

RESOLUTION NO. .

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

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**RESOLUTION AUTHORIZING THE COUNTY OF SAN MATEO TO JOIN
THE FIGTREE PACE PROGRAM; AUTHORIZING THE CALIFORNIA
ENTERPRISE DEVELOPMENT AUTHORITY TO CONDUCT
CONTRACTUAL ASSESSMENT PROCEEDINGS AND LEVY
CONTRACTUAL ASSESSMENTS WITHIN THE TERRITORY OF THE
COUNTY OF SAN MATEO; AND AUTHORIZING RELATED ACTIONS**

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California, that

WHEREAS, the California Enterprise Development Authority ("CEDA") is a joint exercise of powers authority, comprised of cities and counties in the State of California, including the County of San Mateo (the "County"); and

WHEREAS, CEDA has adopted the Figtree Property Assessed Clean Energy (PACE) and Job Creation Program (the "Program" or "Figtree PACE") to allow the financing of certain renewable energy, energy efficiency and water efficiency improvements (the "Improvements") through the levy of contractual assessments pursuant to Chapter 29 of Division 7 of the Streets & Highways Code ("Chapter 29") and the issuance of improvement bonds or other evidences of indebtedness (the "Bonds") under the Improvement Bond Act of 1915 (Streets and Highways Code Sections 8500 et seq.) (the "1915 Act") upon the security of the unpaid contractual assessments; and

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

WHEREAS, the County desires to allow the owners of property ("Participating Parcel") within its jurisdiction ("Participating Property Owners") to participate in Figtree PACE and to allow CEDA to conduct assessment proceedings under Chapter 29 and to issue Bonds under the 1915 Act to finance the Improvements; and

WHEREAS, CEDA will conduct assessment proceedings under Chapter 29 to establish an assessment district (the "District") and issue Bonds under the 1915 Act to finance Improvements; and

WHEREAS, there has been presented to this meeting a proposed form of Resolution of Intention to be adopted by CEDA in connection with such assessment proceedings (the "ROI"), a copy of which is attached hereto as Exhibit B; and

WHEREAS, said ROI sets forth the territory within which assessments may be levied for Figtree PACE which territory shall be coterminous with the County's official boundaries of record at the time of adoption of the ROI (the "Boundaries"). A property owner located within a City within the County may enter into contractual assessments with CEDA only after such City has adopted a resolution to authorize participation in the Program; and

WHEREAS, pursuant to Chapter 29, the County authorizes CEDA to conduct assessment proceedings, levy assessments, pursue remedies in the event of delinquencies, and issue bonds or other forms of indebtedness to finance the Improvements in connection with Figtree PACE; and

WHEREAS, to protect the County in connection with operation of the Figtree PACE program, Figtree Energy Financing, the program administrator, has agreed to defend and indemnify the County; and

WHEREAS, the County will not be responsible for the conduct of any assessment proceedings, the levy of assessments, or any required remedial action in the case of delinquencies, the issuance, sale or administration of the bonds or other indebtedness issued in connection with Figtree PACE; and

NOW THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the

Board of Supervisors:

Section 1. Good Standing. The County is either a municipal corporation or other public body and a member of CEDA in good standing.

Section 2. Public Benefits. On the date hereof, the Board of Supervisors hereby finds and determines that the Program and issuance of Bonds by CEDA in connection with Figtree PACE will provide significant public benefits, including without limitation, savings in effective interest rates, bond preparation, bond underwriting and bond issuance costs and reductions in effective user charges levied by water and electricity providers within the boundaries of the County.

Section 3. Appointment of CEDA. The County hereby appoints CEDA as its representative to (i) record the assessment against the Participating Parcels, (ii) administer the District in accordance with the Improvement Act of 1915 (Chapter 29 Part 1 of Division 10 of the California Streets and Highways Code (commencing with Section 8500 et seq.) (the "Law"), (iii) prepare program guidelines for the operations of the Program and (iv) proceed with any claims, proceedings or legal actions as shall be necessary to collect past due assessments on the properties within the District in accordance with the Law and Section 6509.6 of the California Government Code. The County is not and will not be deemed to be an agent of Figtree or CEDA as a result of this Resolution.

Section 4. Assessment Proceedings. In connection with Figtree PACE, the County hereby consents to the special assessment proceedings by CEDA pursuant to Chapter 29 on any property within the Boundaries and the issuance of Bonds under the 1915 Act, provided that:

- (1) Such proceedings are conducted pursuant to one or more Resolutions of Intention in substantially the form of the ROI;
- (2) The Participating Property Owners, who shall be the legal owners of such property, voluntarily execute a contract pursuant to Chapter 29 and comply with other applicable provisions of California law in order to accomplish the valid levy of assessments; and
- (3) The County will not be responsible for the conduct of any assessment proceedings, the levy of assessments, any required remedial action in the

case of delinquencies in such assessment payments, or the issuance, sale or administration of the Bonds in connection with Figtree PACE.

Section 5. Program Report. The Board of Supervisors hereby acknowledges that pursuant to the requirements of Chapter 29, CEDA has prepared and will update from time to time the "Program Report" for Figtree PACE (the "Program Report") and associated documents, and CEDA will undertake assessment proceedings and the financing of Improvements as set forth in the Program Report.

Section 6. Foreclosure. The Board of Supervisors hereby acknowledges that the Law permits foreclosure in the event that there is a default in the payment of assessments due on a property. The Board of Supervisors hereby designates CEDA as its representative to proceed with collection and foreclosure of the liens on the defaulting properties within the District, including accelerated foreclosure pursuant to the Program Report.

Section 7. Indemnification. The Board of Supervisors acknowledge that Figtree has provided the County with an indemnification agreement, as shown in Exhibit B, for negligence or malfeasance of any type as a result of the acts or omissions of Figtree, its officers, employees, subcontractors and agents. The Board of Supervisors hereby authorizes the appropriate officials and staff of the County to execute and deliver the Indemnification Agreement to Figtree.

Section 8. County Contact Designation. The appropriate officials and staff of the County are hereby authorized and directed to make applications for Figtree PACE available to all property owners who wish to finance Improvements. The following staff persons, together with any other staff designated by the Chief Administrative Officer from time to time, are hereby designated as the contact persons for CEDA in connection with Figtree PACE: Stephen Stolte, Sustainability Coordinator, (650) 363-4133, sstolte@smcgov.org.

Section 9. County Execution of Documents. The appropriate officials and staff of the County are hereby authorized and directed to execute and deliver such closing certificates, requisitions, agreements and related documents as are reasonably required by CEDA in accordance with the Program Report to implement Figtree PACE for Participating Property Owners.

Section 10. CEQA. The Board of Supervisors hereby finds that adoption of this Resolution is not a "project" under the California Environmental Quality Act ("CEQA"), because the Resolution does not involve any commitment to a specific project which may result in a potentially significant physical impact on the environment, as contemplated by Title 14, California Code of Regulations, Section 15378(b)(4)).

Section 11. Effective Date. This Resolution shall take effect immediately upon its adoption. The County Clerk is hereby authorized and directed to transmit a certified copy of this resolution to Figtree Energy Financing.

Section 12. Costs. Services related to the formation and administration of the assessment district will be provided by CEDA at no cost to the County.

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