



City of Sunnyvale

Notice and Agenda - Final Sustainability Commission

Monday, May 15, 2017

7:00 PM

West Conference Room, City Hall, 456 W.
Olive Ave., Sunnyvale, CA 94086

CALL TO ORDER

SALUTE TO THE FLAG

ROLL CALL

ORAL COMMUNICATIONS

This category provides an opportunity for members of the public to address the commission on items not listed on the agenda and is limited to 15 minutes (may be extended or continued after the public hearings/general business section of the agenda at the discretion of the Chair) with a maximum of up to three minutes per speaker. Please note the Brown Act (Open Meeting Law) does not allow commissioners to take action on an item not listed on the agenda. If you wish to address the commission, please complete a speaker card and give it to the Recording Secretary. Individuals are limited to one appearance during this section.

CONSENT CALENDAR

- 1 [17-0554](#) Approve the Sustainability Commission Meeting Minutes of April 17, 2017

Recommendation: Approve the Sustainability Commission Minutes of April 17, 2017 as submitted.

PUBLIC HEARINGS/GENERAL BUSINESS

- 2 [16-0585](#) Adopt Resolutions Authorizing the Operation of Property Assessed Clean Energy (PACE) Financing Programs Within the City of Sunnyvale, Authorize the City Manager to Execute Agreements and Other Documents Necessary to Implement the Same, and Find that the Actions are Exempt from Environmental Review under CEQA Guidelines Section 15378(b)(4)

Recommendation: Recommend Alternatives 1 through 8 to City Council:

1. Approve the proposed operating conditions as presented in Attachment 3 and establish these conditions as requirements for PACE providers to operate in Sunnyvale;
2. Authorize the City Manager to execute the Adoption of the Association of Bay Area Governments (ABAG) Regional Collaborative Services Agreement with Residential PACE Providers (Attachment 4);
3. Adopt a resolution (Attachment 5) authorizing the inclusion of properties within the City's jurisdiction in the California HERO program and approving an amendment to the Western Riverside Council of Governments (WRCOG) Joint Powers Agreement (Attachment 6) adding the City of Sunnyvale as an Associate Member, and authorize the City Manager to execute the Associate Member Agreement with WRCOG (Attachment 7);
4. Adopt a resolution (Attachment 8) authorizing the inclusion of properties within the territory of the City of Sunnyvale in the CSCDA Open PACE Program for those providers signing the City's Letter of Agreement and the ABAG Regional Agreement;
5. Adopt resolutions (Attachments 9 and 10) authorizing the inclusion of properties within the City's jurisdiction in the Ygrene program through the California Home Finance Authority Community Facilities District No. 2014-1 (Clean Energy) under SB 555 and under AB 811 and approving an amendment to the California Home Finance Authority/Golden State Finance Authority's Joint Powers Agreement (formerly the California Rural Home Mortgage Finance Authority) adding the City of Sunnyvale as an Associate Member, and authorize the City Manager to execute the amendment to the California Home Finance Authority/Golden State Finance Authority's Joint Powers Agreement adding Sunnyvale as an Associate Member (Attachment 11).
6. Adopt a resolution (Attachment 12) authorizing the City to join the FigTree PACE Program, approving Associate Membership for the City in the California Enterprise Development Authority's Joint Powers Agreement (Attachment 13), and authorizing the California Enterprise Development Authority to conduct contractual assessment proceedings and levy contractual assessments within the territory of the City of Sunnyvale, and authorize the City

Manager to execute the Associate Member Agreement with the California Enterprise Development Authority (Attachment 14);

7. Authorize the City Manager to execute other documents or agreements necessary to implement the above PACE programs as the City Manager concludes are necessary and appropriate; and

8. Find that the Actions are Exempt from Environmental Review under CEQA Guidelines Section 15378(b)(4)

- 3 [17-0492](#) Approve the City's Green Infrastructure Plan Framework and Find that the Action is Categorically Exempt from Environmental Review under CEQA Guidelines Section 15308

Recommendation: Alternative: 1. Find that the Action is Exempt from CEQA and Approve the Green Infrastructure Plan Framework as presented by staff.

- 4 [17-0557](#) Annual Review of the City Manager's Recommended Budget
Full budget available online at:
<<http://sunnyvale.ca.gov/Departments/Finance/BudgetDocuments.aspx>>

STANDING ITEM: CONSIDERATION OF POTENTIAL STUDY ISSUES

NON-AGENDA ITEMS & COMMENTS

-Commissioner Comments

-Staff Comments

ADJOURNMENT

Notice to the Public:

Any agenda related writings or documents distributed to members of this meeting body regarding any item on this agenda will be made available for public inspection in the Environmental Services Department located at 1444 Borregas Avenue, Sunnyvale or can be accessed through the Office of the City Clerk located at 603 All America Way, Sunnyvale during normal business hours and in the meeting location on the evening of the Sustainability Commission meeting, pursuant to Government Code §54957.5.

Agenda information is available by contacting Nupur Hiremath at (408) 730-7743.

Agendas and associated reports are also available on the City's website at sunnyvale.ca.gov or at the Sunnyvale Public Library, 665 W. Olive Ave., Sunnyvale, 72 hours before the meeting.

Pursuant to the Americans with Disabilities Act, if you need special assistance in this meeting, please contact Nupur Hiremath at (408) 730-7743. Notification of 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35.160 (b) (1))



City of Sunnyvale

Agenda Item

17-0554

Agenda Date: 5/15/2017

SUBJECT

Approve the Sustainability Commission Meeting Minutes of April 17, 2017

RECOMMENDATION

Approve the Sustainability Commission Minutes of April 17, 2017 as submitted.



City of Sunnyvale

Meeting Minutes - Draft

Sustainability Commission

Monday, April 17, 2017

7:00 PM

West Conference Room, City Hall, 456 W.
Olive Ave., Sunnyvale, CA 94086

CALL TO ORDER

Chair Paton called the meeting to order at 7:03 p.m. in the West Conference Room.

SALUTE TO THE FLAG

Chair Paton led the salute to the flag.

ROLL CALL

Present: 6 - Chair Bruce Paton
Vice Chair Amit Srivastava
Commissioner Dan Hafeman
Commissioner Petya Kisyova
Commissioner Kristel Wickham
Commissioner Steven Zornetzer

Council Liaison – Larry Klein (present)

ORAL COMMUNICATIONS

None.

CONSENT CALENDAR

- 1 [17-0446](#) Approve the Sustainability Commission Meeting Minutes of March 20, 2017

Commissioner Hafeman moved, and Commissioner Wickham seconded, a motion to approve the consent calendar. The motion carried by the following vote:

Yes: 4 - Chair Paton
Commissioner Hafeman
Commissioner Wickham
Commissioner Zornetzer

No: 0

Abstain: 2 - Vice Chair Srivastava
Commissioner Kisyova

Vice Chair Srivastava and Commissioner Kisyova abstained as they were not present at the March meeting.

PUBLIC HEARINGS/GENERAL BUSINESS

2 [17-0442](#) Approve 2017 Annual Master Work Plan

Chair Paton noted that the approval of the Work Plan was delayed by one month. Councilmember Klein clarified that this delay was due to the timing of Council's prioritization of Study Issues. Nupur Hiremath, Sustainability Coordinator, explained that one Study Issue "Eco-district Feasibility and Incentives" (ESD 13-05C) had been added to the Commission's Work Plan for consideration in October 2017. The Commission generally agreed that developing a Work Plan earlier in the year was more valuable.

Chair Paton commented that the Work Plan should reflect the Commission's involvement in the Climate Action Plan (CAP) 2.0 update. Councilmember Klein clarified that such input would depend on the timing of the CAP 2.0 development process as determined by staff. Ms. Hiremath clarified that agenda items on CAP 2.0 could be added to monthly agendas as needed even if these were not included in the Work Plan.

Vice Chair Srivastava inquired about the proposed timing for staff's recommendation to Council regarding the formation of the CAP 2.0 Advisory Committee. Melody Tovar, Regulatory Programs Division Manager, stated that this recommendation would be a part of the budget supplement that staff is currently preparing for Council's review in May. Therefore, adding CAP 2.0 to the Work Plan was challenging given the uncertainty in the timing and scope of the Commission's role. The Commission would remain informed about CAP 2.0 through regular updates from: (1) staff; and (2) Commissioners who would likely represent the Sustainability Commission on the CAP 2.0 Advisory Committee.

The Commission reviewed the draft Master Work Plan and considered new topics for the Work Plan, including: CalTrain electrification, no smoking ordinance, traffic light coordination and control (to minimize stop-and-go traffic), transportation demand management, and the Mary Avenue extension. The Commission requested staff updates on these issues. Ms. Tovar noted that staff could provide brief written updates or could identify related sections of the audio recording of

Council's Annual Strategic Plan Workshop for the Commission to listen to, in lieu of presentations when appropriate.

Based on the discussion, the Commission added the following scheduled topics into the Work Plan: a Commissioner Presentation on leading edge practices to fund CAP implementation; a presentation of the City's sustainability webpage (once updated); and the draft 2018 Annual Master Work Plan.

The Commission also agreed to add the following items as unscheduled items to the Work Plan: CAP 2.0 Briefing/Updates, Transportation Strategic Program/Traffic Impact Fees, and Traffic Coordination.

Commissioner Kisyova requested that staff presentations be aligned with Commissioner leading edge presentations on the same topics so as to add value to the Commission's discussion on those topics. Ms. Hiremath acknowledged that this would be done depending on staff availability.

Commissioner Wickham inquired why the Study Issue ESD 17-01 "Eliminate the Use of Chemical Pesticides on City Owned or Leased Property" was not reflected in the Work Plan. Councilmember Klein explained that this Study Issue was prioritized for funding FY 2017/18, but was not scheduled due to limitations in staffing, which may prevent its completion within the fiscal year. If not completed this year, this Study Issue would automatically be forwarded for Council's consideration in the next Study Issue cycle.

Chair Paton opened the Public Hearing.

No comments were provided by the public.

Chair Paton closed the Public Hearing.

Commissioner Kisyova moved, and Vice Chair Srivastava seconded, a motion to approve 2017 Annual Master Work Plan as amended. The motion carried by the following vote:

Yes: 6 - Chair Paton
Vice Chair Srivastava
Commissioner Hafeman
Commissioner Kisyova
Commissioner Wickham
Commissioner Zornetzer

No: 0

3 [17-0480](#) Sustainability Speaker Series

Per Chair Paton's request, Councilmember Klein provided an update on Council's review of the Commission's 2017 Sustainability Speaker Series proposal. Councilmember Griffith had commended the Commission's proposal, but requested that the Commission to think beyond sustainability issues that the City was already implementing programs for (e.g., food scraps collection).

Commissioner Wickham offered that the current proposal did take the City's programs to the next level by considering building electrification and zero waste. Chair Paton reflected that the Series would need to balance actionable topics with cutting edge ones. Commissioner Hafeman cautioned that selected topics should be of interest to the broader community to ensure they had an audience.

Chair Paton opened the Public Hearing.

Tim Oey, a Sunnyvale resident, was excited to hear about the Sustainability Speaker Series. He noted that he has made significant strides in reaching zero waste at his home. He inquired about volunteer efforts related to zero waste in the community. He also noted that he was available to be a speaker.

Susannah Calvin, Apple Inc., shared that younger generations are likely to be interested in hearing not only about current sustainability topics but also those that would be considered cutting edge.

Chair Paton closed the Public Hearing.

STANDING ITEM: CONSIDERATION OF POTENTIAL STUDY ISSUES

Ms. Hiremath provided guidance on how to use the Standing Item on Potential Study Issues. She explained that ideas for potential Study Issues could be briefly proposed under this agenda item, but would then need a vote to be added to a subsequent meeting agenda, at which point a longer discussion of that Study Issue could occur.

Commissioner Kisyova moved, Commissioner Zornetzer seconded, a motion that the Commission consider sponsoring a potential Study Issue related to ways to improve traffic flows in Sunnyvale.

Vice Chair Srivastava expressed a preference to hear from staff on this topic before proceeding with proposing a Study Issue to ensure it is not duplicative of current efforts.

The Commission agreed that this item should be added to the Commission agenda for a later month, as the May agenda was already full.

The motion carried by the following vote:

Yes: 5 - Chair Paton
Vice Chair Srivastava
Commissioner Kisyova
Commissioner Wickham
Commissioner Zornetzer

No: 0

Abstain: 1 - Commissioner Hafeman

Commissioner Hafeman abstained.

NON-AGENDA ITEMS & COMMENTS

-Commissioner Comments

Commissioner Hafeman commented that a contractor who was maintaining prune trees in his neighborhood had wasted large amounts of adhesive tape on street signs, which conflicted with the City's zero waste goals. Commissioner Kisyova noted that this was related to the Commission's recommendation to have sustainability incorporated into every aspect of City operations.

Commissioner Wickham shared some items of interest: (1) a book entitled "Drawdown", which documented 100 most-substantive solutions to global warming; (2) a documentary entitled "Water and Power: A California Heist" about water wars in California; and (3) a documentary entitled "Time to Choose" about existing technologies to address climate change.

Chair Paton shared that he had attended the Council meeting on the Land Use and Transportation Element (LUTE), at which Council had expressed concerns about housing, jobs, and associated traffic impacts. He observed that current transportation solutions focused on micro-strategies, like transportation demand management, rather than on a comprehensive regional strategy. The Commission subsequently discussed the housing to jobs ratio and its pros and cons.

Chair Paton announced a tour of the Baylands restoration project on April 21, 2017.

Vice Chair Srivastava announced on the event, The Future of El Camino Real in Sunnyvale, at the Sunnyvale Community Center from 7:00-9:00 p.m. on April 26, 2017.

-Staff Comments

Ms. Tovar announced that Silicon Valley Clean Energy (SVCE) had successfully launched its first phase of service starting on April 1, 2017 to nearly 70,000 customers, with an opt-out rate of less than 1 percent and an opt-up rate (to 100% renewable) of about 2 percent. Customers opting out cited concerns about future costs and displeasure with automatic enrollment. Phase 2 will launch in July. SVCE also convened a roundtable of sustainability managers who would advise SVCE staff. The CEO report section of SVCE's monthly meeting minutes contains helpful updates.

Ms. Hiremath provided an update on the first Sustainability Speaker Series event on May 31. She also shared the following: (1) the City's application for funding from the California Energy Commission for \$700,000 to support CAP 2.0 planning and other energy efficiency programs was not selected for award;(2) we are still awaiting a decision on the selection of finalists in the Georgetown University Energy Prize; (3) the Mayor recently signed on to an open letter to the President, with 54 other cities, opposing the rollback of federal climate policies; and (4) the City Council adopted a proclamation recognizing April as Earth Month.

Councilman Klein noted that Council recently approved plans for a new office building in Peery Park, for which it required parking garage solar panels. He announced that the Mary Avenue Extension project draft Environmental Impact Report (EIR) would be available in July for a 90-day comment period.

Commissioner Wickham asked about the timing for hiring the Environmental Services Department Director. Ms. Tovar stated that applications were due in May and encouraged Commissioners to provide input through an online survey available on the City's website.

ADJOURNMENT

The meeting was adjourned at 9:03 p.m.



