree as follows:

1. Notwithstanding anything in Exhibit D, Section 9 of the Agreement or anything else to the contrary in the Agreement or any amendment to the Agreement, the Parties hereby agree as follows: 1) the Agreement is suspended and none of its terms shall be effective during its suspension; 2) if the City remains an associate member of GSFA on the 6 month anniversary of the Effective Date, then the Agreement shall automatically terminate: and 3) if the City, however, terminates its associate membership with GSFA at any point during the period up to the 6 month anniversary of the Effective Date, then the Agreement shall no longer be suspended and shall be in full force and effect. The City shall not accrue any liability to Contractor for any cost or for anything else during the period when the Agreement is suspended.

2. Notwithstanding anything to the contrary in the Agreement and any amendment to the Agreement and upon suspension of the Agreement and thereafter, Contractor shall reimburse the City for all costs incurred by the City related to the Program. City shall invoice the Contractor monthly for any costs incurred, and Contractor shall reimburse the City within 10 days of receiving such invoice. Contractor’s obligation to reimburse the City shall survive termination of this Agreement.

3. Except as provided above, all provisions of the Agreement are unchanged and remain in full force and effect.

IN WITNESS WHEREOF, the Parties have entered into this Amendment as of the Effective Date.

CITY OF SACRAMENTO

By: ________________________________ _________________________________
    City Clerk

ATTEST:

City Clerk

Date: August ____, 2015

For: John F. Shirey, City Manager
APPROVED AS TO FORM:

____________________________________
City Attorney
CONTRACTOR:

____________________________________
Ygrene Energy Fund California, LLC

____________________________________
Federal I.D. No.

____________________________________
State I.D. No.


TYPE OF BUSINESS ENTITY (check one):

_____ Individual/Sole Proprietor
_____ Partnership
_____ Corporation (may require 2 signatures)
_____ Limited Liability Company
_____ Other (please specify ____________________)

Signature of Authorized Person:

____________________________________
Dennis R. Hunter, Chief Executive Officer

Date: August _____, 2015
RESOLUTION NO. 2015-

Adopted by the Sacramento City Council

CONSENT TO INCLUSION OF PROPERTIES IN THE GOLDEN STATE FINANCE AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2014-1 (CLEAN ENERGY) TO FINANCE RENEWABLE ENERGY IMPROVEMENTS, ENERGY EFFICIENCY, WATER CONSERVATION IMPROVEMENTS, AND ELECTRIC VEHICLE CHARGING INFRASTRUCTURE AND APPROVE ASSOCIATE MEMBERSHIP IN THE JOINT POWERS AUTHORITY RELATED THERETO

BACKGROUND

A. The Golden State Finance Authority ("the Authority") is a joint powers authority established pursuant to Government Code sections 6500-6537.

B. The Authority has created a Property Assessed Clean Energy Program (the "Program") with the purpose of financing the acquisition, construction and installation of energy efficiency, water conservation, renewable energy, and electric vehicle charging infrastructure permanently affixed to privately or publicly owned real property (the "Authorized Improvements").

C. As part of that Program, the Authority has established the statewide Community Facilities District No. 2014-1 (Clean Energy) (the "District") in accordance with the Mello-Roos Community Facilities Act, set forth in Government Code sections 53311 through 53368.3 (the "Act") and particularly in accordance with sections 53313.5(l) and 53328.1(a).

D. The City of Sacramento is committed to the development of renewable energy generation, energy efficiency improvements, reduction of greenhouse gases, and protection of the environment.

E. Consistent with the Act, a parcel within the territory of the District may annex to the District and be subject to the special tax levy of the District only if (1) the city or county within which the parcel is located has consented, by the adoption of a resolution by the applicable city council or county board of supervisors, to the inclusion of parcels within its boundaries in the District and (2) the owner or owners of the parcel provide unanimous written approval of inclusion within the District, which shall constitute the election required by the California Constitution.

