

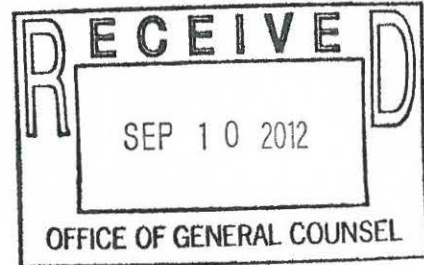


CITY OF MOUNTAIN VIEW

Office of the Mayor and City Council • 500 Castro Street • Post Office Box 7540 • Mountain View, California 94039-7540
650-903-6305 • FAX 650-903-6039

September 7, 2012

Mr. Alfred M. Pollard, General Counsel
Attention: Comments/RIN 2590-AA53
Federal Housing Finance Agency
Eighth Floor, 400 Seventh Street SW
Washington, DC 20024



RIN 2590-AA53 – PACE FINANCING

Dear Mr. Pollard:

On January 12, 2010, the City of Mountain View City Council adopted a resolution (enclosed) authorizing the City to join CaliforniaFIRST, a State-wide Property Assessed Clean Energy (PACE) financing program, to assist residential and commercial property owners finance renewable energy, energy-efficiency and water-efficiency improvements for their homes and businesses.

Unfortunately, Mountain View residents and businesses have been unable to participate in the CaliforniaFIRST program because of objections raised by the Federal Housing Finance Agency that led to the California Energy Commission unfunding the program in July 2010.

The City of Mountain View remains keenly interested in participating in a residential PACE program, which would benefit local homeowners, stimulate the economy through job creation, protect the environment through increased building efficiency, and increase property values.

The City of Mountain View looks forward to having any issues related to residential PACE resolved so that this creative financing mechanism can be offered in our community.

Sincerely,

R. Michael Kasperzak, Jr.
Mayor

RMK/LF/7/PWK/901-08-31-12L-E-1

Enclosure: Resolution No. 17468

cc: CM, ACM, CA, CC, PWD, TBM, ESC, PWD File

CITY OF MOUNTAIN VIEW
RESOLUTION NO. 17468
SERIES 2010

A RESOLUTION AUTHORIZING THE CITY OF MOUNTAIN VIEW TO JOIN THE CALIFORNIAFIRST PROGRAM; AUTHORIZING THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY TO ACCEPT APPLICATIONS FROM PROPERTY OWNERS, CONDUCT CONTRACTUAL ASSESSMENT PROCEEDINGS AND LEVY CONTRACTUAL ASSESSMENTS WITHIN THE TERRITORY OF THE CITY; AND AUTHORIZING RELATED ACTIONS

WHEREAS, the California Statewide Communities Development Authority ("California Communities") is a joint exercise of powers authority, the members of which include numerous cities and counties in the State of California, including the City of Mountain View (the "City"); and

WHEREAS, California Communities has established the CaliforniaFIRST program (the "CaliforniaFIRST Program") 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 and Highways Code ("Chapter 29") and the issuance of improvement bonds (the "Bonds") under the Improvement Bond Act of 1915 (Streets and Highways Code Sections 8500 and following) (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 City desires to allow the owners of property within its jurisdiction ("Participating Property Owners") to participate in the CaliforniaFIRST Program and to allow California Communities to conduct assessment proceedings under Chapter 29 and to issue Bonds under the 1915 Act to finance the Improvements; and

WHEREAS, California Communities will conduct assessment proceedings under Chapter 29 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 California Communities in connection with such assessment proceedings (the "ROI"), a copy of which is attached hereto as Exhibit A, and the territory within which assessments may be levied for the CaliforniaFIRST Program shall include all of the territory within the City's official boundaries of record (the "Proposed Boundaries"); and

WHEREAS, the City will not be responsible for the conduct of any assessment proceedings; the levy or collection of assessments or any required remedial action in the case of delinquencies in such assessment payments; or the issuance, sale or administration of the Bonds or any other bonds issued in connection with the CaliforniaFIRST Program; and

WHEREAS, pursuant to Government Code Section 6586.5, a notice of public hearing has been published once at least five days prior to the date hereof in a newspaper of general circulation in the City and a public hearing has been duly conducted by this City Council concerning the significant public benefits of the CaliforniaFIRST Program and the financing of the Improvements;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Mountain View as follows:

Section 1. On the date hereof, the City Council held a public hearing and the City Council hereby finds and declares that the issuance of bonds by California Communities in connection with the CaliforniaFIRST Program will provide significant public benefits, including without limitation, savings in effective interest rate, 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 City.

Section 2. In connection with the CaliforniaFIRST Program, the City hereby consents to the conduct of special assessment proceedings by California Communities pursuant to Chapter 29 on any property within the Proposed 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, 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 City will not be responsible for the conduct of any assessment proceedings; the levy or collection of assessments or any required remedial action in the case of delinquencies in such assessment payments; or the issuance, sale or administration of the Bonds or any other bonds issued in connection with the CaliforniaFIRST Program; and

(4) The issuance of Bonds will occur following receipt of a final judgment in a validation action filed by California Communities pursuant to Code of Civil Procedure Section 860 that the Bonds are legal obligations of California Communities.

Section 3. Pursuant to the requirements of Chapter 29, California Communities has prepared and will update from time to time the "Program Report" for the CaliforniaFIRST Program (the "Program Report"), and California Communities will undertake assessment proceedings and the financing of Improvements as set forth in the Program Report.

Section 4. The appropriate officials and staff of the City are hereby authorized and directed to make applications for the CaliforniaFIRST program available to all property owners who wish to finance Improvements; provided that California Communities shall be responsible for providing such applications and related materials at its own expense. The following staff persons, together with any other staff persons chosen by the City Manager from time to time, are hereby designated as the contact persons for California Communities in connection with the CaliforniaFIRST Program: Environmental Sustainability Coordinator and Finance and Administrative Services Director.

Section 5. The appropriate officials and staff of the City are hereby authorized and directed to execute and deliver such closing certificates, requisitions, agreements and related documents as are reasonably required by California Communities in accordance with the Program Report to implement the CaliforniaFIRST Program for Participating Property Owners.

Section 6. In the event the City does not receive start-up cost grant funding through the State Energy Program, the appropriate officials and staff of the City are hereby authorized and directed to pay California Communities a fee in an amount not to exceed \$12,500, which California Communities will use to pay for the costs of

implementing the CaliforniaFIRST Program in the City, including the payment of legal costs incurred in connection with judicial validation of the CaliforniaFIRST Program.

Section 7. The City Council hereby finds that adoption of this Resolution is not a "project" under the California Environmental Quality Act, 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 8. This Resolution shall take effect immediately upon its adoption. The City Clerk is hereby authorized and directed to transmit a certified copy of this resolution to the Secretary of California Communities.

The foregoing Resolution was regularly introduced and adopted at a Special Meeting of the City Council of the City of Mountain View, duly held on the 12th day of January, 2010, by the following vote:

AYES: Councilmembers Abe-Koga, Inks, Kasperzak, Macias, Vice Mayor Siegel and Mayor Bryant

NOES: Councilmember Means

ABSENT: None

NOT VOTING: None

ATTEST:

APPROVED:

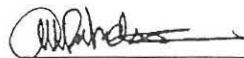


ANGELITA M. SALVADOR
CITY CLERK



RONIT BRYANT
MAYOR

I do hereby certify that the foregoing resolution was passed and adopted by the City Council of the City of Mountain View at a Special Meeting held on the 12th day of January, 2010, by the foregoing vote.



City Clerk
City of Mountain View

SPA/7/RESO
916-01-12-10R-E^