City of Sunnyvale

Agenda Item

16-0585

Agenda Date: 5/15/2017

REPORT TO SUSTAINABILITY COMMISSION

SUBJECT

Adopt Resolutions Authorizing the Operation of Property Assessed Clean Energy (PACE) Financing Programs Within the City of Sunnyvale, Authorize the City Manager to Execute Agreements and Other Documents Necessary to Implement the Same, and Find that the Actions are Exempt from Environmental Review under CEQA Guidelines Section 15378(b)(4)

REPORT IN BRIEF

Property Assessed Clean Energy (PACE) financing programs are an emerging lending mechanism that property owners can use to finance certain home improvement investments such as energy or water efficiency, renewable energy, or seismic retrofits. In California, PACE programs are enabled through two different laws, AB 811 and SB 555, with additional laws clarifying and expanding program parameters. Authorization by the City Council is necessary for the programs to conduct business in the City, per the requirements of AB 811 and SB 555. Encouraging installations of energy efficiency improvements through PACE financing is a component of the City's Climate Action Plan.

Several PACE providers have expressed an interest in offering their programs in Sunnyvale. In order to bring additional PACE programs to Sunnyvale, the City Council must adopt a resolution to sponsor the program and join the associated Joint Powers Authority.

Staff has evaluated the PACE program market, reviewed various program and JPA documents, and coordinated with neighboring communities, which are also reviewing opportunities to sponsor additional PACE programs. Additionally, staff has reviewed recent efforts by the Association of Bay Area Governments (ABAG) to facilitate a more level playing field among PACE programs and ensure key consumer protections are in place and that local governments have access to local program performance data. These critical terms and conditions form the basis of ABAG's Regional Collaborative Services Agreement.

PACE Program assessments are a new financial mechanism that can also present potential risk to the property owner. Staff is proposing that Sunnyvale establish additional operating conditions for PACE providers aimed at ensuring that property owners are made aware of these potential risks and understand the implications that entering a PACE assessment can have on their current mortgages and future property transactions.

BACKGROUND

Energy efficiency retrofits of existing building stock are an essential strategy to reducing greenhouse gas emissions. While new buildings and homes are subject to increasing efficiency standards, many communities including Sunnyvale, have a large inventory of older buildings and homes that are inefficient. These buildings can be less comfortable and more costly to heat or cool. Retrofitting existing buildings and homes through projects such as new insulation or replacing aging heating and

cooling systems can be a sizeable investment even with available rebates and incentives.

PACE financing is a funding mechanism designed to assist property owners with energy efficiency, renewable energy, and water conservation projects. PACE programs provide financing without a down payment or up-front capital costs. PACE financing is available to residential, commercial, and industrial properties, covers the project's full cost, and can be repaid over long periods of up to 20 years as an additional assessment on the property that is paid with the property tax bill.

PACE financing is growing in popularity with more than \$1.5 billion in projects financed in California to date, primarily for single family homes. Additional providers have entered the marketplace as PACE growth continues. Currently, the City of Sunnyvale has one active PACE program (CaliforniaFIRST). In recent months Sunnyvale, along with many South Bay communities, has been approached by additional PACE providers seeking to expand their service territory.

EXISTING POLICY

Climate Action Plan (CAP)

Decrease Energy Consumption (EC) - Goal to improve energy efficiency and conservation in the community and City operations.

- EC-3.1 Participate in a PACE or similar financing program to offer low-interest loans to residents for energy-efficiency upgrades.
- EC-4.2 Participate in a PACE or similar financing program to offer low-interest loans to businesses for energy efficiency upgrades.

Provide a Sustainable Energy Portfolio (EP) - Goal to increase the amount of renewable energy produced in the city and facilitate a higher renewable mix for energy delivered to the city.

- EP-2.2 Participate in a PACE or similar financing program to offer low-interest loans to residents and businesses for renewable energy installations.

General Plan, Chapter 5: Housing

- Goal HE-6 Sustainable Neighborhoods and Community Vision Sunnyvale has adopted a sustainability policy to become "a regional leader in environmental sustainability, advocating to reduce dependence on non-renewable resources by providing greater transportation options, reducing waste, protecting our natural resources, and promoting alternative energy usage and research."

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(4) in that it involves a government fiscal activity or funding mechanism that does not involve any commitment to a specific project that may result in a potentially significant physical impact on the environment. If individual projects funded by PACE loans require discretionary approvals from the City, the environmental impact of those projects will be evaluated at the time of approval. Rooftop solar projects are statutorily exempt from CEQA under Public Resource Code Section 21080.35.

DISCUSSION

PACE Financing Mechanism

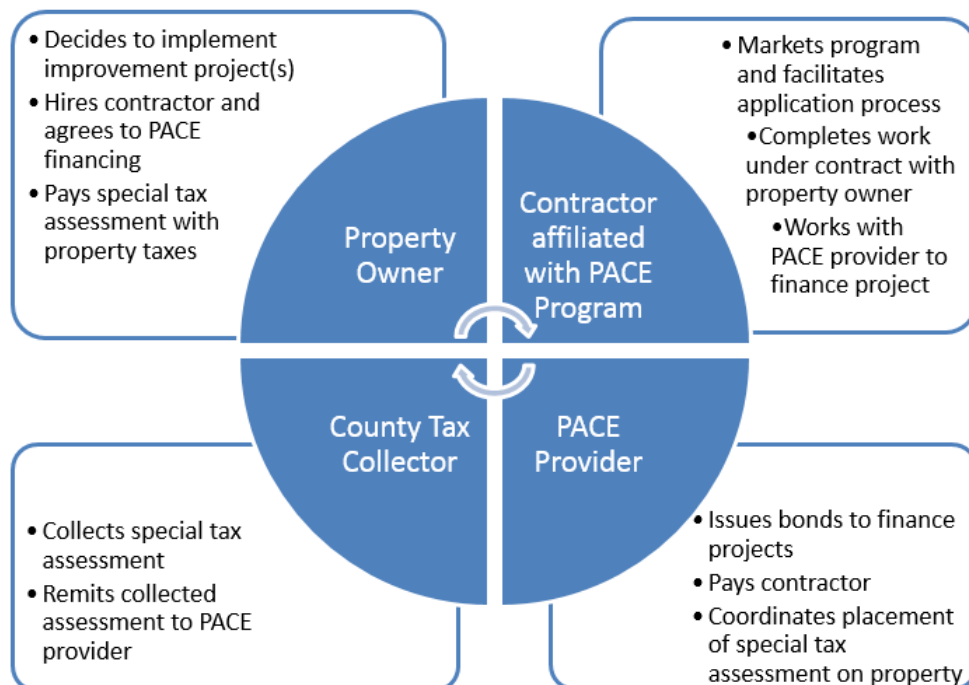
PACE programs can be set up and administered under either of two statutory frameworks: the

Improvement Act of 1911 as amended by AB 811 (2008) and the Mello-Roos Act as amended by SB 555 (2011). Under AB 811 programs, the property owner voluntarily enters a contractual assessment agreement to join a special tax district. The loans are secured by a lien recorded on the property. Under SB 555 programs, the property owner “votes” to annex his or her property into a specially-created community facilities district (CFD). The loans are repaid via special tax assessments. Under both types of programs, the owner’s loan payments are collected along with property taxes.

Although cities can directly administer their own PACE programs under either AB 811 or SB 555, most PACE programs operate under a joint powers authority (JPA) structure. JPAs are public entities created by an association of other public entities such as cities and counties. The JPA usually contracts with a private PACE provider to administer the program. The JPAs issue bonds to fund the loan program or may obtain funds through private equity investment.

The PACE provider arranges capital, administers programs, partners with local contractors, and places special tax assessments in coordination with county tax collectors. PACE financing programs are primarily marketed through contractors that are affiliated with specific PACE providers. Property owners hire a participating contractor, implement qualified home upgrades, and pay back the PACE loan through property tax bills.

Once a city acts to sponsor a PACE program, the City has no direct role in PACE program implementation or in the assessment transactions. The figure below generally depicts how PACE programs operate.



PACE loans are distinct from other financing options (e.g., home equity loans) because the PACE loans are:

- approved based on equity of the property, not personal credit history;
- recorded as a special assessment or lien on the property's tax bill;
- stay with the property and are generally transferrable upon its sale; and
- "senior" to other debts and must be repaid before mortgage debt.

These conditions can be attractive to property owners who may not have access to other lines of credit or may not be planning to keep the property long-term. However, these conditions can also present risks to program participants. These defining conditions, including the fact that the PACE assessment can take a "senior" position to existing mortgages, present a challenge for homeowners who wish to refinance or sell their homes. The Federal Housing and Finance Administration issued a statement in July 2010 advising that PACE programs "pose unusual and difficult risk management challenges for lenders, servicers, mortgage security investors" which resulted in Fannie Mae and Freddie Mac specifying that they would not purchase mortgages with senior priority PACE liens.

To address the FHFA's concerns, in September of 2013, Governor Jerry Brown signed Senate Bill 96 into law, which established a PACE Loss Reserve Program. This reserve would cover any losses incurred by a first mortgage lender resulting from a PACE assessment being paid before the outstanding balance due to a forced sale. This action was intended to address the FHFA concern; however, the FHFA has not changed its position. To date, the reserve has not been accessed. Recently, Fannie Mae introduced an alternative program called HomeStyle Energy which allows borrowers to finance clean energy upgrades equal to up to 15 percent of the appraised value of their home. HomeStyle Energy loans can also be used to pay off existing PACE loans.

The senior position of PACE loans also creates a potential risk to the property owner in other ways: (1) the property owner could be considered in default of their existing mortgage if they did not get lender consent prior to agreeing to the PACE assessment; or (2) the property owner may be required to pay off their PACE loan at the time of resale or refinance. Adequate disclosures to potential applicants helps to ensure that property owners are made aware and considering these risks as they agree to the PACE assessment. Additionally, some PACE providers have established policies that may facilitate a contractual subordination of the PACE assessment to the mortgage, if so requested by the mortgage lender.

Lenders may also require the property owner to pay off the PACE assessment at time of refinance or resale. Real estate agents may also advise their clients to pay off the PACE assessment to simplify a property sales transaction. Staff has learned that some PACE providers charge differential interest rates or penalties for early pay off of the PACE assessment, even if required by the mortgage lender.

Additionally, interest rates and fees also vary by PACE program and last year AB 2693 (PACE Preservation and Consumer Protections Act) became effective on January 1, 2017, and further establishes standardized disclosures and protections for consumers and specifically requires that all California PACE providers provide customers with a three-day right-to-cancel and a Financing Estimate and Disclosure Statement similar to other home loans.

Association of Bay Area Governments (ABAG) Regional Services Collaborative Agreement (Regional

Agreement)

As the issuance of bonds and oversight of financial functions is controlled by the JPAs and outreach is conducted by the program contractors, local jurisdictions have had limited control over local PACE activities. Participating communities have had challenges obtaining activity reports from some PACE providers and have expressed concerns about consumer protections. Many PACE providers operate under their own set of consumer protection policies with differing terms.

To support best management practices for PACE throughout the Bay Area region, the Association of Bay Area Governments (ABAG), through BayREN, has recently developed a Regional Collaborative Services Agreement (Regional Agreement). PACE providers that sign on to the ABAG Regional Agreement are committing to operating under a common set of established terms and conditions.

The ABAG Regional Agreement addresses key areas of concern for local governments including:

- monitoring PACE provider activities in regards to consumer protections practices;
- improving program reporting and transparency to local governments; and
- co-marketing of energy efficiency programs offered by the city or county (e.g., financing programs offered by City of Sunnyvale's Housing Division).

The ABAG Regional Agreement assures ABAG member jurisdictions who sign onto the agreement that its terms and conditions will apply to PACE providers that have signed on to the ABAG Regional Agreement and are authorized to work in their community. To date, the following five PACE providers have signed the ABAG Regional Agreement: HERO; PACE Funding Group; Ygrene; Figtree; and AllianceNRG.

Staff believes that the ABAG Regional Agreement provides value to local communities and addresses some challenges that local communities working with PACE providers have experienced. It sets requirements for certain financial disclosures and provides a standard set of expectations for how PACE providers interact with local communities and participating property owners. It ensures that local communities receive timely information and data from PACE providers including participation rates, types of projects financed, and energy and water savings. Additionally, it provides a mechanism whereby PACE providers collaborate with local communities to provide information on other energy programs.

PACE Programs interested in Operating in Sunnyvale

PACE programs that have expressed interest in operating in Sunnyvale include:

- California Home Energy Renovation Opportunity (HERO) by Renovate America
- Ygrene Energy Fund California LLC (Ygrene)
- Figtree Company, Inc. (Figtree)
- Open Pace which includes multiple providers including PACE Funding Group

To make additional PACE programs available in Sunnyvale, the City must pass separate resolutions to sponsor individual programs and join a specific JPA partnered with each PACE provider. The California Statewide Community Development Authority recently created the OpenPACE platform, which provides a city with access to multiple pre-qualified PACE providers by adopting a single resolution. Providers participating in OpenPACE are: CaliforniaFIRST, PACE Funding Group,

AllianceNRG, CleanFund, and Spruce.

A detailed comparison of the abovementioned programs is provided in Attachment 2 that includes information on program reach, performance history, interest rates, and loan terms for the different operating PACE programs.

Benefits of Expanding the PACE Program Market in Sunnyvale

The existing City grant and loan programs for energy efficiency are only available to lower-income home owners, while the Bay Area Home Energy Upgrade program covers only larger upgrades and does not cover renewable energy projects. Opening the local market to additional PACE providers creates a diversity of financing options for Sunnyvale residents and businesses interested in making energy efficiency, water efficiency, or renewable energy upgrades.

PACE financing promotes projects that help to lower the community's overall greenhouse gas (GHG) emissions in keeping with the City's CAP. PACE or similar financing programs are identified in four CAP actions to advance residential and commercial energy efficiency and local residential and commercial renewable energy adoption. The CAP Work Plan identified that staff would monitor participation in CaliforniaFIRST and would evaluate if additional outreach and/or PACE program providers are needed.

CaliforniaFIRST has been the sole PACE program available in Sunnyvale since August 2014. The City Council adopted a resolution to authorizing the City to participate in the formation of CaliforniaFIRST in January 2010. Since 2014, this program has provided 8 residential loans for a total value of \$204,188 in the City. All of the projects were renewable energy projects. This modest participation rate, coupled with the recent interest from contractors and PACE providers to work in Sunnyvale, provides a basis for expanding program access. PACE providers operate and support non-exclusive market conditions and many local jurisdictions have sponsored multiple PACE programs.

Conclusion

As discussed above, there are risks associated with PACE financing and there have been reports of home owners in California, generally in economically depressed areas of the state, who experienced challenges with refinancing or selling their property due to a PACE assessment. In the Bay Area, where housing values and demand are high, most buyers pay off the PACE lien in order to qualify for a conventional mortgage. Fannie Mae's HomeStyle Energy Program now provides another option for homeowners to pay off PACE liens if needed to sell or refinance their property. In addition, although Fannie Mae and Freddie Mac have not changed their position, in 2016 the FHA began insuring mortgages with PACE liens as long as the lien does not have first priority, cannot accelerate (i.e. the entire amount cannot become immediately due and payable as a result of missed payments) and there are no limitations on transfer of the lien to a new homeowner

PACE financing is a valid mechanism for financing energy and water efficiency projects. As with most financial products, property owners must exercise due diligence to ensure they are fully aware of the financial implications and risks. After review of the prospective providers' customer documents and meeting with each provider, staff is recommending that the City establish additional operating conditions for PACE Providers in order to operate in Sunnyvale, these include:

- Provider has signed and agrees to implement the ABAG Regional Agreement;

- Provider agrees to offer contractual subordination of the PACE assessment upon property owner or mortgage lender request;
- Provider has demonstrated to staff that disclosures of risk to existing mortgages and FHFA's position are provided to property owners at the time of application and agrees to continue to provide this information at the application stage; and
- Provider will not charge differential interest rates or pre-payment penalties for early payoff of the PACE assessment.