F. The City wishes to cooperate with Authority in order to efficiently and economically assist the property owner(s) in financing such Authorized Improvements.

G. The City desires to become an Associate Member of the Authority by execution of the JPA Agreement, a copy of which is attached as Exhibit "A", to participate in
the programs of the Authority, and to assist property owners within the City in financing the cost of installing Authorized Improvements.

H. The Authority, not the City, will be responsible for the collecting of any special tax proceedings, the levy and collection of special taxes, or any required remedial action in the case of delinquencies in the payment of any special taxes in connection with the District.

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

Section 1. The City agrees to join the Authority as an associate member and will execute the JPA Agreement, a copy of which is attached as Exhibit “A,” and any documents reasonably necessary to facilitate the membership.

Section 2. This City consents to inclusion of all of the properties within its boundaries in the District for the financing of Authorized Improvements.

Section 3. The City acknowledges and agrees that the Authority will, for all purposes, run the District and authorizes the Authority to take any steps necessary in furtherance of an efficient and properly run District.

Section 4. City staff is authorized and directed to assist Authority staff as necessary for the operation of the District and to report back periodically on the success of the program.

Section 5. The City Clerk is directed to send a certified copy of this resolution to the Secretary of the Authority.
CALIFORNIA HOME FINANCE AUTHORITY

AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT
(Original date July 1, 1993 and as last amended and restated December 10, 2014)

THIS AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT ("Agreement") is entered into by and among the counties listed on Attachment 1 hereof and incorporated herein by reference. All such counties are referred to herein as "Members" with the respective powers, privileges and restrictions provided herein.

RECITALS

A. WHEREAS, the California Rural Home Mortgage Finance Authority ("CRHMFA") was created by a Joint Exercise of Powers Agreement dated July 1, 1993 pursuant to the Joint Exercise of Powers Act (commencing with Article 1 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act"). By Resolution 2003-02, adopted on January 15, 2003, the name of the authority was changed to CRHMFA Homebuyers Fund. The most recent amendment to the Joint Exercise of Powers Agreement was on January 28, 2004.

B. WHEREAS, the Members of CRHMFA Homebuyers Fund desire to update, reaffirm, clarify and revise certain provisions of the joint powers agreement, including the renaming of the joint powers authority, as set forth herein.

C. WHEREAS, the Members are each empowered by law to finance the construction, acquisition, improvement and rehabilitation of real property.

D. WHEREAS, by this Agreement, the Members desire to create and establish a joint powers authority to exercise their respective powers for the purpose of financing the construction, acquisition, improvement and rehabilitation of real property within the jurisdiction of the Authority as authorized by the Act.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Members individually and collectively agree as follows:

1. Definitions

Unless the context otherwise requires, the following terms shall for purposes of this Agreement have the meanings specified below:


"Agreement" means this Joint Exercise of Powers Agreement, as the same now exists or as it may from time to time be amended as provided herein.
"Associate Member" means a county, city or other public agency which is not a voting member of the Rural County Representatives of California, a California nonprofit corporation ("RCRC"), with legal power and authority similar to that of the Members, admitted pursuant to paragraph 4.d. below to associate membership herein by vote of the Board.

“Audit Committee” means a committee made up of the nine-member Executive Committee.

'Authority' means California Home Finance Authority ("CHF"), formerly known as CRHMFA Homebuyers Fund or California Rural Home Mortgage Finance Authority.

'Board' means the governing board of the Authority as described in Section 7 below.

'Bonds' means bonds, notes, warrants, leases, certificates of participation, installment purchase agreements, loan agreements and other securities or obligations issued by the Authority, or financing agreements entered into by the Authority pursuant to the Act and any other obligation within the meaning of the term "Bonds" under the Act.

'Delegate' means the Supervisor designated by the governing board of each Member to serve on the Board of the Authority.

'Executive Committee' means the nine-member Executive Committee of the Board established pursuant to Section 10 hereof.

