[Urging the Restart of GreenFinanceSF]

Resolution urging the restart of GreenFinanceSF and supporting the Mayor, Department of the Environment, and Office of Public Finance to enable City residents to finance the costs of energy efficiency and renewable energy capital improvements; and to take such other actions necessary therefor.

WHEREAS, Climate change and persistent droughts pose a serious threat to the economic well-being, public health, natural resources, and the welfare of residents of the City, and that action taken by the City to combat these challenges will have far reaching effects; and,

WHEREAS, The Board of Supervisors of the City and County of San Francisco (the "City") have conducted proceedings under and pursuant to Chapter 43, Article X of the San Francisco Administrative Code (the "Code"), which incorporates the Mello-Roos Community Facilities Act of 1982 (the "Act"), to form "City and County of San Francisco Special Tax District No. 2009-1 (San Francisco Sustainable Financing)" (the "Special Tax District"), to authorize the levy of special taxes upon the land within the Special Tax District, and to issue bonds secured by said special taxes for the purpose of financing and refinancing the acquisition and installation of energy efficiency, water conservation and renewable energy improvements to or on real property and in buildings, whether such real property or buildings are privately owned or publicly owned (the "Facilities"), all as described in those proceedings; and,

WHEREAS, GreenFinanceSF is designed as an “owner-arranged financing program,” under which (i) the City has established a program to facilitate financing for the acquisition,
installation and improvement of Facilities on one or a limited number of non-residential properties or residential properties through the issuance of up to $100 million of special tax bonds payable solely from special taxes levied on such properties, (ii) each such property or group of properties will be designated a unique improvement area within the Special Tax District, (iii) the special tax bonds are intended to be purchased by a financial institution or other sophisticated investor experienced in risks of providing financing or refinancing to properties participating in the GreenFinanceSF owner-arranged financing program, on a private-placement basis; and,

WHEREAS, In July 2010 the Federal Housing Finance Agency (FHFA) issued a statement expressing its concerns about Property Assessed Clean Energy (“PACE”) financings and issued underwriting guidance to Fannie Mae and Freddie Mac to limit exposure to PACE loans, the import of which effectively undermine viability of GreenFinanceSF; and,

WHEREAS, Due to FHFA concerns GreenFinanceSF was suspended to protect homeowners and the City from the actions described in the July 2010 FHFA statement; and

WHEREAS, On July 26, 2010, by Resolution No.382-10, this Board of Supervisors adopted a Resolution supporting PACE programs and requested San Francisco’s Congressional representatives to work with FHFA to establish standardized underwriting criteria and safeguards to allow for the continuation of PACE; and,

WHEREAS, Several jurisdictions in the State, including the counties of Sonoma and Placer, and the Western Riverside Council of Governments, have proceeded with public financing initiatives to assist their residents finance the costs of capital improvements for energy efficiency programs, notwithstanding FHFA’s opposition; and,

WHEREAS, On September 23, 2013, Governor Jerry Brown sent a letter to the FHFA advising it that California will establish a mechanism to address the concerns raised by the
FHFA designed to protect the interests of Fannie Mae and Freddie Mac through the creation of a reserve fund for PACE programs in California; and,

WHEREAS, This Board of Supervisors believes it in the best interest of the City and its residents to have a clean energy financing program to promote the adoption of energy efficiency, water conservation, and renewable energy measures by homeowners, and thereby reduce the City's impact on climate change; now, therefore, be it

RESOLVED, That the Board hereby supports the Mayor, the Department of the Environment and the Office of Public Finance to pursue appropriate policies and strategies to restart GreenFinanceSF to ensure that residents of the City can finance the costs of energy efficiency, water conservation, and renewable energy improvements; and, be it

FURTHER RESOLVED, That the Mayor, the Department of the Environment and the Office of Public Finance, are hereby further urged to explore alternative strategies to the issuance of bonds, including vendor financing and other third-party financing options; and, be it

FURTHER RESOLVED, that all actions heretofore taken by the officers and agents of the City (including, but not limited to, the Authorized Officers) with respect to the establishment of the Special Tax District and the sale and issuance of the Bonds are hereby approved, confirmed and ratified, and the appropriate officers of the City are hereby authorized and directed to do any and all things and take any and all actions and execute any and all certificates, agreements and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds in accordance with this resolution, and any certificate, agreement, and other document described in the documents herein approved. All actions to be taken by an Authorized Officer, as defined herein, may be taken by such Authorized Officer or any designee, with the same force and effect as if taken by the Authorized Officer; and, be it

Mayor Lee, Supervisors Farrell, Chiu, Wiener, Kim, Tang, Mar, Yee, Cohen
BOARD OF SUPERVISORS
FURTHER RESOLVED, The provisions of any previous resolutions in any way inconsistent with the provisions hereof in and for the issuance of the Bonds as herein described are hereby repealed.

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

By:
MARK D. BLAKE
Deputy City Attorney
Resolution urging the restart of GreenFinanceSF and supporting the Mayor, Department of the Environment, and Office of Public Finance to enable City residents to finance the costs of energy efficiency and renewable energy capital improvements; and to take such other actions necessary therefor.

December 04, 2013 Budget and Finance Committee - RECOMMENDED

December 10, 2013 Board of Supervisors - ADOPTED

Ayes: 11 - Avalos, Breed, Campos, Chiu, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee

I hereby certify that the foregoing Resolution was ADOPTED on 12/10/2013 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Date Approved: 12/18/13