While these additional requirements do not completely mitigate all potential risk, staff believes that these conditions are in the best interest of our community and will help to better ensure that property owners are provided with information about terms, conditions, and risks prior to agreeing into a PACE assessment. The conditions would be included in a Letter of Agreement (Attachment 3) to be signed by the PACE providers in order for the City to sponsor the program.

Staff has presented these proposed conditions to the PACE providers and the following have indicated that they are able and willing to sign the City's proposed Letter of Agreement: HERO, Open PACE, Ygrene, FigTree.

Open PACE has reviewed the letter and has indicated that the providers that are a part of the Open PACE program that have also signed the ABAG Agreement will be willing to sign. Staff is recommending that the City "Opt-In" to the Open PACE program and only authorize only those providers that have signed the Letter of Agreement and the ABAG Agreement (at this time this would include Pace Funding Group and Alliance NGR).

Staff is aware that CaliforniaFIRST, which was authorized to operate in Sunnyvale in 2010, does not currently comply with the requirements that staff is proposing. Staff will evaluate the implications, reach out to CaliforniaFIRST to discuss the conditions approved by City Council, and consider whether the City should take further action.

FISCAL IMPACT

There is no direct cost to the City to join the various JPAs in order to sponsor PACE programs. Once operational, there would be a limited amount of staff time dedicated to oversight of the approved PACE providers and coordination with the PACE providers to ensure that information on other energy programs and financial assistance is accurately conveyed. Additionally, staff will create a webpage summarizing the various financing programs that are available so that property owners are aware of all the program options and can shop for the program that best meets their needs. Staff will also integrate information on PACE financing into existing outreach efforts.

PUBLIC CONTACT

Public contact was made by posting the Sustainability Commission agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

ALTERNATIVES

Recommend that City Council:

1. Approve the proposed operating conditions as presented in Attachment 3 and establish these

conditions as requirements for PACE providers to operate in Sunnyvale.

2. Authorize the City Manager to execute the Adoption of the Association of Bay Area Governments (ABAG) Regional Collaborative Services Agreement with Residential PACE Providers (Attachment 4).
3. Adopt a resolution (Attachment 5) authorizing the inclusion of properties within the City's jurisdiction in the California HERO program and approving an amendment to the Western Riverside Council of Governments (WRCOG) Joint Powers Agreement (Attachment 6) adding the City of Sunnyvale as an Associate Member, and authorize the City Manager to execute the Associate Member Agreement with WRCOG (Attachment 7).
4. Adopt a resolution (Attachment 8) authorizing the inclusion of properties within the territory of the City of Sunnyvale in the CSCDA Open PACE Program for those providers signing the City's Letter of Agreement and the ABAG Regional Agreement.
5. Adopt resolutions (Attachments 9 and 10) authorizing the inclusion of properties within the City's jurisdiction in the Ygrene program through the California Home Finance Authority Community Facilities District No. 2014-1 (Clean Energy) under SB 555 and under AB 811 and approving an amendment to the California Home Finance Authority/Golden State Finance Authority's Joint Powers Agreement (formerly the California Rural Home Mortgage Finance Authority) adding the City of Sunnyvale as an Associate Member, and authorize the City Manager to execute the amendment to the California Home Finance Authority/Golden State Finance Authority's Joint Powers Agreement adding Sunnyvale as an Associate Member (Attachment 11).
6. Adopt a resolution (Attachment 12) authorizing the City to join the FigTree PACE Program, approving Associate Membership for the City in the California Enterprise Development Authority's Joint Powers Agreement (Attachment 13), and authorizing the California Enterprise Development Authority to conduct contractual assessment proceedings and levy contractual assessments within the territory of the City of Sunnyvale, and authorize the City Manager to execute the Associate Member Agreement with the California Enterprise Development Authority (Attachment 14);
7. Authorize the City Manager to execute other documents or agreements necessary to implement the above PACE programs as the City Manager concludes are necessary and appropriate.
8. Find that the Actions are Exempt from Environmental Review under CEQA Guidelines Section 15378(b)(4).
9. Do not join any of the Joint Powers Authorities and do not add additional PACE providers.
10. Other actions as directed by the City Council.

STAFF RECOMMENDATION

Recommend Alternatives 1 through 8 to City Council:

1. Approve the proposed operating conditions as presented in Attachment 3 and establish these conditions as requirements for PACE providers to operate in Sunnyvale;

2. Authorize the City Manager to execute the Adoption of the Association of Bay Area Governments (ABAG) Regional Collaborative Services Agreement with Residential PACE Providers (Attachment 4);
3. Adopt a resolution (Attachment 5) authorizing the inclusion of properties within the City's jurisdiction in the California HERO program and approving an amendment to the Western Riverside Council of Governments (WRCOG) Joint Powers Agreement (Attachment 6) adding the City of Sunnyvale as an Associate Member, and authorize the City Manager to execute the Associate Member Agreement with WRCOG (Attachment 7);
4. Adopt a resolution (Attachment 8) authorizing the inclusion of properties within the territory of the City of Sunnyvale in the CSCDA Open PACE Program for those providers signing the City's Letter of Agreement and the ABAG Regional Agreement;
5. Adopt resolutions (Attachments 9 and 10) authorizing the inclusion of properties within the City's jurisdiction in the Ygrene program through the California Home Finance Authority Community Facilities District No. 2014-1 (Clean Energy) under SB 555 and under AB 811 and approving an amendment to the California Home Finance Authority/Golden State Finance Authority's Joint Powers Agreement (formerly the California Rural Home Mortgage Finance Authority) adding the City of Sunnyvale as an Associate Member, and authorize the City Manager to execute the amendment to the California Home Finance Authority/Golden State Finance Authority's Joint Powers Agreement adding Sunnyvale as an Associate Member (Attachment 11).
6. Adopt a resolution (Attachment 12) authorizing the City to join the FigTree PACE Program, approving Associate Membership for the City in the California Enterprise Development Authority's Joint Powers Agreement (Attachment 13), and authorizing the California Enterprise Development Authority to conduct contractual assessment proceedings and levy contractual assessments within the territory of the City of Sunnyvale, and authorize the City Manager to execute the Associate Member Agreement with the California Enterprise Development Authority (Attachment 14);
7. Authorize the City Manager to execute other documents or agreements necessary to implement the above PACE programs as the City Manager concludes are necessary and appropriate; and
8. Find that the Actions are Exempt from Environmental Review under CEQA Guidelines Section 15378(b)(4)

Prepared by: Elaine Marshall, Environmental Programs Manager

Reviewed by: Melody Tovar, Regulatory Division Manager

Reviewed by: Kent Steffens, Assistant City Manager

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Not Used (for use with report to Council)
2. PACE Provider Comparison
3. Final Draft Letter of Agreement Regarding Operational Requirements for PACE Programs in the

City of Sunnyvale

4. ABAG Adoption of Agreement for Collaborative Services
5. Resolution - HERO/WRCOG
6. WRCOG JPA Agreement (HERO)
7. WRCOG JPA Amendment (HERO)
8. Resolution - Opt-in for CSCDA Open PACE Program
9. Resolution - Ygrene SB 555
10. Resolution - Ygrene AB 811
11. California Home Finance Authority/Golden Station Finance Authority JPA
12. Resolution - FigTree
13. CEDA JPA
14. CEDA Associate Member Agreement

ATTACHMENT 1

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Comparison of Active PACE Programs in the Bay Area

	CaliforniaFIRST	HERO	Ygrene	Figtree	OpenPACE (CaliforniaFIRST, Alliance NRG, PACEFunding, CleanFund, and Spruce ¹)
Status in Sunnyvale	Authorized	Not authorized	Not authorized	Not authorized	Not authorized
Market Prevalence (as of Nov 2016)	12,000 residential projects totaling \$300 million 20 commercial projects 8 loans totaling \$204,188 in Sunnyvale since 2014	90,000 residential projects totaling \$1.9 billion 20 funded commercial projects plus 31 in process	26,000 residential projects totaling \$542 million 350+ commercial projects	Residential Program launching in 2016 50+ commercial projects	Most programs (with exception of CAFE) are new and project data not available.
Government sponsor (all are statewide JPAs)	California Statewide Communities Development Authority (CSCDA)	Western Riverside Council of Governments (WRCOG)	Golden State Finance Authority (formerly CA Home Finance Authority)	California Enterprise Development Authority (CEDA)	California Statewide Communities Development Authority (CSCDA)
Financing Organization	Renew Financial	Renovate America (private equity)	Ygrene Energy Fund (private capital)	Figtree Company, Inc.	N/A (separate financing organizations)
Bay Area participating jurisdictions	<ul style="list-style-type: none"> • Santa Clara County: Campbell, Cupertino, Gilroy, Los Altos, Los Altos Hills, Los Gatos, Milpitas, Monte Sereno, Morgan Hill, Mountain View, Palo Alto, San Jose, Santa Clara, Saratoga, Sunnyvale • All remaining 8 Bay Area counties 	<ul style="list-style-type: none"> • Santa Clara County: Campbell, Gilroy, Morgan Hill, Mountain View, San Jose, Santa Clara, San Carlos, San Mateo, Burlingame, Foster City, Redwood City, Menlo Park • All remaining 8 Bay Area counties 	<ul style="list-style-type: none"> • Santa Clara County: Campbell, San Jose, • 6 of remaining Bay Area counties (except Sonoma and SF) 	<ul style="list-style-type: none"> • Santa Clara County: San Jose • 6 of remaining BA counties (except Napa and SF) 	<ul style="list-style-type: none"> • Santa Clara County: No participation yet; relatively new program • 4 of remaining Bay Area counties (except SF, Solano, Contra Costa, and Sonoma)
How to participate	N/A (Sunnyvale already participating)	<ol style="list-style-type: none"> 1. Pass resolution to join WRCOG JPA (statewide) 2. Sign JPA agreement to become associate member 	<ol style="list-style-type: none"> 1. Pass two resolutions to join GSFA/CHFA JPA under: (a) SB 555 and (b) AB 811 2. Sign JPA as an associate member 	<ol style="list-style-type: none"> 1. Pass resolution to join CEDA JPA 2. Pass resolution to authorize CEDA to form an assessment district to issue bonds 	<ol style="list-style-type: none"> 1. Already signed onto CSCDA JPA; must pass opt-in resolution to join OpenPACE
Consumer protection agreement	OpenPACE policies – same as HERO and Figtree	Same as OpenPACE and Figtree	Same as OpenPACE, HERO, and Figtree <u>except</u> no required reporting to CA Alt. Energy	Same as OpenPACE and HERO <u>except</u> no reporting to CA Alt. Energy Authority	Same as HERO and Figtree

¹ CSCDA anticipates that Spruce will join OpenPACE on July 9, 2016.

	CaliforniaFIRST	HERO	Ygrene	Figtree	OpenPACE (CaliforniaFIRST, Alliance NRG, PACEFunding, CleanFund, and Spruce ¹)
			Authority – however, Ygrene does opt-in to PACE Loan Loss Reserve program and report to CAEATFA	and does not opt-in to PACE Loan Loss Reserve Program	
Signed ABAG RCSA	No	Yes	Yes	Yes	Only PACEFunding and AllianceNRG have signed; CaliforniaFIRST is working with ABAG to sign
Data reporting systems and schedule	Not identified; Sunnyvale has been provided with city-level data on number of projects, \$ value, etc. upon request	Real-time data access via phone apps for government and contractors	Total projects financed (no. and \$), nature of projects	Quarterly status reports of applications, loan approvals and projects completed	PACEFunding: Quarterly reporting AllianceNRG: Real-time data Via web; quarterly reports
Interest Rates	<ul style="list-style-type: none"> Residential: 6.75%-8.39% Commercial: ≤6.0% fixed for 20 years is prevailing 	<ul style="list-style-type: none"> Residential: 6.75%-8.35% Commercial: 5.75%-6.5% 	<ul style="list-style-type: none"> Residential (with prepayment penalty): 6.5%-8.49% Residential (no prepayment penalty): 6.74%-8.473% 	<ul style="list-style-type: none"> Residential: 4.63%-6.99% Commercial: 4.94%-6.1% 	PACEFunding: <ul style="list-style-type: none"> Residential: 5.95%- 8.29% Commercial: TBD AllianceNRG: <ul style="list-style-type: none"> Residential: 5.95%-8.50% Commercial: 5.5%-7.5%
Additional fees/costs	<ul style="list-style-type: none"> \$30 annual County collection fee Residential: <ul style="list-style-type: none"> Closing fee not to exceed 6.4% Recording/Title fee \$100 Commercial: <ul style="list-style-type: none"> Closing fee depends on source of capital, ranges 2.5%-4%, capped at 3% for projects >\$500K 	<ul style="list-style-type: none"> \$35 annual County collection fee Residential: <ul style="list-style-type: none"> Closing fee 4.99% of principal Recording/Title fee \$95 Commercial: <ul style="list-style-type: none"> Closing fee 5% 	<ul style="list-style-type: none"> \$40 annual County collection fee Residential: <ul style="list-style-type: none"> \$884 flat fee plus 3% of contract amount Recording/Title fee \$100 Commercial: <ul style="list-style-type: none"> Fees start at \$700 and depend on size 	<ul style="list-style-type: none"> \$35 annual County collection fee (Res. Only) Residential: <ul style="list-style-type: none"> Recording/Title fee 95% of principal Commercial: <ul style="list-style-type: none"> Bond issuance fee 2-4% of total financing Recording/Title fee 4% of principal \$695 application fee 	PACEFunding: <ul style="list-style-type: none"> \$45 annual County collection fee (Res. Only) Residential: <ul style="list-style-type: none"> Closing fee 5.95% of principal Recording/Title fee \$95 Commercial: TBD AllianceNRG: <ul style="list-style-type: none"> \$35 annual County collection fee Residential: <ul style="list-style-type: none"> Closing fee 6.5% of principal Commercial: <ul style="list-style-type: none"> Closing fee 5% of principal
Credit Check	No	Yes, but not part of decision	No	No	No

FINAL DRAFT

Attachment 3

LETTER OF AGREEMENT REGARDING OPERATIONAL REQUIREMENTS FOR PROPERTY ASSESSED CLEAN ENERGY (PACE) PROGRAMS IN THE CITY OF SUNNYVALE

The City of Sunnyvale evaluated PACE Program operations within the City jurisdiction and has established several operating conditions to better protect the interest of our community. [Name of Program Administrator] has established the [Name of PACE Program], a Property Assessed Clean Energy (PACE) financing program and agrees to meet the provisions stated below in order to operate its program within the City.

Provisions

1. Contractual Subordination. [Name of PACE Program] and [Name of Program Administrator] will offer its form of subordination of the PACE assessment upon request by the property owner or mortgage lender to accommodate a home sale or refinance.
2. Early Pay-off. [Name of PACE Program] and [Name of Program Administrator] will not charge differential interest rates or pre-payment penalties to property owner for early pay off of the full outstanding balance of the PACE assessments.
3. Application Disclosures. [Name of PACE Program] and [Name of Program Administrator] has demonstrated to the City that the following information is provided to PACE financing applicants at the application stage: (a) disclosure of risks to existing mortgages/loans, and (b) the Federal Housing Financing Authority's (FHFA's) position related to PACE assessment, and agrees to continue to provide this information at the application stage.
4. Regional Agreement. [Name of PACE Program] and [Name of Program Administrator] has signed the Association of Bay Area Governments' (ABAG) Regional Collaborative Services Agreement (RCSA) and will continue to implement the requirements of the RCSA.