'Member' means any county which is a member of RCRC, has executed this Agreement and has become a member of the Authority.

'Obligations' means bonds, notes, warrants, leases, certificates of participation, installment purchase agreements, loan agreements and other securities or obligations issued by the Authority, or financing agreements entered into by the Authority pursuant to the Act and any other financial or legal obligation of the Authority under the Act.

'Program' or "Project" means any work, improvement, program, project or service undertaken by the Authority.

'Rural County Representatives of California" or "RCRC" means the nonprofit entity incorporated under that name in the State of California.

'Supervisor' means an elected County Supervisor from an RCRC member county.

2. Purpose

The purpose of the Authority is to provide financing for the acquisition, construction, improvement and rehabilitation of real property in accordance with applicable provisions of law for the benefit of residents and communities. In pursuit of this purpose, this Agreement provides for the joint exercise of powers common to any of its Members and Associate Members as provided herein, or otherwise authorized by the Act and other applicable laws, including assisting
in financing as authorized herein, jointly exercised in the manner set forth herein.

3. **Principal Place of Business**

The principal office of the Authority shall be 1215 K Street, Suite 1650, Sacramento, California 95814.

4. **Creation of Authority; Addition of Members or Associate Members**

   a. The Authority is hereby created pursuant to the Act. As provided in the Act, the Authority shall be a public entity separate and distinct from the Members or Associate Members.

   b. The Authority will cause a notice of this Agreement or any amendment hereto to be prepared and filed with the office of the Secretary of State of California in a timely fashion in the manner set forth in Section 6503.3 of the Act.

   c. A county that is a member of RCRC may petition to become a member of the Authority by submitting to the Board a resolution or evidence of other formal action taken by its governing body adopting this Agreement. The Board shall review the petition for membership and shall vote to approve or disapprove the petition. If the petition is approved by a majority of the Board, such county shall immediately become a Member of the Authority.

   d. An Associate Member may be added to the Authority upon the affirmative approval of its respective governing board and pursuant to action by the Authority Board upon such terms and conditions, and with such rights, privileges and responsibilities, as may be established from time to time by the Board. Such terms and conditions, and rights, privileges and responsibilities may vary among the Associate Members. Associate Members shall be entitled to participate in one or more programs of the Authority as determined by the Board, but shall not be voting members of the Board. The Executive Director of the Authority shall enforce the terms and conditions for prospective Associate Members to the Authority as provided by resolution of the Board and as amended from time to time by the Board. Changes in the terms and conditions for Associate Membership by the Board will not constitute an amendment of this Agreement.

5. **Term and Termination of Powers**

This Agreement shall become effective from the date hereof until the earlier of the time when all Bonds and any interest thereon shall have been paid in full, or provision for such payment shall have been made, or when the Authority shall no longer own or hold any interest in a public capital improvement or program. The Authority shall continue to exercise the powers herein conferred upon it until termination of this Agreement, except that if any Bonds are issued and delivered, in no event shall the exercise of the powers herein granted be terminated until all Bonds so issued and delivered and the interest thereon shall have been paid or provision for such payment shall have been made and any other debt incurred with respect to any other financing program established or administered by the Authority has been repaid in full and is no longer outstanding.

6. **Powers; Restriction upon Exercise**
a. To effectuate its purpose, the Authority shall have the power to exercise any and all powers of the Members or of a joint powers authority under the Act and other applicable provisions of law, subject, however, to the conditions and restrictions herein contained. Each Member or Associate Member may also separately exercise any and all such powers. The powers of the Authority are limited to those of a general law county.

b. The Authority may adopt, from time to time, such resolutions, guidelines, rules and regulations for the conduct of its meetings and the activities of the Authority as it deems necessary or desirable to accomplish its purpose.