[Name of Program Administrator] is aware of the additional operating provisions established by the City of Sunnyvale above and agrees to conform with these requirements so long as it offers its program within the City's jurisdiction and agrees that failure to abide by these requirements may result in City's termination of PACE Program's authorization to operate within the City.

PACE PROVIDER:

[Name of Program Administrator]

By: _____

Name: _____

Title: _____

Date: _____

**ADOPTION OF AGREEMENT
FOR COLLABORATIVE SERVICES**

The City of Sunnyvale hereby adopts the Agreement for Collaborative Services (“Agreement”) attached hereto as Exhibit A and incorporated herein, establishing operating procedures for the _____[PACE Program] within the jurisdiction of the City of Sunnyvale.

_____ [PACE Program] acknowledges and agrees that City of Sunnyvale is a “Participating Entity” as defined by Section 1.3 of the Agreement and shall be entitled to all the rights and benefits under the Agreement and may enforce the provisions thereof.

_____ [PACE Program] further acknowledges and agrees that it shall defend, indemnify, hold harmless, and waive subrogation against the City of Sunnyvale and its elected and appointed officials, officers and employees, to the extent set forth in Section 6 of the Agreement, and City of Sunnyvale shall be covered as an additional insured pursuant to Attachment 2, Section (d)(i) of the Agreement.

City of Sunnyvale:

By: _____
Deanna J. Santana
City Manager

Date: _____

_____ [PACE Program]:

By: _____

Date: _____

Method and Place of Giving Notice. All notices to the Participating Entity shall be made in writing and shall be given by personal delivery or by U.S. Mail or courier service. Notices shall be addressed as follows:

Kent Steffens, Interim Director of Environmental Services
P.O. Box 3707
Sunnyvale, CA 94088-3707
KSteffens@sunnyvale.ca.gov

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SUNNYVALE CONSENTING TO THE INCLUSION OF
PROPERTIES WITHIN THE CITY'S JURISDICTION IN
THE CALIFORNIA HERO PROGRAM TO FINANCE
DISTRIBUTED GENERATION RENEWABLE ENERGY
SOURCES, ENERGY AND WATER EFFICIENCY
IMPROVEMENTS AND ELECTRIC VEHICLE CHARGING
INFRASTRUCTURE AND APPROVING THE
AMENDMENT TO A CERTAIN JOINT POWERS
AGREEMENT RELATED THERETO**

WHEREAS, the Western Riverside Council of Governments ("Authority") is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the Government Code of the State of California (Section 6500 and following) (the "Act") and the Joint Power Agreement entered into on April 1, 1991, as amended from time to time (the "Authority JPA"); and

WHEREAS, Authority has established the California HERO Program to provide for the financing of renewable energy distributed generation sources, energy and water efficiency improvements and electric vehicle charging infrastructure (the "Improvements") pursuant to Chapter 29 of the Improvement Bond Act of 1911, being Division 7 of the California Streets and Highways Code ("Chapter 29") within counties and cities throughout the State of California that elect to participate in such program; and

WHEREAS, City of Sunnyvale (the "City") is committed to development of renewable energy sources and energy efficiency improvements, reduction of greenhouse gases, protection of our environment, and reversal of climate change; and

WHEREAS, in Chapter 29, the Legislature has authorized cities and counties to assist property owners in financing the cost of installing Improvements through a voluntary contractual assessment program; and

WHEREAS, installation of such Improvements by property owners within the jurisdictional boundaries of the counties and cities that are participating in the California HERO Program would promote the purposes cited above; and

WHEREAS, the City wishes to provide innovative solutions to its property owners to achieve energy and water efficiency and independence, and in doing so cooperate with Authority in order to efficiently and economically assist property owners the City in financing such Improvements; and

WHEREAS, Authority has established the California HERO Program, which is such a voluntary contractual assessment program, as permitted by the Act, the Authority JPA, originally

made and entered into April 1, 1991, as amended to date, and the Amendment to Joint Powers Agreement Adding the City of Sunnyvale as an Associate Member of the Western Riverside Council of Governments to Permit the Provision of Property Assessed Clean Energy (PACE) Program Services within the City (the "JPA Amendment"), by and between Authority and the City, which has been presented to this meeting and is on file with the City Clerk, to assist property owners within the jurisdiction of the City in financing the cost of installing Improvements; and

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

WHEREAS, California HERO Program has agreed to comply with City's operational requirements for PACE providers as set for the Letter of Agreement Regarding Operational Requirements for Proposed Assessed Clean Energy (PACE) Programs in the City of Sunnyvale executed by Western Riverside Council of Governments dated _____, 2017.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUNNYVALE THAT:

1. This City Council finds and declares that properties in the City's incorporated area will be benefited by the availability of the California HERO Program to finance the installation of the Improvements.
2. This City Council consents to inclusion in the California HERO Program of all of the properties in the jurisdictional boundaries of the City and to the Improvements, upon the request by and voluntary agreement of owners of such properties, in compliance with the laws, rules and regulations applicable to such program; and to the assumption of jurisdiction thereover by Authority for the purposes thereof.
3. The consent of this City Council constitutes assent to the assumption of jurisdiction by Authority for all purposes of the California HERO Program and authorizes Authority, upon satisfaction of the conditions imposed in this resolution, to take each and every step required for or suitable for financing the Improvements, including the levying, collecting and enforcement of the contractual assessments to finance the Improvements and the issuance and enforcement of bonds to represent such contractual assessments.
4. The City Council 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).
5. This City Council hereby approves the JPA Amendment and authorizes the execution thereof by appropriate City officials.

6. The City Council acknowledges that the Authority has entered into an Agreement for Collaborative Services with the Association of Bay Area Governments, of which the City is a member and pursuant to said agreement, Authority has agreed to defend and indemnify the City as a result of acts or omissions by Authority, its officers, agents or employees. Authority shall acknowledge said obligations in writing before commencing any operations within the City and shall provide appropriate proof of insurance upon request of City staff.
7. City staff is authorized and directed to coordinate with Authority staff to facilitate operation of the California HERO Program within the City, and report back periodically to this City Council on the success of such program.
8. This Resolution shall take effect immediately upon its adoption. The City Clerk is directed to send a certified copy of this resolution to the Secretary of the Authority Executive Committee.

Adopted by the City Council at a regular meeting held on _____, 2017, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:
RECUSAL:

ATTEST:

APPROVED:

City Clerk
(SEAL)

Mayor

APPROVED AS TO FORM:

City Attorney

This document contains the following:

1. Current JPA
2. Addendum #1 re addition of City of Wildomar (8/4/08)
3. Addendum #2 re addition of City of Menifee (10/6/08)
4. Addendum #3 re addition of Eastern and Western Municipal Water Districts (5/11/09)
5. Addendum #4 re addition of City of Eastvale (10/1/10)
6. Addendum #5 re addition of City of Jurupa Valley (7/1/11)
7. Addendum #6 to permit the provision of PACE services (local HERO) (10/23/12)

JOINT POWERS AGREEMENT OF
THE WESTERN RIVERSIDE
COUNCIL OF GOVERNMENTS

This Agreement is made and entered into on the 1st day of April, 1991, pursuant to Government Code Section 6500 et. seq. and other pertinent provisions of law, by and between six or more of the cities located within Western Riverside County and the County of Riverside.

RECITALS

A. Each member and party to this Agreement is a governmental entity established by law with full powers of government in legislative, administrative, financial, and other related fields.

B. The purpose of the formation is to provide an agency to conduct studies and projects designed to improve and coordinate the common governmental responsibilities and services on an area-wide and regional basis through the establishment of an association of governments. The Council will explore areas of inter-governmental cooperation and coordination of government programs and provide recommendations and solutions to problems of common and general concern.

C. When authorized pursuant to an Implementation Agreement, the Council shall manage and administer thereunder.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained, the parties hereto agree as follows:

I.

PURPOSE AND POWERS

1.1 Agency Created.

There is hereby created a public entity to be known as the "Western Riverside Council of Governments" ("WRCOG"). WRCOG is formed by this Agreement pursuant to the provision of Government Code Section 6500 et. seq. and other pertinent provision of law. WRCOG shall be a public entity separate from the parties hereto.

1.2 Powers.

1.2.1. WRCOG established hereunder shall perform all necessary functions to fulfill the purposes of this Agreement. Among other functions, WRCOG shall:

- a. Serve as a forum for consideration, study and recommendation on area-wide and regional problems;
- b. Assemble information helpful in the consideration of problems peculiar to Western Riverside County;
- c. Explore practical avenues for intergovernmental cooperation, coordination and action in the interest of local public welfare and means of improvements in the administration of governmental services; and
- d. Serve as the clearinghouse review body for Federally-funded projects in accordance with Circular A-95 in conjunction with the Southern California Association of Governments.

1.2.2. The Council shall have the power in its own name to do any of the following;

a. When necessary for the day to day operation of the Council, to make and enter into contracts;

b. To contract for the services of engineers, attorneys, planners, financial consultants and separate and apart therefrom to employ such other persons, as it deems necessary;

c. To apply for an appropriate grant or grants under any federal, state, or local programs.

d. To receive gifts, contributions and donations of property, funds, services and other forms of financial assistance from persons, firms, corporations and any governmental entity;

e. To lease, acquire, construct, manage, maintain, and operate any buildings, works, or improvements;

f. To delegate some or all of its powers to the Executive Committee and the Executive Director of the Council as hereinafter provided.

1.2.3 The association shall have the power in its own name, only with the approval of all affected member agencies to;

a. Acquire, hold and dispose of property by eminent domain, lease, lease purchase or sale.

b. To incur debts, liabilities, obligations, and issue bonds;

II.

ORGANIZATION OF COUNCIL

2.1 Parties.

The parties to WRCOG shall be the County of Riverside and each city located within Western Riverside County which has executed or hereafter executes this Agreement, or any addenda, amendment, or supplement thereto and agrees to such become a member upon such terms and conditions as established by the general council or executive committee, and which has not, pursuant to provisions hereof, withdrawn therefrom. Only the parties identified in this section and Associate Members approved under section 8.2 of this Agreement, if any, shall be considered contracting parties to this Agreement under Government Code section 6502, provided that the rights of any Associate Member under this Agreement shall be limited solely those rights expressly set forth in a PACE Agreement authorized in section 8.2 of this Agreement.

2.2 Names.

The names, particular capacities and addresses of the parties at any time shall be shown on Exhibit "A" attached hereto, as amended or supplemented from time to time.

2.3 Duties.

WRCOG shall do whatever is necessary and required to carry out the purposes of this agreement and when authorized by an Implementation Agreement pursuant to section 1.2.3 as appropriate, to make and enter into such contracts, incur such debts and obligations, assess contributions from the members, and perform such other acts as are necessary to the accomplishment of the purposes of such agreement,

within the provisions of Government Code Section 6500 et seq. and as prescribed by the laws of the State of California.

2.4 Governing Body.

2.4.1. WRCOG shall be governed by a General Assembly with membership consisting of the appropriate representatives from the County of Riverside, each city which is a signatory to this Agreement, Western Municipal Water District, and Eastern Municipal Water District, the number of which shall be determined as hereinafter set forth. The General Assembly shall meet at least once annually, preferably scheduled in the evening. Each member agency of the General Assembly shall have one vote for each mayor, council member, county supervisor, and water district board member present at the General Assembly. The General Assembly shall act only upon a majority of a quorum. A quorum shall consist of a majority of the total authorized representatives, provided that members representing a majority of the member agencies are present. The General Assembly shall adopt and amend by-laws for the administration and management of this Agreement, which when adopted and approved shall be an integral part of this Agreement. Such by-laws may provide for the management and administration of this Agreement.

2.4.2. There shall be an Executive Committee which exercises the powers of this Agreement between sessions of the General Assembly. Members of the Executive Committee shall be the Mayor from each of the member cities, four members of the Riverside County Board of Supervisors and the President of each Water District, the remaining member of the Board of Supervisors shall serve as an alternate, except any City Council, at its discretion, can appoint a Mayor Pro Tem or other city council

member in place of the Mayor, and each water district board, at its discretion, can appoint another board member in place of the President. The Executive Committee shall act only upon a majority of a quorum. A quorum shall consist of a majority of the member agencies. Membership of the Water Districts on the General Assembly and Executive Committee of WRCOG shall be conditioned on the Water Districts entering into a separate Memorandums of Understanding with WRCOG.

2.4.3. Each member of the General Assembly and the Executive Committee shall be a current member of the legislative body such member represents.

2.4.4. Each participating member on the Executive Committee shall also have an alternate, who must also be a current member of the legislative body of the party such alternate represents. The name of the alternate members shall be on file with the Executive Committee. In the absence of the regular member from an agency, the alternate member from such agency shall assume all rights and duties of the absent regular member.

2.5 Executive Director.

The Executive Director shall be the chief administrative officer of the Council. He shall receive such compensation as may be fixed by the Executive Committee. The powers and duties of the Executive Director shall be subject to the authority of the Executive Committee and include the following:

- a. To appoint, direct and remove employees of the Council.
- b. Annually to prepare and present a proposed budget to the Executive Committee and General Assembly.
- c. Serve as Secretary of the Council and of the Executive Committee.

- d. To attend meetings of the Executive Committee.
- e. To perform such other and additional duties as the Executive Committee may require.

2.6 Principal Office.

The principal office of WRCOG shall be established by the Executive Committee and shall be located within Western Riverside County. The Executive Committee is hereby granted full power and authority to change said principal office from one location to another within Western Riverside County. Any change shall be noted by the Secretary under this section but shall not be considered an amendment to this Agreement.

2.7 Meetings.

The Executive Committee shall meet at the principal office of the agency or at such other place as may be designated by the Executive Committee. The time and place of regular meetings of the Executive Committee shall be determined by resolution adopted by the Executive Committee; a copy of such resolution shall be furnished to each party hereto. Regular, adjourned and special meetings shall be called and conducted in accordance with the provisions of the Ralph M. Brown Act, Government Code Section 54950 et. seq., as it may be amended.

2.8 Powers and Limitations of the Executive Committee.

Unless otherwise provided herein, each member or participating alternate of the Executive Committee shall be entitled to one vote, and a vote of the majority of those present and qualified to vote constituting a quorum may adopt any motion,

resolution, or order and take any other action they deem appropriate to carry forward the objectives of the Council.

2.9 Minutes.

The secretary of the Council shall cause to be kept minutes of regular adjourned regular and special meetings of the General Assembly and Executive Committee, and shall cause a copy of the minutes to be forwarded to each member and to each of the members hereto.

2.10 Rules.

The Executive Committee may adopt from time to time such rules and regulations for the conduct of its affairs consistent with this agreement or any Implementation Agreement.

2.11 Vote or Assent of Members.

The vote, assent or approval of the members in any manner as may be required, hereunder shall be evidenced by a certified copy of the action of the governing body of such party filed with the Council. It shall be the responsibility of the Executive Director to obtain certified copies of said actions.

2.12 Officers.

There shall be selected from the membership of the Executive Committee, a chairperson and a vice chairperson. The Executive Director shall be the secretary. The Treasurer of the County of Riverside shall be the Treasurer of the Council and the Controller or Auditor of the County of Riverside shall be the Auditor of the Council. Such persons shall possess the powers of, and shall perform the treasurer and auditor functions respectively, for WRCOG and perform those functions required of them by

Government Code Sections 6505, 6505.5 and 6505.6, and by all other applicable laws and regulations, including any subsequent amendments thereto.