c. The Authority shall have the power to finance the construction, acquisition, improvement and rehabilitation of real property, including the power to purchase, with the amounts received or to be received by it pursuant to a bond purchase agreement, bonds issued by any of its Members or Associate Members and other local agencies at public or negotiated sale, for the purpose set forth herein and in accordance with the Act. All or any part of such bonds so purchased may be held by the Authority or resold to public or private purchasers at public or negotiated sale. The Authority shall set any other terms and conditions of any purchase or sale contemplated herein as it deems necessary or convenient and in furtherance of the Act. The Authority may issue or cause to be issued Bonds or other indebtedness, and pledge any of its property or revenues as security to the extent permitted by resolution of the Board under any applicable provision of law. The Authority may issue Bonds in accordance with the Act in order to raise funds necessary to effectuate its purpose hereunder and may enter into agreements to secure such Bonds. The Authority may issue other forms of indebtedness authorized by the Act, and to secure such debt, to further such purpose. The Authority may utilize other forms of capital, including, but not limited to, the Authority’s internal resources, capital markets and other forms of private capital investment authorized by the Act.

d. The Authority is hereby authorized to do all acts necessary for the exercise of its powers, including, but not limited to:

1. executing contracts,
2. employing agents, consultants and employees,
3. acquiring, constructing or providing for maintenance and operation of any building, work or improvement,
4. acquiring, holding or disposing of real or personal property wherever located, including property subject to mortgage,
5. incurring debts, liabilities or obligations,
6. receiving gifts, contributions and donations of property, funds, services and any other forms of assistance from persons, firms, corporations or governmental entities,
7. suing and being sued in its own name, and litigating or settling any suits or claims,
8. doing any and all things necessary or convenient to the exercise of its specific powers and to accomplishing its purpose
9. establishing and/or administering districts to finance and refinance the acquisition, installation and improvement of energy efficiency, water
conservation and renewable energy improvements to or on real property and in buildings. The Authority may enter into one or more agreements, including without limitation, participation agreements and implementation agreements to implement such programs.

c. Subject to the applicable provisions of any indenture or resolution providing for the investment of monies held thereunder, the Authority shall have the power to invest any of its funds as the Board deems advisable, in the same manner and upon the same conditions as local agencies pursuant to Section 53601 of the Government Code of the State of California.

d. All property, equipment, supplies, funds and records of the Authority shall be owned by the Authority, except as may be provided otherwise herein or by resolution of the Board.

g. Pursuant to the provisions of Section 6508.1 of the Act, the debts, liabilities and obligations of the Authority shall not be debts, liabilities and obligations of the Members or Associate Members. Any Bonds, together with any interest and premium thereon, shall not constitute debts, liabilities or obligations of any Member. The Members or Associate Members hereby agree that any such Bonds issued by the Authority shall not constitute general obligations of the Authority but shall be payable solely from the moneys pledged to the repayment of principal or interest on such Bonds under the terms of the resolution, indenture, trust, agreement or other instrument pursuant to which such Bonds are issued. Neither the Members or Associate Members nor the Authority shall be obligated to pay the principal of or premium, if any, or interest on the Bonds, or other costs incidental thereto, except from the revenues and funds pledged therefor, and neither the faith and credit nor the taxing power of the Members or Associate Members or the Authority shall be pledged to the payment of the principal of or premium, if any, or interest on the Bonds, nor shall the Members or Associate Members of the Authority be obligated in any manner to make any appropriation for such payment. No covenant or agreement contained in any Bond shall be deemed to be a covenant or agreement of any Delegate, or any officer, agent or employee of the Authority in an individual capacity, and neither the Board nor any officer thereof executing the Bonds or any document related thereto shall be liable personally on any Bond or be subject to any personal liability or accountability by reason of the issuance of any Bonds.

7. Governing Board

a. The Board shall consist of the number of Delegates equal to one representative from each Member.

b. The governing body of each Member shall appoint one of its Supervisors to serve as a Delegate on the Board. A Member’s appointment of its Delegate shall be delivered in writing (which may be by electronic mail) to the Authority and shall be effective until he or she is replaced by such governing body or no longer a Supervisor; any vacancy shall be filled by the governing body of the Member in the same manner provided in this paragraph b.

c. The governing body of each Member of the Board shall appoint a Supervisor as an alternate to serve on the Board in the absence of the Delegate; the alternate may exercise all the
rights and privileges of the Delegate, including the right to be counted in constituting a quorum, to participate in the proceedings of the Board, and to vote upon any and all matters. No alternate may have more than one vote at any meeting of the Board, and any Member’s designation of an alternate shall be delivered in writing (which may be by electronic mail) to the Authority and shall be effective until such alternate is replaced by his or her governing body or is no longer a Supervisor, unless otherwise specified in such appointment. Any vacancy shall be filled by the governing body of the Member in the same manner provided in this paragraph c..

d. Any person who is not a member of the governing body of a Member and who attends a meeting on behalf of such Member may not vote or be counted toward a quorum but may, at the discretion of the Chair, participate in open meetings he or she attends.

e. Each Associate Member may designate a non-voting representative to the Board who may not be counted toward a quorum but who may attend open meetings, propose agenda items and otherwise participate in Board Meetings.

f. Delegates shall not receive compensation for serving as Delegates, but may claim and receive reimbursement for expenses actually incurred in connection with such service pursuant to rules approved by the Board and subject to the availability of funds.

g. The Board shall have the power, by resolution, to the extent permitted by the Act or any other applicable law, to exercise any powers of the Authority and to delegate any of its functions to the Executive Committee or one or more Delegates, officers or agents of the Authority, and to cause any authorized Delegate, officer or agent to take any actions and execute any documents for and in the name and on behalf of the Board or the Authority.

h. The Board may establish such committees as it deems necessary for any lawful purpose; such committees are advisory only and may not act or purport to act on behalf of the Board or the Authority.

i. The Board shall develop, or cause to be developed, and review, modify as necessary, and adopt each Program.

8. Meetings of the Board

a. The Board shall meet at least once annually, but may meet more frequently upon call of any officer or as provided by resolution of the Board.

b. Meetings of the Board shall be called, noticed, held and conducted pursuant to the provisions of the Ralph M. Brown Act, Chapter 9 (commencing with Section 54950) of Part I of Division 2 of Title 5 of the Government Code of the State of California.

c. The Secretary of the Authority shall cause minutes of all meetings of the Board to be taken and distributed to each Member as soon as possible after each meeting.

d. The lesser of twelve (12) Delegates or a majority of the number of current Delegates shall constitute a quorum for transacting business at any meeting of the Board, except
that less than a quorum may act to adjourn a meeting. Each Delegate shall have one vote.

e. Meetings may be held at any location designated in notice properly given for a meeting and may be conducted by telephonic or similar means in any manner otherwise allowed by law.

9. Officers; Duties; Official Bonds

a. The Board shall elect a chair and vice chair from among the Delegates at the Board’s annual meeting who shall serve a term of one (1) year or until their respective successor is elected. The chair shall conduct the meetings of the Board and perform such other duties as may be specified by resolution of the Board. The vice chair shall perform such duties in the absence or in the event of the unavailability of the chair.

b. The Board shall contract annually with RCRC to administer the Agreement and to provide administrative services to the Authority, and the President and Chief Executive Officer of RCRC shall serve ex officio as Executive Director, Secretary, Treasurer, and Auditor of the Authority. As chief executive of the Authority, the Executive Director is authorized to execute contracts and other obligations of the Authority, unless prior Board approval is required by a third party, by law or by Board specification, and to perform other duties specified by the Board. The Executive Director may appoint such other officers as may be required for the orderly conduct of the Authority’s business and affairs who shall serve at the pleasure of the Executive Director. Subject to the applicable provisions of any indenture or resolution providing for a trustee or other fiscal agent, the Executive Director, as Treasurer, is designated as the custodian of the Authority’s funds, from whatever source, and, as such, shall have the powers, duties and responsibilities specified in Section 6505.5 of the Act. The Executive Director, as Auditor, shall have the powers, duties and responsibilities specified in Section 6505.5 of the Act.