The chairperson and vice chairperson, shall hold office for a period of one year commencing July 1st of each and every fiscal year; provided, however, the first chairperson and vice chairperson appointed shall hold office from the date of appointment to June 30th of the ensuing fiscal year. Except for the Executive Director, any officer, employee, or agent of the Executive Committee may also be an officer, employee, or agent of any of the members. The appointment by the Executive Committee of such a person shall be evidence that the two positions are compatible.

2.13 Committees.

The Executive Committee may, as it deems appropriate, appoint committees to accomplish the purposes set forth herein. All committee meetings of WRCOG, including those of the Executive Committee, shall be open to all members.

2.14 Additional Officers and Employees.

The Executive Committee shall have the power to authorize such additional officers and assistants as may be appropriate. Such officers and employees may also be, but are not required to be, officers and employees of the individual members.

2.15 Bonding Requirement.

The officers or persons who have charge of, handle, or have access to any property of WRCOG shall be the members of the Executive Committee, the treasurer, the Executive Director, and any other officers or persons to be designated or empowered by the Executive Committee. Each such officer or person shall be required

to file an official bond with the Executive Committee in an amount which shall be established by the Executive Committee. Should the existing bond or bonds of any such officer be extended to cover the obligations provided herein, said bond shall be the official bond required herein. The premiums on any such bonds attributable to the coverage required herein shall be appropriate expenses of WRCOG.

2.16 Status of Officers and Employees.

All of the privileges and immunities from liability, exemption from laws, ordinances and rules, all pension, relief, disability, worker's compensation, and other benefits which apply to the activity of officers, agents, or employees of any of the members when performing their respective functions shall apply to them to the same degree and extent while engaged in the performance of any of the functions and other duties under this Agreement. None of the officers, agents, or employees appointed by the Executive Committee shall be deemed, by reason of their employment by the Executive Committee, to be employed by any of the members or, by reason of their employment by the Executive Committee, to be subject to any of the requirements of such members.

2.17 Restrictions.

Pursuant to Government Code Section 6509, for the purposes of determining the restrictions to be imposed by the Council in its exercise of the above-described joint powers, reference shall be made to, and the Council shall observe, the restrictions imposed upon the County of Riverside.

2.18 Water Districts and TUMF Matters.

Pursuant to this Joint Powers Agreement, WRCOG administers the Transportation Mitigation Fee ("TUMF") for cities in western Riverside County. The fee was established prior to the Water District's involvement with WRCOG and will fund transportation improvements for the benefit of the County of Riverside and the cities in western Riverside County. As such, the Western Municipal Water District and the Eastern Municipal Water District General Assembly and Executive Committee Members shall not vote on any matter related to the administration of the TUMF program or the expenditure of TUMF revenues.

III

FUNDS AND PROPERTY

3.1 Treasurer.

The Treasury of the member agency whose Treasurer is the Treasurer for WRCOG shall be the depository for WRCOG. The Treasurer of the Council shall have custody of all funds and shall provide for strict accountability thereof in accordance with Government Code Section 6505.5 and other applicable laws of the State of California. He or she shall perform all of the duties required in Government Code Section 6505 and following, such other duties as may be prescribed by the Executive Committee.

3.2. Expenditure of Funds.

The funds under this Agreement shall be expended only in furtherance of the purposes hereof and in accordance with the laws of the State of California and standard accounting practices shall be used to account for all funds received and disbursed.

3.3. Fiscal Year.

WRCOG shall be operated on a fiscal year basis, beginning on July 1 of each year and continuing until June 30 of the succeeding year. Prior to July 1 of each year, the General Assembly shall adopt a final budget for the expenditures of WRCOG during the following fiscal Year.

3.4. Contributions/Public Funds.

In preparing the budget, the General Assembly by majority vote of a quorum shall determine the amount of funds which will be required from its members for the purposes of this Agreement. The funds required from its members after approval of the final budget shall be raised by contributions 50% of which will be assessed on a per capita basis and 50% on an assessed valuation basis, each city paying on the basis of its population and assessed valuation and the County paying on the basis of the population and assessed valuation within the unincorporated area of Western Riverside County as defined in the by-laws. The parties, when informed of their respective contributions, shall pay the same before August 1st of the fiscal year for which they are assessed or within sixty days of being informed of the assessment, whichever occurs later. In addition to the contributions provided, advances of public funds from the parties may be made for the purposes of this Agreement. When such advances are made, they shall be repaid from the first available funds of WRCOG.

The General Assembly shall have the power to determine that personnel, equipment or property of one or more of the parties to the Agreement may be used in lieu of fund contributions or advances.

All contributions and funds shall be paid to WRCOG and shall be disbursed by a majority vote of a quorum of the Executive Committee, as authorized by the approved budget.

3.5 Contribution from Water Districts.

The provision of section 3.4 above shall be inapplicable to the Western Municipal Water District and the Eastern Municipal Water District. The amount of contributions from these water districts shall be through the WRCOG budget process.

IV

BUDGETS AND DISBURSEMENTS

4.1 Annual Budget.

The Executive Committee may at any time amend the budget to incorporate additional income and disbursements that might become available to WRCOG for its purposes during a fiscal year.

4.2 Disbursements.

The Executive Director shall request warrants from the Auditor in accordance with budgets approved by the General Assembly or Executive Committee subject to quarterly review by the Executive Committee. The Treasurer shall pay such claims or disbursements and such requisitions for payment in accordance with rules, regulations, policies, procedures and bylaws adopted by the Executive Committee.

4.3 Accounts.

All funds will be placed in appropriate accounts and the receipt, transfer, or disbursement of such funds during the term of this Agreement shall be accounted for in accordance with generally accepted accounting principles applicable to governmental

entities and pursuant to Government Code Sections 6505 et seq. and any other applicable laws of the State of California. There shall be strict accountability of all funds. All revenues and expenditures shall be reported to the Executive Committee.

4.4 Expenditures Within Approved Annual Budget.

All expenditures shall be made within the approved annual budget. No expenditures in excess of those budgeted shall be made without the approval of a majority of a quorum of the Executive Committee.

4.5 Audit.

The records and accounts of WRCOG shall be audited annually by an independent certified public accountant and copies of such audit report shall be filed with the County Auditor, State Controller and each party to WRCOG no later than fifteen (15) days after receipt of said audit by the Executive Committee.

4.6 Reimbursement of Funds.

Grant funds received by WRCOG from any federal, state, or local agency to pay for budgeted expenditures for which WRCOG has received all or a portion of said funds from the parties hereto shall be used as determined by WRCOG's Executive Committee.

V

LIABILITIES

5.1 Liabilities.

The debts, liabilities, and obligation of WRCOG shall be the debts, liabilities, or obligations of WRCOG alone and not of the parties to this Agreement.

5.2 Hold Harmless and Indemnity.

Each party hereto agrees to indemnify and hold the other parties harmless from all liability for damage, actual or alleged, to persons or property arising out of or resulting from negligent acts or omissions of the indemnifying party or its employees. Where the General Assembly or Executive Committee itself or its agents or employees are held liable for injuries to persons or property, each party's liability for contribution or indemnity for such injuries shall be based proportionately upon the contributions (less voluntary contributions) of each member. In the event of liability imposed upon any of the parties to this Agreement, or upon the General Assembly or Executive Committee created by this Agreement, for injury which is caused by the negligent or wrongful act or omission of any of the parties in the performance of this Agreement, the contribution of the party or parties not directly responsible for the negligent or wrongful act or omission shall be limited to One Hundred Dollars (\$100.00). The party or parties directly responsible for the negligent or wrongful acts or omissions shall indemnify, defend, and hold all other parties harmless from any liability for personal injury or property damage arising out of the performance of this Agreement. The voting for or against a matter being considered by the General Assembly or executive or other committee or WRCOG, or abstention from voting on such matter, shall not be construed to constitute a wrongful act or omission within the meaning of this Subsection.

VI

ADMISSION AND WITHDRAWAL OF PARTIES

6.1 Admission of New Parties.

It is recognized that additional cities other than the original parties, may wish to participate in WRCOG. Any Western Riverside County city may become a party

to WRCOG upon such terms and conditions as established by the General Assembly or Executive Committee. Any Western Riverside County city shall become a party to WRCOG by the adoption by the city council of this agreement and the execution of a written addendum thereto agreeing to the terms of this Agreement and agreeing to any additional terms and conditions that may be established by the general assembly or Executive Committee. Special districts which are significantly involved in regional problems and the boundaries of which include territory within the collective area of the membership shall be eligible for advisory membership in the Council. The representative of any such advisory member may participate in the work of committees of the Council.

6.2 Withdrawal from WRCOG.

It is fully anticipated that each party hereto shall participate in WRCOG until the purposes set forth in this Agreement are accomplished. The withdrawal of any party, either voluntary or involuntary, unless otherwise provided by the General Assembly or Executive Committee, shall be conditioned as follows:

- a. In the case of a voluntary withdrawal following a properly noticed public hearing, written notice shall be given to WRCOG, six months prior to the effective date of withdrawal;
- b. Withdrawal shall not relieve the party of its proportionate share of any debts or other liabilities incurred by WRCOG prior to the effective date of the parties' notice of withdrawal;
- c. Unless otherwise provided by a unanimous vote of the Executive Committee, withdrawal shall result in the forfeiture of that party's rights and claims

relating to distribution of property and funds upon termination of WRCOG as set forth in Section VII below;

d. Withdrawal from any Implementation Agreement shall not be deemed withdrawal from membership in WRCOG.

VII

TERMINATION AND DISPOSITION OF ASSETS

7.1 Termination of this Agreement.

WRCOG shall continue to exercise the joint powers herein until the termination of this Agreement and any extension thereof or until the parties shall have mutually rescinded this Agreement; providing, however, that WRCOG and this Agreement shall continue to exist for the purposes of disposing of all claims, distribution of assets and all other functions necessary to conclude the affairs of WRCOG.

Termination shall be accomplished by written consent of all of the parties, or shall occur upon the withdrawal from WRCOG of a sufficient number of the agencies enumerated herein so as to leave less than five of the enumerated agencies remaining in WRCOG.

7.2 Distribution of Property and Funds.

In the event of the termination of this Agreement, any property interest remaining in WRCOG following the discharge of all obligations shall be disposed of as the Executive Committee shall determine with the objective of distributing to each remaining party a proportionate return on the contributions made to such properties by such parties, less previous returns, if any.

VIII

PACE IMPLEMENTATION AND PARTICIPATION AGREEMENTS;

ASSOCIATE MEMBERSHIP

8.1 Execution of Agreement.

When authorized by the Executive Committee, any affected member agency or agencies enumerated herein, may execute an Implementation Agreement for the purpose of authorizing WRCOG to implement, manage and administer area-wide and regional programs in the interest of the local public welfare. The costs incurred by WRCOG in implementing a program including indirect costs, shall be assessed only to those public agencies who are parties to that Implementation Agreement.

8.2 PACE Agreements; Associate Membership.

WRCOG shall be empowered to establish and operate one or more Property Assessed Clean Energy (“PACE”) programs pursuant to Chapter 29 of the Improvement Bond Act of 1911, being Division 7 of the California Streets and Highways Code, and to enter into one or more agreements, including without limitation, participation agreements, implementation agreements and joint powers agreements and amendments thereto to fulfill such programs both within and outside the jurisdictional boundaries of WRCOG.

WRCOG, acting through its Executive Committee, shall be empowered to establish an “Associate Member” status that provides membership in WRCOG to local jurisdictions that are outside WRCOG’s jurisdictional boundaries but within whose boundaries a PACE program will be established and implemented by WRCOG. Said local jurisdictions shall become Associate Members of WRCOG by adopting one or more agreements (the “PACE Agreement”) on the terms and conditions established by

the Executive Committee and consistent with the requirements of the Joint Exercise of Powers Act, being 5 of Division 7, Title 1 of the California Government Code (Sections 6500 et seq.). The rights of Associate Members shall be limited solely to those terms and conditions expressly set forth in the PACE Agreement for the purposes of implementing the PACE program within their jurisdictional boundaries. Except as expressly provided for by the PACE Agreement, Associate Members shall not have any rights otherwise granted to WRCOG's members by this Agreement, including but not limited to the right to vote, right to amend this Agreement, and right to sit on committees or boards established under this Agreement or by action of the Executive Committee or the General Assembly, including, without limitation, the General Assembly and the Executive Committee.

IX

MISCELLANEOUS

9.1 Amendments.

This Agreement may be amended with the approval of not less than two-thirds (2/3) of all member agencies.

9.2 Notice.

Any notice or instrument required to be given or delivered by depositing the same in any United States Post Office, registered or certified, postage prepaid, addressed to the addresses of the parties as shown on Exhibit "A", shall be deemed to have been received by the party to whom the same is addressed at the expiration of seventy-two (72) hours after deposit of the same in the United States Post Office for transmission by registered or certified mail as aforesaid.

9.3 Effective Date.

This Agreement shall be effective and WRCOG shall exist from and after such date as this Agreement has been executed by any seven or more of the public agencies, including the County of Riverside, as listed on page 1 hereof.

9.4 Arbitration.

Any controversy or claim between any two or more parties to this Agreement, or between any such party or parties and WRCOG, with respect to disputes, demands, differences, controversies, or misunderstandings arising in relation to interpretation of this Agreement, or any breach thereof, shall be submitted to and determined by arbitration. The party desiring to initiate arbitration shall give notice of its intention to arbitrate to every other party to this Agreement and to the Executive Director of the Council. Such notice shall designate as "respondents" such other parties as the initiating party intends to have bound by any award made therein. Any party not so designated but which desires to join in the arbitration may, within ten (10) days of service upon it of such notice, file with all other parties and with the Executive Director of the Council a response indicating its intention to join in and to be bound by the results of the arbitration, and further designating any other parties it wishes to name as a respondent. Within twenty (20) days of the service of the initial demand for arbitration, the initiating party and the respondent or respondents shall each designate a person to act as an arbitrator. The designated arbitrators shall mutually designate the minimal number of additional persons as arbitrators as may be necessary to create an odd total number of arbitrators but not less than three to serve as arbitrator(s).

The arbitrators shall proceed to arbitrate the matter in accordance with the provisions of Title 9 of Part 3 of the Code of Civil Procedure, Section 1280 et. seq. The parties to this Agreement agree that the decision of the arbitrators will be binding and will not be subject to judicial review except on the ground that the arbitrators have exceeded the scope of their authority.

9.5 Partial Invalidity.

If any one or more of the terms, provisions, sections, promises, covenants or conditions of this Agreement shall to any extent be adjudged invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, each and all of the remaining terms, provisions, sections, promises, covenants and conditions of this Agreement shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

9.6 Successors.

This Agreement shall be binding upon and shall inure to the benefit of the successors of the parties hereto.

9.7 Assignment.

The parties hereto shall not assign any rights or obligations under this Agreement without written consent of all other parties.

9.8 Execution.

The Board of Supervisors of the County of Riverside and the city councils of the cities enumerated herein have each authorized execution of this Agreement as evidenced by the authorized signatures below, respectively.