c. The Legislative Advocate for the Authority shall be the Rural County Representatives of California.

d. The Treasurer and Auditor are public officers who have charge of, handle, or have access to all property of the Authority, and a bond for such officer in the amount of at least one hundred thousand dollars ($100,000.00) shall be obtained at the expense of the Authority and filed with the Executive Director. Such bond may secure the faithful performance of such officer’s duties with respect to another public office if such bond in at least the same amount specifically mentions the office of the Authority as required herein. The Treasurer and Auditor shall cause periodic independent audits to be made of the Authority’s books by a certified public accountant, or public accountant, in compliance with Section 6505 of the Act.

e. The business of the Authority shall be conducted under the supervision of the Executive Director by RCRC personnel.

10. Executive Committee of the Authority

a. Composition
The Authority shall appoint nine (9) members of its Board to serve on an Executive Committee.

b. Powers and Limitations

The Executive Committee shall act in an advisory capacity and make recommendations to the Authority Board. Duties will include, but not be limited to, review of the quarterly and annual budgets, service as the Audit Committee for the Authority, periodically review this Agreement; and complete any other tasks as may be assigned by the Board. The Executive Committee shall be subject to all limitations imposed by this Agreement, other applicable law, and resolutions of the Board.

c. Quorum

A majority of the Executive Committee shall constitute a quorum for transacting business of the Executive Committee.

11. Disposition of Assets

Upon termination of this Agreement, all remaining assets and liabilities of the Authority shall be distributed to the respective Members in such manner as shall be determined by the Board and in accordance with the law.

12. Agreement Not Exclusive; Operation in Jurisdiction of Member

This Agreement shall not be exclusive, and each Member expressly reserves its rights to carry out other public capital improvements and programs as provided for by law and to issue other obligations for those purposes. This Agreement shall not be deemed to amend or alter the terms of other agreements among the Members or Associate Members.

13. Conflict of Interest Code

The Authority shall by resolution adopt a Conflict of Interest Code as required by law.

14. Contributions and Advances

Contributions or advances of public funds and of personnel, equipment or property may be made to the Authority by any Member, Associate Member or any other public agency to further the purpose of this Agreement. Payment of public funds may be made to defray the cost of any contribution. Any advance may be made subject to repayment, and in that case shall be repaid in the manner agreed upon by the advancing Member, Associate Member or other public agency and the Authority at the time of making the advance.

15. Fiscal Year; Accounts; Reports; Annual Budget; Administrative Expenses

a. The fiscal year of the Authority shall be the period from January 1 of each year to and including the following December 31, except for any partial fiscal year resulting from a change
in accounting based on a different fiscal year previously.

b. Prior to the beginning of each fiscal year, the Board shall adopt a budget for the succeeding fiscal year.

c. The Authority shall establish and maintain such funds and accounts as may be required by generally accepted accounting principles. The books and records of the Authority are public records and shall be open to inspection at all reasonable times by each Member and its representatives.

d. The Auditor shall either make, or contract with a certified public accountant or public accountant to make, an annual audit of the accounts and records of the Authority. The minimum requirements of the audit shall be those prescribed by the State Controller for special districts under Section 26909 of the Government Code of the State of California, and shall conform to generally accepted auditing standards. When an audit of accounts and records is made by a certified public accountant or public accountant, a report thereof shall be filed as a public record with each Member (and also with the auditor of Sacramento County as the county in which the Authority's office is located) within 12 months after the end of the fiscal year.

e. In any year in which the annual budget of the Authority does not exceed five thousand dollars ($5,000.00), the Board may, upon unanimous approval of the Board, replace the annual audit with an ensuing one-year period, but in no event for a period longer than two fiscal years.

16. Duties of Members or Associate Members; Breach

If any Member or Associate Member shall default in performing any covenant contained herein, such default shall not excuse that Member or Associate Member from fulfilling its other obligations hereunder, and such defaulting Member or Associate Member shall remain liable for the performance of all covenants hereof. Each Member or Associate Member hereby declares that this Agreement is entered into for the benefit of the Authority created hereby, and each Member or Associate Member hereby grants to the Authority the right to enforce, by whatever lawful means the Authority deems appropriate, all of the obligations of each of the parties hereunder. Each and all of the remedies given to the Authority hereunder or by any law now or hereafter enacted are cumulative, and the exercise of one right or remedy shall not impair the right of the Authority to any or all other remedies.

17. Indemnification

To the full extent permitted by law, the Board may authorize indemnification by the Authority of any person who is or was a Board Delegate, alternate, officer, consultant, employee or other agent of the Authority, and who was or is a party or is threatened to be made a party to a proceeding by reason of the fact that such person is or was such a Delegate, alternate, officer, consultant, employee or other agent of the Authority. Such indemnification may be made against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding, if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the Authority and, in the case of a criminal
proceeding, had no reasonable cause to believe his or her conduct was unlawful and, in the case of an action by or in the right of the Authority, acted with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

18. **Immunities**

All of the privileges and immunities from liabilities, exemptions from law, ordinances and rules, all pension, relief, disability, workers' compensation and other benefits which apply to the activity of officers, agents or employees of any of the Members or Associate Members when performing their respective functions, shall apply to them to the same degree and extent while engaged as Delegates or otherwise as an officer, agent or other representative of the Authority or while engaged in the performance of any of their functions or duties under the provisions of this Agreement.

19. **Amendment**

This Agreement may be amended by the adoption of the amendment by the governing bodies of a majority of the Members. The amendment shall become effective on the first day of the month following the last required member agency approval. An amendment may be initiated by the Board, upon approval by a majority of the Board. Any proposed amendment, including the text of the proposed change, shall be given by the Board to each Member’s Delegate for presentation and action by each Member's board within 60 days, which time may be extended by the Board.

The list of Members, Attachment 1, may be updated to reflect new and/or withdrawn Members without requiring formal amendment of the Agreement by the Authority Board of Directors.

20. **Withdrawal of Member or Associate Member**

If a Member withdraws as member of RCRC, its membership in the Authority shall automatically terminate. A Member or Associate Member may withdraw from this Agreement upon written notice to the Board; provided however, that no such withdrawal shall result in the dissolution of the Authority as long as any Bonds or other obligations of the Authority remain outstanding. Any such withdrawal shall become effective thirty (30) days after a resolution adopted by the Member's governing body which authorizes withdrawal is received by the Authority. Notwithstanding the foregoing, any termination of membership or withdrawal from the Authority shall not operate to relieve any terminated or withdrawing Member or Associate Member from Obligations incurred by such terminated or withdrawing Member or Associate Member prior to the time of its termination or withdrawal.

20. **Miscellaneous**

a. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

b. **Construction.** The section headings herein are for convenience only and are not to
be construed as modifying or governing the language in the section referred to.

c. **Approvals.** Wherever in this Agreement any consent or approval is required, the same shall not be unreasonably withheld.

d. **Jurisdiction; Venue.** This Agreement is made in the State of California, under the Constitution and laws of such State and is to be so construed; any action to enforce or interpret its terms shall be brought in Sacramento County, California.

e. **Integration.** This Agreement is the complete and exclusive statement of the agreement among the parties hereto, and it supersedes and merges all prior proposals, understandings, and other agreements, whether oral, written, or implied in conduct, between and among the parties relating to the subject matter of this Agreement.

f. **Successors; Assignment.** This Agreement shall be binding upon and shall inure to the benefit of the successors of the parties hereto. Except to the extent expressly provided herein, no Member may assign any right or obligation hereunder without the consent of the Board.

g. **Severability.** Should any part, term or provision of this Agreement be decided by the courts to be illegal or in conflict with any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms or provisions hereof shall not be affected thereby.