Original Members Agencies

1. City of Banning
2. City of Beaumont (withdrawn)
3. City of Calimesa
4. City of Canyon Lake
5. City of Corona
6. City of Hemet
7. City of Lake Elsinore
8. City of Moreno Valley
9. City of Murrieta
10. City of Norco
11. City of Perris
12. City of Riverside
13. City of San Jacinto
14. City of Temecula
15. County of Riverside

Additional City Members

1. City of Eastvale (added on 08/02/2010, Resolution 01-11)
2. City of Jurupa Valley (added on 07/29/2011, Resolution 02-12)
3. City of Menifee (added on 10/06/2008, Resolution 03-09)
4. City of Wildomar (added on 08/04/2008, Resolution 01-09)

**THE WESTERN RIVERSIDE
COUNCIL OF GOVERNMENTS**

Participating Agencies

5. Eastern Municipal Water District (membership on the Governing Board of WRCOG, 05/11/2009)
6. Western Municipal Water District (membership on the Governing Board of WRCOG, 05/11/2009)
7. Riverside County Superintendent of Schools (membership as an ex-officio, advisory member of WRCOG, 11/07/2011)
8. Morongo Band of Mission Indians (membership as an ex-officio, advisory member of WRCOG, 6/4/2013)



Western Riverside Council of Governments

County of Riverside • City of Banning • City of Beaumont • City of Calimesa • City of Canyon Lake • City of Corona • City of Hemet • City of Lake Elsinore
City of Moreno Valley • City of Murrieta • City of Norco • City of Perris • City of Riverside • City of San Jacinto • City of Temecula • City of Wildomar
Eastern Municipal Water District • Western Municipal Water District

RESOLUTION NUMBER 01-09

A RESOLUTION OF THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS APPROVING AN ADDENDUM TO ADD THE CITY OF WILDOMAR AS A MEMBER AGENCY OF WRCOG

WHEREAS, the Western Riverside Council of Governments ("WRCOG") is a joint powers authority consisting of the County of Riverside, fourteen cities, and two regional water districts situated in western Riverside County; and

WHEREAS, Section 6.1 of the Joint Powers Agreement of WRCOG ("Agreement") provides that any western Riverside County city shall become party to the WRCOG by the adoption by the City Council of the Agreement and the execution of the a written addendum thereto agreeing to the terms of the Agreement; and

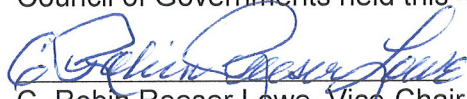
WHEREAS, the City of Wildomar desires to become a member of WRCOG; and

WHEREAS, to that end, the City Council of the City of Wildomar will adopt the Agreement on August 13, 2008, by a City of Wildomar resolution.

NOW, THEREFORE, BE IT RESOLVED that the Executive Committee of the Western Riverside Council of Governments does hereby:

1. Approve the Addendum to the Joint Powers Agreement of the WRCOG ("Addendum to the JPA") attached hereto and by this reference incorporated herein as Exhibit "A," adding the City of Wildomar as a member agency of WRCOG.
2. That the Chairperson of the Executive Committee of WRCOG is hereby authorized to finalize and execute the proposed Addendum to the JPA on behalf of WRCOG.
3. That the executed Addendum to the Joint Powers Agreement shall become effective upon the City Council of the City of Wildomar adopting the Agreement on August 13, 2008.

PASSED AND ADOPTED at a Meeting of the Executive Committee of the Western Riverside Council of Governments held this 4th day of August, 2008.


C. Robin Reeser Lowe, Vice-Chair
WRCOG Executive Committee


Rick Bishop, Secretary
WRCOG Executive Committee

AYES: 15

NOES: 0

ABSENT: 4

ABSTAIN: 0



Western Riverside Council of Governments

County of Riverside • City of Banning • City of Beaumont • City of Calimesa • City of Canyon Lake • City of Corona • City of Hemet • City of Lake Elsinore
City of Menifee • City of Moreno Valley • City of Murrieta • City of Norco • City of Perris • City of Riverside • City of San Jacinto • City of Temecula
City of Wildomar • Eastern Municipal Water District • Western Municipal Water District

RESOLUTION NUMBER 03-09

A RESOLUTION OF THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS APPROVING AN ADDENDUM TO THE JOINT POWERS AGREEMENT TO ADD THE CITY OF MENIFEE AS A MEMBER AGENCY OF WRCOG

WHEREAS, the Western Riverside Council of Governments ("WRCOG") is a joint powers authority consisting of the County of Riverside, fifteen cities and two regional water districts situated in western Riverside County; and

WHEREAS, Section 6.1 of the Joint Powers Agreement of WRCOG ("Agreement") provides that any western Riverside County city shall become party to the WRCOG by the adoption by the City Council of the Agreement and the execution of the a written addendum thereto agreeing to the terms of the Agreement; and

WHEREAS, the City of Menifee desires to become a member of WRCOG; and

WHEREAS, to that end, the City Council of the City of Menifee will adopt the Agreement on the 7th day of October 2008, by a City of Menifee Resolution Number 08-32.

NOW, THEREFORE, BE IT RESOLVED that the Executive Committee of the Western Riverside Council of Governments does hereby:

1. Approve the Addendum to the Joint Powers Agreement of the WRCOG ("Addendum to the JPA") attached hereto and by this reference incorporated herein as Exhibit "A," adding the City of Menifee as a member agency of WRCOG.
2. That the Chairperson of the Executive Committee of WRCOG is hereby authorized to finalize and execute the proposed Addendum to the JPA on behalf of WRCOG.

PASSED AND ADOPTED at a Meeting of the Executive Committee of the Western Riverside Council of Governments held this 6th day of October, 2008.


Jeff Stone, Chair
WRCOG Executive Committee

AYES: 17

NOES: 0

ABSENT: 2

ABSTAIN: 0


Rick Bishop, Secretary
WRCOG Executive Committee

EXHIBIT "A"

**ADDENDUM TO THE JOINT POWERS AGREEMENT OF THE WESTERN RIVERSIDE
COUNCIL OF GOVERNMENTS ADDING THE CITY OF MENIFEE AS A MEMBER AGENCY**

This ADDENDUM TO THE JOINT POWERS AGREEMENT OF THE WESTERN COUNCIL OF GOVERNMENTS dated this 6th day of October 2008, is made by and between the Western Riverside Council of Governments ("WRCOG"), a joint powers authority of the State of California, and the City of Menifee, a general law city of the State of California.

WHEREAS, Section 6.1 of the Joint Powers Agreement of WRCOG executed in 1991 ("Agreement"), provides that any western Riverside County city shall become party to the WRCOG by the adoption by the City Council of the Agreement and the execution of the written addendum thereto agreeing to the terms of the Agreement; and

WHEREAS, the City of Menifee desires to become a member of WRCOG; and


WHEREAS, to that end, the City Council of the City of Menifee will adopt the Agreement on the 7th day of October 2008, by a City of Menifee Resolution Number 08-32.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained, the parties hereto agree as follows:

1. The City of Menifee agrees to the terms and conditions of the Agreement hereto and by this reference incorporated herein as Exhibit "A" and any amendments thereto. The City of Menifee, as member of WRCOG, further agrees to abide by any applicable WRCOG bylaws.
2. Upon execution of this Addendum to the Agreement, the City of Menifee will become a member of the WRCOG.

ATTEST:

WESTERN RIVERSIDE COUNCIL
OF GOVERNMENTS

By: 
Rick Bishop
Secretary of WRCOG

By: 
Jeff Stone
Chair of WRCOG

Dated: 10-6-08

Dated: 10-6-08

ATTEST:

CITY OF MENIFEE

By: 
Kathy Bennett
City Clerk

By: 
Wallace Edgerton
Mayor

Dated: 11/25/08

Dated: 11/05/08



Western Riverside Council of Governments

County of Riverside • City of Banning • City of Beaumont • City of Calimesa • City of Canyon Lake • City of Corona • City of Hemet • City of Lake Elsinore
City of Menifee • City of Moreno Valley • City of Murrieta • City of Norco • City of Perris • City of Riverside • City of San Jacinto • City of Temecula
City of Wildomar • Eastern Municipal Water District • Western Municipal Water District

AMENDMENT TO THE JOINT POWERS AGREEMENT OF THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS TO ADD WATER DISTRICTS TO THE WRCOG GOVERNING BOARD

This Amendment to the Joint Powers Agreement ("Amended Agreement") is made and entered into on the 11th day of May, 2009, by and between sixteen cities located within western Riverside County and the County of Riverside (collectively the "Parties").

RECITALS

WHEREAS, sixteen cities located within western Riverside County and the County of Riverside have entered into a Joint Powers Agreement on April 1, 1991, and through subsequent amendments thereto (the "JPA"), to form the Western Riverside Council of Governments ("WRCOG"); and

WHEREAS, the Western Municipal Water District and the Eastern Municipal Water District (the "Water Districts") have approached WRCOG to express that their involvement in WRCOG will be beneficial to both WRCOG member agencies and the Water Districts; and

WHEREAS, the Water Districts believe that cooperation with WRCOG will create synergies which will facilitate a variety of joint goals, including (1) improved coordination on major infrastructure planning; (2) improved and consistent implementation of landscape water conservation ordinances; (3) improved coordination of shared legislative and regulatory strategies; (4) better positioning to overcome resource management challenges; and (5) improved regional response and compliance with a merging case law tightening the connection between land use and water resources; and

WHEREAS, WRCOG agrees and strongly supports coordination with the Water Districts, and believes that permitting the Water Districts membership on the WRCOG Governing Body is the best manner which would most efficaciously serve the interests of the WRCOG member agencies and the Water Districts; and

WHEREAS, pursuant to Government Code sections 6500 *et seq.*, the parties to the JPA desire to amend the JPA to add the Water Districts to the Governing Body of WRCOG.

MUTUAL UNDERSTANDINGS

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions hereinafter stated, the Parties hereto agree as follows:

Section 1: Section 2.1 to the JPA is hereby amended to read as follows:

2.1 Parties.

The parties to WRCOG shall be the County of Riverside and each city located within western Riverside County which has executed or hereafter executes this Agreement, or any addenda, amendment, or supplement thereto and agrees to such become a member upon such terms and conditions as established by the general counsel or Executive Committee, and which has not, pursuant to provisions hereof, withdrawn therefrom. Only the parties identified in this section shall be considered contracting parties to the JPA under Government Code section 6502.

Section 2: Section 2.4 to the JPA is hereby amended to read as follows:

2.4 Governing Body.

2.4.1. WRCOG shall be governed by a General Assembly with membership consisting of the appropriate representatives from the County of Riverside, each city which is a signatory to this Agreement, Western Municipal Water District, and Eastern Municipal Water District, the number of which shall be determined as hereinafter set forth. The General Assembly shall meet at least once annually, preferably scheduled in the evening. Each member agency of the General Assembly shall have one vote for each mayor, council member, county supervisor, and water district board member present at the General Assembly. The General Assembly shall act only upon a majority of a quorum. A quorum shall consist of a majority of the total authorized representatives, provided that members representing a majority of the member agencies are present. The General Assembly shall adopt and amend by-laws for the administration and management of this Agreement, which when adopted and approved shall be an integral part of this Agreement. Such by-laws may provide for the management and administration of this Agreement.

2.4.2. There shall be an Executive Committee which exercises the powers of this Agreement between sessions of the General Assembly. Members of the Executive Committee shall be the Mayor from each of the member cities, four members of the Riverside County Board of Supervisors and the President of each Water District, the remaining member of the Board of Supervisors shall serve as an alternate, except any City Council, at its discretion, can appoint a Mayor Pro Tem or other city council member in place of the Mayor and each water district board, at its discretion, can appoint another board member in place of the President. The Executive Committee shall act only upon a majority of a quorum. A quorum shall consist of a majority of the member agencies. Membership of the Water Districts on the General Assembly and Executive Committee of WRCOG shall be conditioned on the Water Districts entering into a separate Memorandums of Understanding with WRCOG.

Section 3: Section 2.18 is hereby added to the JPA to read as follows:

2.18 Water Districts and TUMF Matters.

Pursuant to this Joint Powers Agreement, WRCOG administers the Transportation Mitigation Fee ("TUMF") for cities in western Riverside County. The fee was established prior to the Water District's involvement with WRCOG and will fund transportation improvements for the benefit of the County of Riverside and the cities in western Riverside County. As such, the Western Municipal Water District and the Eastern Municipal Water District General Assembly and Executive Committee Members shall not vote on any matter related to the administration of the TUMF program or the expenditure of TUMF revenues.

Section 4: Section 3.5 is hereby added to the JPA to read as follows:

3.5 Contributions from Water Districts.

The provisions of section 3.4 above shall be inapplicable to the Western Municipal Water District and the Eastern Municipal Water District. The amount of contributions from these water districts shall be through the WRCOG budget process.

Section 5: This amendment is to become effective upon execution by all of the parties that are currently signatories to the JPA.

Section 6: All other provisions and terms of the JPA are to remain unchanged.

Section 7: This Amendment may be executed in counterparts.

IN WITNESS WHEREOF, the Parties hereto have caused this Amended Agreement to be executed and attested by their officers thereunto duly authorized as of the date first above written.

[SIGNATURES ON FOLLOWING PAGES]

ATTEST:

City Clerk
City of Banning

By: Maria G. Cuddeback

Dated: 6-23-09

CITY OF BANNING

By: Robert E. Burt
Mayor

ATTEST:

City Clerk
City of Beaumont

By: _____

Dated: _____

CITY OF BEAUMONT

By: _____
Mayor

ATTEST:

City Clerk
City of Calimesa

By: _____

Dated: _____

CITY OF CALIMESA

By: _____
Mayor

ATTEST:

City Clerk
City of Canyon Lake

By: _____

Dated: _____

CITY OF CANYON LAKE

By: _____
Mayor

ATTEST:

City Clerk
City of Banning

By: _____

Dated: _____

CITY OF BANNING

By _____
Mayor

ATTEST:

City Clerk (Deputy)
City of Beaumont

By: _____

Dated: 8-4-09

CITY OF BEAUMONT

By _____
Mayor

ATTEST:

City Clerk
City of Calimesa

By: _____

Dated: _____

CITY OF CALIMESA

By _____
Mayor

ATTEST:

City Clerk
City of Canyon Lake

By: _____

Dated: _____

CITY OF CANYON LAKE

By _____
Mayor

ATTEST:

City Clerk
City of Banning

By: _____

Dated: _____

CITY OF BANNING

By _____
Mayor

ATTEST:

City Clerk
City of Beaumont

By: _____

Dated: _____

CITY OF BEAUMONT

By _____
Mayor

ATTEST:

City Clerk
City of Calimesa

By: Harlene Linder

Dated: 6/16/09

CITY OF CALIMESA

By: James O. Hyatt
Mayor

ATTEST:

City Clerk
City of Canyon Lake

By: _____

Dated: _____

CITY OF CANYON LAKE

By _____
Mayor

ATTEST:

City Clerk
City of Banning

CITY OF BANNING

By: _____

By _____
Mayor

Dated: _____

ATTEST:

City Clerk
City of Beaumont

CITY OF BEAUMONT

By: _____

By _____
Mayor

Dated: _____

ATTEST:

City Clerk
City of Calimesa

CITY OF CALIMESA

By: _____

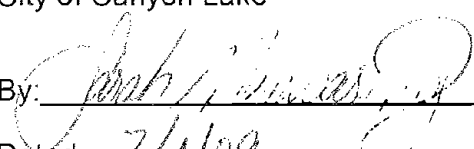
By _____
Mayor

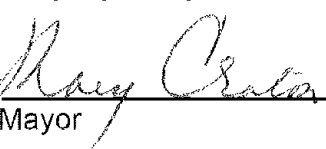
Dated: _____

ATTEST:

City Clerk
City of Canyon Lake

CITY OF CANYON LAKE

By: 

By 
Mayor

Dated: 7/1/09

ATTEST:

City Clerk
City of Corona

CITY OF CORONA

By: Victoria J. Walter

By: [Signature]
Mayor

Dated: June 17, 2009

ATTEST:

City Clerk
City of Hemet

CITY OF HEMET

By: _____

By: _____
Mayor

Dated: _____

r

ATTEST:

City Clerk
City of Lake Elsinore

CITY OF LAKE ELSINORE

By: _____

By: _____
Mayor

Dated: _____

ATTEST:

City Clerk
City of Meniffee

CITY OF MENIFEE

By: _____

By: _____
Mayor

Dated: _____

ATTEST:

City Clerk
City of Corona

By: _____

Dated: _____

CITY OF CORONA

By _____
Mayor

ATTEST:

City Clerk
City of Hemet

By: Sarah McComas

Dated: July 16, 2009

CITY OF HEMET

By: Eric M. Brubaker
Mayor

ATTEST:

City Clerk
City of Lake Elsinore

By: _____

Dated: _____

CITY OF LAKE ELSINORE

By _____
Mayor

ATTEST:

City Clerk
City of Meniffee

By: _____

Dated: _____

CITY OF MENIFEE

By _____
Mayor

ATTEST:

City Clerk
City of Corona

By: _____

Dated: _____

CITY OF CORONA

By _____
Mayor

ATTEST:

City Clerk
City of Hemet

By: _____

Dated: _____

CITY OF HEMET

By _____
Mayor

ATTEST:

City Clerk
City of Lake Elsinore

By: Deborah Thomsen

Dated: June 10, 2009

CITY OF LAKE ELSINORE

By [Signature]
Mayor

ATTEST:

City Clerk
City of Menifee

By: _____

Dated: _____

CITY OF MENIFEE

By _____
Mayor

ATTEST:

City Clerk
City of Corona

By: _____

Dated: _____

CITY OF CORONA

By _____
Mayor

ATTEST:

City Clerk
City of Hemet

By: _____

Dated: _____

CITY OF HEMET

By _____
Mayor

r

ATTEST:

City Clerk
City of Lake Elsinore

By: _____

Dated: _____

CITY OF LAKE ELSINORE

By _____
Mayor

ATTEST:

City Clerk
City of Menifee

By: K. Bennett

Dated: 6/17/09

CITY OF MENIFEE

By Wallace W Edgerton
Mayor

ATTEST:

City Clerk
City of Moreno Valley

By: *Jane H. H. H.*

Dated: 7/14/09

CITY OF MORENO VALLEY

By: *Richard A. Selman*
Mayor

Approved as _____
Date 9 JUL 2009
[Signature]
City Clerk
Moreno Valley

ATTEST:

City Clerk
City of Murrieta

By: _____

Dated: _____

CITY OF MURRIETA

By: _____
Mayor

ATTEST:

City Clerk
City of Norco

By: _____

Dated: _____

CITY OF NORCO

By: _____
Mayor

ATTEST:

City Clerk
City of Perris

By: _____

Dated: _____

CITY OF PERRIS

By: _____
Mayor

ATTEST:

City Clerk
City of Moreno Valley

By: _____

Dated: _____

CITY OF MORENO VALLEY

By _____
Mayor

ATTEST:

City Clerk
City of Murrieta

By: A. Kaylinson

Dated: Sept. 1, 2009

CITY OF MURRIETA

By: [Signature]
Mayor

ATTEST:

City Clerk
City of Norco

By: _____

Dated: _____

CITY OF NORCO

By _____
Mayor

ATTEST:

City Clerk
City of Perris

By: _____

Dated: _____

CITY OF PERRIS

By _____
Mayor

ATTEST:

City Clerk
City of Moreno Valley

By: _____

Dated: _____

CITY OF MORENO VALLEY

By _____
Mayor

ATTEST:

City Clerk
City of Murrieta

By: _____

Dated: _____

CITY OF MURRIETA

By _____
Mayor

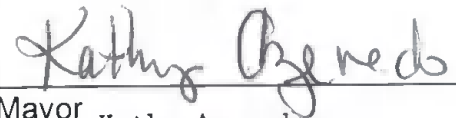
ATTEST:

City Clerk
City of Norco

By:  _____

Brenda K. Jacobs
Dated: July 15, 2009

CITY OF NORCO

By  _____
Mayor Kathy Azevedo

ATTEST:

City Clerk
City of Perris

By: _____

Dated: _____

CITY OF PERRIS

By _____
Mayor

ATTEST:

City Clerk
City of Moreno Valley

CITY OF MORENO VALLEY

By: _____

By _____
Mayor

Dated: _____

ATTEST:

City Clerk
City of Murrieta

CITY OF MURRIETA

By: _____

By _____
Mayor

Dated: _____

ATTEST:

City Clerk
City of Norco

CITY OF NORCO

By: _____

By _____
Mayor

Dated: _____

ATTEST:

City Clerk
City of Perris

CITY OF PERRIS

By: Judy L. Haughey
Judy L. Haughey, C.M.C.

By: Daryl R. Busch
Mayor Daryl R. Busch

Dated: 6/23/09

ATTEST:

City Clerk
City of Riverside

By: *C. J. [Signature]*

Dated: July 2, 2009

CITY OF RIVERSIDE

By: *[Signature]*
Mayor Pro Tempore

APPROVED AS TO FORM

Gusman Wilson
DEPUTY CITY ATTORNEY

ATTEST:

City Clerk
City of San Jacinto

By: _____

Dated: _____

CITY OF SAN JACINTO

By: _____
Mayor

ATTEST:

City Clerk
City of Temecula

By: _____

Dated: _____

CITY OF TEMECULA

By: _____
Mayor

ATTEST:

City Clerk
City of Wildomar

By: _____

Dated: _____

CITY OF WILDOMAR

By: _____
Mayor

ATTEST:

City Clerk
City of Riverside

By: _____

Dated: _____

CITY OF RIVERSIDE

By _____
Mayor

ATTEST:

City Clerk
City of San Jacinto

By: Bang McDill

Dated: 6/19/09

CITY OF SAN JACINTO

By [Signature]
Mayor

ATTEST:

City Clerk
City of Temecula

By: _____

Dated: _____

CITY OF TEMECULA

By _____
Mayor

ATTEST:

City Clerk
City of Wildomar

By: _____

Dated: _____

CITY OF WILDOMAR

By _____
Mayor

ATTEST:

City Clerk
City of Riverside

CITY OF RIVERSIDE

By: _____

By _____
Mayor

Dated: _____

ATTEST:

City Clerk
City of San Jacinto

CITY OF SAN JACINTO

By: _____

By _____
Mayor

Dated: _____

ATTEST:

City Clerk *Susan W. Jones, MMC*
City of Temecula

CITY OF TEMECULA

By: *Susan W. Jones*

By *Maryann Edwards*
Mayor *Maryann Edwards*

Dated: *8/12/09*

APPROVED AS TO FORM:

Peter M. Thorson
Peter M. Thorson, City Attorney

ATTEST:

City Clerk
City of Wildomar

CITY OF WILDOMAR

By: _____

By _____
Mayor

Dated: _____

ATTEST:

City Clerk
City of Riverside

CITY OF RIVERSIDE

By: _____

By _____
Mayor

Dated: _____

ATTEST:

City Clerk
City of San Jacinto

CITY OF SAN JACINTO

By: _____

By _____
Mayor

Dated: _____

ATTEST:

City Clerk
City of Temecula

CITY OF TEMECULA

By: _____

By _____
Mayor

Dated: _____

ATTEST:

City Clerk
City of Wildomar

CITY OF WILDOMAR

By: Alicia A. Lee

By [Signature]
Mayor

Dated: 06/23/09



Western Riverside Council of Governments

County of Riverside • City of Banning • City of Beaumont • City of Calimesa • City of Canyon Lake • City of Corona • City of Hemet • City of Lake Elsinore
City of Menifee • City of Moreno Valley • City of Murrieta • City of Norco • City of Perris • City of Riverside • City of San Jacinto • City of Temecula
City of Wildomar • Eastern Municipal Water District • Western Municipal Water District

RESOLUTION NUMBER 01-11

A RESOLUTION OF THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS APPROVING AN ADDENDUM TO THE JOINT POWERS AGREEMENT TO ADD THE CITY OF EASTVALE AS A MEMBER AGENCY OF WRCOG

WHEREAS, the Western Riverside Council of Governments ("WRCOG") is a joint powers authority consisting of the County of Riverside, sixteen cities, and two regional water districts situated in western Riverside County; and

WHEREAS, Section 6.1 of the Joint Powers Agreement of WRCOG ("Agreement") provides that any western Riverside County city shall become party to the WRCOG by the adoption by the City Council of the Agreement and the execution of the a written addendum thereto agreeing to the terms of the Agreement; and

WHEREAS, the City of Eastvale desires to become a member of WRCOG; and

WHEREAS, to that end, the City Council of the City of Eastvale will adopt the Agreement on the 1st day of October, 2010, by a City of Eastvale Resolution Number 10-26.

NOW, THEREFORE, BE IT RESOLVED that the Executive Committee of the Western Riverside Council of Governments does hereby:

1. Approve the Addendum to the Joint Powers Agreement of the WRCOG ("Addendum to the JPA") attached hereto and by this reference incorporated herein as Exhibit "A," adding the City of Eastvale as a member agency of WRCOG.
2. That the Chairperson of the Executive Committee of WRCOG is hereby authorized to finalize and execute the proposed Addendum to the JPA on behalf of WRCOG.

PASSED AND ADOPTED at a Meeting of the Executive Committee of the Western Riverside Council of Governments held this 2nd day of August, 2010.


Kelly Bennett, Chair
WRCOG Executive Committee

AYES: 16

NOES: 0

ABSENT: 5

ABSTAIN: 0


Rick Bishop, Secretary
WRCOG Executive Committee

EXHIBIT "A"

**ADDENDUM TO THE JOINT POWERS AGREEMENT OF THE WESTERN RIVERSIDE
COUNCIL OF GOVERNMENTS ADDING THE CITY OF EASTVALE AS A MEMBER AGENCY**

This ADDENDUM TO THE JOINT POWERS AGREEMENT OF THE WESTERN COUNCIL OF GOVERNMENTS dated this 2nd day of August 2010, is made by and between the Western Riverside Council of Governments ("WRCOG"), a joint powers authority of the State of California, and the City of Eastvale, a general law city of the State of California.

WHEREAS, Section 6.1 of the Joint Powers Agreement of WRCOG executed in 1991 ("Agreement"), provides that any western Riverside County city shall become party to the WRCOG by the adoption by the City Council of the Agreement and the execution of the written addendum thereto agreeing to the terms of the Agreement; and

WHEREAS, the City of Eastvale desires to become a member of WRCOG; and

WHEREAS, to that end, the City Council of the City of Eastvale will adopt the Agreement on the 1st day of October, 2010, by a City of Eastvale Resolution Number 10-26.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained, the parties hereto agree as follows:

1. The City of Eastvale agrees to the terms and conditions of the Agreement hereto and by this reference incorporated herein as Exhibit "A" and any amendments thereto. The City of Eastvale, as member of WRCOG, further agrees to abide by any applicable WRCOG bylaws.
2. Upon execution of this Addendum to the Agreement, the City of Eastvale will become a member of the WRCOG.

ATTEST:

By: Rick Bishop
Rick Bishop
Secretary of WRCOG

Dated: 8-2-2010

WESTERN RIVERSIDE COUNCIL
OF GOVERNMENTS

By: Kelly A. Bennett
Kelly Bennett
Chair of WRCOG

Dated: 8-2-10

ATTEST:

By: Judy L. Haughey
Name: Judy L. Haughey
City Clerk

Dated: 11-15-10

CITY OF EASTVALE

By: Adam Rush
Name: Adam Rush
Mayor

Dated: 11-15-10



Western Riverside Council of Governments

County of Riverside • City of Banning • City of Calimesa • City of Canyon Lake • City of Corona • City of Eastvale • City of Hemet • City of Jurupa Valley
City of Lake Elsinore • City of Menifee • City of Moreno Valley • City of Murrieta • City of Norco • City of Perris • City of Riverside • City of San Jacinto
City of Temecula • City of Wildomar • Eastern Municipal Water District • Western Municipal Water District

RESOLUTION NUMBER 02-12

A RESOLUTION OF THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS APPROVING AN ADDENDUM TO ADD THE CITY OF JURUPA VALLEY AS A MEMBER AGENCY OF WRCOG, EFFECTIVE JULY 1, 2011

WHEREAS, the Western Riverside Council of Governments ("WRCOG") is a joint powers authority consisting of the County of Riverside, two water districts, and sixteen cities situated in Western Riverside County; and

WHEREAS, Section 6.1 of the Joint Powers Agreement of WRCOG ("Agreement") provides that any Western Riverside County city shall become party to the WRCOG by the adoption by the city council of the Agreement and the execution of a written addendum thereto agreeing to the terms of the Agreement; and

WHEREAS, the City of Jurupa Valley desires to become a member of WRCOG; and

WHEREAS, to that end, the City Council of the City of Jurupa Valley adopted the Agreement on July 1, 2011, by a City of Jurupa Valley resolution.


NOW, THEREFORE, BE IT RESOLVED that the Executive Committee of the Western Riverside Council of Governments does hereby:

1. Approve the Addendum to the Joint Powers Agreement of the WRCOG ("Addendum to the JPA") attached hereto and by this reference incorporated herein as Exhibit "A", adding the City of Jurupa Valley as a member agency of WRCOG.
2. That the Chairperson of the Executive Committee of WRCOG is hereby authorized to finalize and execute the proposed Addendum to the JPA on behalf of WRCOG.

PASSED AND ADOPTED at a Meeting of the Executive Committee of the Western Riverside Council of Governments held this 29th day of July, 2011.


Robin Hastings, Chair
WRCOG Executive Committee


Rick Bishop, Secretary
WRCOG Executive Committee


Steven DeBaun
WRCOG Legal Counsel

AYES: 16 NOES: 0 ABSENT: 5 ABSTAIN: 0

EXHIBIT "A"

**ADDENDUM TO THE JOINT POWERS AGREEMENT OF THE WESTERN
RIVERSIDE COUNCIL OF GOVERNMENTS ADDING THE
CITY OF JURUPA VALLEY AS A MEMBER AGENCY**

This ADDENDUM TO THE JOINT POWERS AGREEMENT OF THE WESTERN COUNCIL OF GOVERNMENTS dated this 29th day of July, 2011, is made by and between the Western Riverside Council of Governments ("WRCOG"), a joint powers authority of the State of California, and the City of Jurupa Valley, a general law city of the State of California.

WHEREAS, Section 6.1 of the Joint Powers Agreement of WRCOG executed in 1991 ("Agreement"), provides that any Western Riverside County city shall become party to the WRCOG by the adoption by the city council of the Agreement and the execution of a written addendum thereto agreeing to the terms of the Agreement; and

WHEREAS, the City of Jurupa Valley desires to become a member of WRCOG; and

WHEREAS, to that end, the City Council of the City of Jurupa Valley adopted the Agreement on July 1, 2011, by a City of Jurupa Valley resolution.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained, the parties hereto agree as follows:

1. The City of Jurupa Valley agrees to the terms and conditions of the Agreement hereto and by this reference incorporated herein as Exhibit "A" and any amendments thereto. The City of Jurupa Valley further agrees to abide by any applicable WRCOG bylaws.
2. Upon execution of this Addendum to the Agreement, the City of Jurupa Valley will become a member of the WRCOG.