The parties hereto have caused this Agreement to be executed and attested by their properly authorized officers.

**AS ADOPTED BY THE MEMBERS:**

Originally dated July 1, 1993  
Amended and restated December 10, 1998  
Amended and restated February 18, 1999  
Amended and restated September 18, 2002  
Amended and restated January 28, 2004  
Amended and restated December 10, 2014

[SIGNATURES ON FOLLOWING PAGES]
SIGNATURE PAGE FOR NEW ASSOCIATE MEMBERS

NAME OF COUNTY OR CITY:

______________________________   Dated: ____________________

By:__________________________

Name:______________________

Title:_______________________

Attest:

By _______________________
[Clerk of the Board Supervisors or City Clerk]

AFTER EXECUTION, PLEASE SEND TO:

Golden State Finance Authority
(formerly California Home Finance Authority)
1215 K Street, Suite 1650
Sacramento, CA  95814
ATTACHMENT 1
CALIFORNIA HOME FINANCE AUTHORITY MEMBERS

As of December 10, 2014

Alpine County
Amador County
Butte County
Calaveras County
Colusa County
Del Norte County
El Dorado County
Glenn County
Humboldt County
Imperial County
Inyo County
Lake County
Lassen County
Madera County
Mariposa County
Mendocino County
Merced County
Modoc County
Mono County
Napa County
Nevada County
Placer County
Plumas County
San Benito County
Shasta County
Sierra County
Siskiyou County
Sutter County
Tehama County
Trinity County
Tuolumne County
Yolo County
Yuba County
RESOLUTION NO. 2015-

Adopted by the Sacramento City Council

CONSENT TO INCLUSION OF PROPERTIES IN THE GOLDEN STATE FINANCE AUTHORITY TO FINANCE RENEWABLE ENERGY IMPROVEMENTS, ENERGY EFFICIENCY, WATER CONSERVATION IMPROVEMENTS, AND ELECTRIC VEHICLE CHARGING INFRASTRUCTURE THROUGH A VOLUNTARY ASSESSMENT PROGRAM

BACKGROUND

A. The Golden State Finance Authority (“the Authority”) is a joint powers authority established pursuant to Government Code sections 6500-6537.

B. The Authority established a Property Assessed Clean Energy Program with the purpose of financing the acquisition, construction or installation of energy efficiency, water conservation, renewable energy, and electric vehicle charging infrastructure permanently affixed to privately or publicly owned real property (the “Authorized Improvements”).

C. The Legislature has authorized cities and counties to assist property owners in financing the cost of installing Authorized Improvements though a voluntary contractual assessment program (“Voluntary Assessment Program”).

D. The City of Sacramento is committed to the development of renewable energy generation, energy efficiency improvements, reduction of greenhouse gases, and protection of the environment.

E. The City wishes to cooperate with the Authority in order to efficiently and economically assist the property owner(s) in financing such Authorized Improvements.

F. The Authority, not the City, will be responsible for any assessment proceedings, the levy and collection of assessments, or any required remedial action in the case of delinquencies in the payment of any assessment or the issuance, sale, or administration of any bonds issued in connection with the Voluntary Assessment Program.

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

Section 1. Contingent on the City’s agreement to join the Authority as an associate member, the City acknowledges and agrees that the Authority will, for all purposes, run the Voluntary Assessment Program and authorizes the
Authority to take any steps necessary in furtherance of an efficient and properly run Voluntary Assessment Program.

Section 2. The City consents to inclusion of all of the properties within its boundaries in the Authority’s Voluntary Assessment Program for the financing of Authorized Improvements.

Section 3. City staff is authorized and directed to assist Authority staff as necessary for the operation of the Voluntary Assessment Program and report back periodically on the success of the program.

Section 4. The City Clerk is directed to send a certified copy of this resolution to the Secretary of the Authority.