ATTEST:


BY: 
Secretary of WRCOG

WESTERN RIVERSIDE COUNCIL OF
GOVERNMENTS

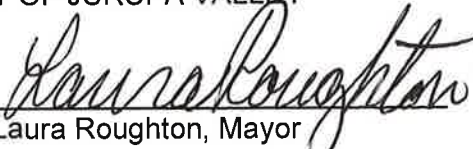
BY: 
Robin Hastings, Chairperson of the
Executive Committee of WRCOG

Dated: July 29, 2011

ATTEST:

BY: 
Vicki Wasko, City Clerk

CITY OF JURUPA VALLEY

BY: 
Laura Roughton, Mayor

Dated: 8/24/2011

**AMENDMENT TO THE JOINT POWERS AGREEMENT OF
THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
TO PERMIT THE PROVISION OF PACE SERVICES**

This Amendment to the Joint Powers Agreement ("Amended Agreement") is made and entered into on the 23rd day of Oct, 2012, by and between seventeen cities located within Western Riverside County and the County of Riverside (collectively the "Parties").

RECITALS

WHEREAS, seventeen cities located within Western Riverside County and the County of Riverside have entered into a Joint Powers Agreement on April 1, 1991, and through subsequent amendments thereto (the "JPA"), to form the Western Riverside Council of Governments ("WRCOG"); and

WHEREAS, on July 21, 2008, Assembly Bill 811 ("AB 811") was signed into law to amend Chapter 29 of the Improvement Bond Act of 1911, being Division 7 of the California Streets and Highways Code ("Chapter 29") to authorize cities, counties, and cities and counties to establish voluntary contractual assessment programs to fund various renewable energy sources and energy efficiency improvements to property, commonly referred to as a Property Assessed Clean Energy ("PACE") program; and

WHEREAS, the Legislative intent of AB 811 is to finance the installation of distributed generation renewable energy sources or energy efficiency improvements that are permanently fixed to residential, commercial, industrial, or other real property; and

WHEREAS, Chapter 29 was subsequently amended by the enactment of AB 474 effective January 1, 2010, to enable a PACE program established pursuant to Chapter 29 to finance the installation of water efficiency improvements in addition to the improvements authorized to be financed pursuant to AB 811;

WHEREAS, WRCOG is authorized to implement the purposes of Chapter 29 to establish a PACE program pursuant to the provisions of Government Code Section 6502; and

WHEREAS, WRCOG has determined that it is within the best interests of the communities that it serves, and the State of California, for WRCOG to provide a PACE program pursuant to Chapter 29 as now enacted or as such legislation may be amended hereafter, including the operation of a PACE financing program within Riverside County as well as outside Riverside County; and

WHEREAS, WRCOG desires to allow jurisdictions outside WRCOG's jurisdictional boundaries to participate in WRCOG solely for the purpose of facilitating WRCOG's implementation of PACE programs within their jurisdictional boundaries, but without providing

those local jurisdictions any of the rights common to the members within WRCOG's jurisdiction pursuant to the JPA; and

WHEREAS, pursuant to Government Code sections 6500 *et seq.*, the parties to the JPA desire to amend the JPA to allow for the provision of PACE services, including the operation of an PACE financing program within and outside Riverside County.

MUTUAL UNDERSTANDINGS

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions hereinafter stated, the Parties hereto agree as follows:

Section 1: The last sentence of Section 2.1 of the Agreement shall be amended to read as follows”

“Only the parties identified in this section and Associate Members approved under section 8.2 of this Agreement, if any, shall be considered contracting parties to this Agreement under Government code section 6502, provided that the rights of any Associate Member under this Agreement shall be limited solely those rights expressly set forth in a PACE Agreement authorized in section 8.2 of this Agreement.”

Section 2: The heading of Section VIII to the JPA is hereby amended to read as follows:

“PACE IMPLEMENTATION AND PARTICIPATION AGREEMENTS;
ASSOCIATE MEMBERSHIP”.

Section 3: Section 8.2 shall be added to the JPA and shall read as follows:

8.2 PACE Agreements; Associate Membership.

WRCOG shall be empowered to establish and operate one or more Property Assessed Clean Energy (“PACE”) programs pursuant to Chapter 29 of the Improvement Bond Act of 1911, being Division 7 of the California Streets and Highways Code, and to enter into one or more agreements, including without limitation, participation agreements, implementation agreements and joint powers agreements and amendments thereto to fulfill such programs both within and outside the jurisdictional boundaries of WRCOG.

WRCOG, acting through its Executive Committee, shall be empowered to establish an “Associate Member” status that provides membership in WRCOG to local jurisdictions that are outside WRCOG’s jurisdictional boundaries but within whose boundaries a PACE program will be established and implemented by WRCOG. Said local jurisdictions shall become Associate Members of WRCOG by adopting one or more agreements (the “PACE Agreement”) on the terms and conditions established by the Executive Committee and consistent with the requirements of the Joint Exercise of Powers Act, being 5 of Division 7, Title 1 of the California Government Code (Sections 6500 et seq.) The

rights of Associate Members shall be limited solely to those terms and conditions expressly set forth in the PACE Agreement for the purposes of implementing the PACE program within their jurisdictional boundaries. Except as expressly provided for by the PACE Agreement, Associate Members shall not have any rights otherwise granted to WRCOG's members by this Agreement, including but not limited to the right to vote, right to amend this Agreement, and right to sit on committees or boards established under this Agreement or by action of the Executive Committee or the General Assembly, including, without limitation, the General Assembly and the Executive Committee.

Section 4: This amendment is to become effective in accordance with Section 9.1 of the JPA.

Section 5: All other provisions and terms of the JPA are to remain unchanged.

Section 6: This Amendment may be executed in counterparts.

IN WITNESS WHEREOF, the Parties hereto have caused this Amended Agreement to be executed and attested by their officers thereunto duly authorized as of the date first above written.

[SIGNATURES ON FOLLOWING PAGES]

**SIGNATURE PAGE TO THE
AMENDMENT TO THE JOINT POWERS AGREEMENT OF
THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
TO PERMIT THE PROVISION OF PACE SERVICES**

ATTEST:

City Clerk
City of Banning

By: Maria A. Caddum

Dated: 10-23-12

ATTEST:

City Clerk
City of Calimesa

By: _____

Dated: _____

ATTEST:

City Clerk
City of Canyon Lake

By: _____

Dated: _____

ATTEST:

City Clerk
City of Corona

By: _____

Dated: _____

CITY OF BANNING

By: Don Bohannon
Mayor

CITY OF CALIMESA

By: _____
Mayor

CITY OF CANYON LAKE

By: _____
Mayor

CITY OF CORONA

By: _____
Mayor

**SIGNATURE PAGE TO THE
AMENDMENT TO THE JOINT POWERS AGREEMENT OF
THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
TO PERMIT THE PROVISION OF PACE SERVICES**

ATTEST:

City Clerk
City of Banning

CITY OF BANNING

By: _____

By _____
Mayor

Dated: _____

ATTEST:

City Clerk
City of Calimesa

CITY OF CALIMESA

By:  _____

By  _____
Mayor

Dated: 10/2/12 _____

ATTEST:

City Clerk
City of Canyon Lake

CITY OF CANYON LAKE

By: _____

By _____
Mayor

Dated: _____

ATTEST:

City Clerk
City of Corona

CITY OF CORONA

By: _____

By _____
Mayor

Dated: _____

**SIGNATURE PAGE TO THE
AMENDMENT TO THE JOINT POWERS AGREEMENT OF
THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
TO PERMIT THE PROVISION OF PACE SERVICES**

ATTEST:

City Clerk
City of Banning

CITY OF BANNING

By: _____

By _____
Mayor

Dated: _____

ATTEST:

City Clerk
City of Calimesa

CITY OF CALIMESA

By: _____

By _____
Mayor

Dated: _____

ATTEST:

City Clerk
City of Canyon Lake

CITY OF CANYON LAKE

By: *Deborah Livingston*

By *Ray Cruton*
Mayor

Dated: *12/5/12*

ATTEST:

City Clerk
City of Corona

CITY OF CORONA

By: _____

By _____
Mayor

Dated: _____

**SIGNATURE PAGE TO THE
AMENDMENT TO THE JOINT POWERS AGREEMENT OF
THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
TO PERMIT THE PROVISION OF PACE SERVICES**

ATTEST:

City Clerk
City of Banning

CITY OF BANNING

By: _____

By _____
Mayor

Dated: _____

ATTEST:

City Clerk
City of Calimesa

CITY OF CALIMESA

By: _____

By _____
Mayor

Dated: _____

ATTEST:

City Clerk
City of Canyon Lake

CITY OF CANYON LAKE

By: _____

By _____
Mayor

Dated: _____

ATTEST:

City Clerk
City of Corona

CITY OF CORONA

By:  _____

By  _____
Mayor

Dated: 3/6/13 _____

ATTEST:

Asst. City Clerk
City of Eastvale

By: 

Dated: 09/26/12

ATTEST:

City Clerk
City of Hemet

By: _____

Dated: _____

ATTEST:

City Clerk
City of Jurupa Valley

By: _____

Dated: _____

ATTEST:

City Clerk
City of Lake Elsinore

By: _____

Dated: _____

CITY OF EASTVALE

By 
Mayor

CITY OF HEMET

By _____
Mayor

CITY OF JURUPA VALLEY

By _____
Mayor

CITY OF LAKE ELSINORE

By _____
Mayor

ATTEST:

City Clerk
City of Eastvale

By: _____

Dated: _____

ATTEST:

City Clerk
City of Hemet

By: Sarah McCombs

Dated: Sept 11, 2012

ATTEST:

City Clerk
City of Jurupa Valley

By: _____

Dated: _____

ATTEST:

City Clerk
City of Lake Elsinore

By: _____

Dated: _____

CITY OF EASTVALE

By _____
Mayor

CITY OF HEMET

By [Signature]
Mayor

CITY OF JURUPA VALLEY

By _____
Mayor

CITY OF LAKE ELSINORE

By _____
Mayor

ATTEST:

City Clerk
City of Eastvale

By: _____

Dated: _____

ATTEST:

City Clerk
City of Hemet

By: _____

Dated: _____

ATTEST:

City Clerk
City of Jurupa Valley

By: *Victoria C. /s/*

Dated: 9/20/12

ATTEST:

City Clerk
City of Lake Elsinore

By: _____

Dated: _____

CITY OF EASTVALE

By _____
Mayor

CITY OF HEMET

By _____
Mayor

CITY OF JURUPA VALLEY

By *Karina Roughton*
Mayor

CITY OF LAKE ELSINORE

By _____
Mayor

ATTEST:

City Clerk
City of Eastvale

CITY OF EASTVALE

By: _____

By _____
Mayor

Dated: _____

ATTEST:

City Clerk
City of Hemet

CITY OF HEMET

By: _____

By _____
Mayor

Dated: _____

ATTEST:

City Clerk
City of Jurupa Valley

CITY OF JURUPA VALLEY

By: _____

By _____
Mayor

Dated: _____

ATTEST:

City Clerk
City of Lake Elsinore

CITY OF LAKE ELSINORE

By: Virginia Bloom

By B. J. J.
Mayor

Dated: March 6, 2013

ATTEST:

City Clerk
City of Menifee

By: H. Bennett

Dated: October 16, 2012

ATTEST:

City Clerk
City of Moreno Valley

By: _____

Dated: _____

ATTEST:

City Clerk
City of Murrieta

By: _____

Dated: _____

ATTEST:

City Clerk
City of Norco

By: _____

Dated: _____

CITY OF MENIFEE

By: [Signature]
Mayor

CITY OF MORENO VALLEY

By: _____
Mayor

CITY OF MURRIETA

By: _____
Mayor

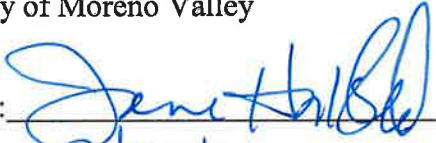
CITY OF NORCO

By: _____
Mayor

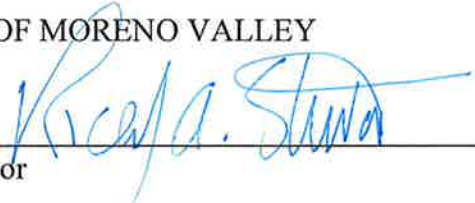
**SIGNATURE PAGE TO THE
AMENDMENT TO THE JOINT POWERS AGREEMENT OF
THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
TO PERMIT THE PROVISION OF PACE SERVICES**

ATTEST:

City Clerk
City of Moreno Valley

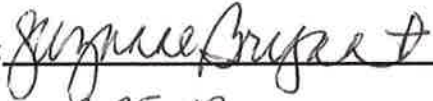
By: 
Dated: 2/27/13

CITY OF MORENO VALLEY

By: 
Mayor

APPROVE AS TO FORM:

City Attorney
City of Moreno Valley

By: 
Dated: 2-25-13

ATTEST:

City Clerk
City of Meniffee

By: _____

Dated: _____

ATTEST:

City Clerk
City of Moreno Valley

By: _____

Dated: _____

ATTEST:

City Clerk
City of Murrieta

By: _____

Dated: _____

ATTEST:

City Clerk - Brenda K. Jacobs, CMC
City of Norco

By:  _____

Dated: September 5, 2012

CITY OF MENIFEE

By _____
Mayor

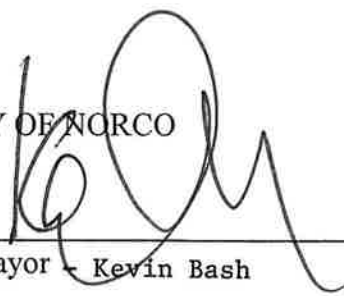
CITY OF MORENO VALLEY

By _____
Mayor

CITY OF MURRIETA

By _____
Mayor

CITY OF NORCO

By  _____
Mayor - Kevin Bash

ATTEST:

City Clerk
City of Perris

By: Judy L. Naughton

Dated: 12-11-12

ATTEST:

City Clerk
City of Riverside

By: _____

Dated: _____

ATTEST:

City Clerk
City of San Jacinto

By: _____

Dated: _____

ATTEST:

City Clerk
City of Temecula

By: _____

Dated: _____

CITY OF PERRIS

By: David R. Busch

Mayor

CITY OF RIVERSIDE

By: _____

Mayor

CITY OF SAN JACINTO

By: _____

Mayor

CITY OF TEMECULA

By: _____

Mayor

ATTEST:

City Clerk
City of Perris

By: _____

Dated: _____

ATTEST:

City Clerk
City of Riverside

By: Sherry Mestas

Dated: October 2, 2012

ATTEST:

City Clerk
City of San Jacinto

By: _____

Dated: _____

ATTEST:

City Clerk
City of Temecula

By: _____

Dated: _____

CITY OF PERRIS

By: _____
Mayor

CITY OF RIVERSIDE

By: Donna Laveridge
Mayor

APPROVED AS TO FORM

Christ Smith
SUPERVISING DEPUTY CITY ATTORNEY

CITY OF SAN JACINTO

By: _____
Mayor

CITY OF TEMECULA

By: _____
Mayor

ATTEST:

City Clerk
City of Perris

By: _____

Dated: _____

ATTEST:

City Clerk
City of Riverside

By: _____

Dated: _____

ATTEST:

City Clerk
City of San Jacinto

By: Richard Miller

Dated: 9/25/12

ATTEST:

City Clerk
City of Temecula

By: _____

Dated: _____

CITY OF PERRIS

By _____
Mayor

CITY OF RIVERSIDE

By _____
Mayor

CITY OF SAN JACINTO

By Andrew F. Kotyuk
Andrew F. Kotyuk, Mayor

CITY OF TEMECULA

By _____
Mayor

ATTEST:

City Clerk
City of Wildomar

By: Renee A. Lee

Dated: 09/12/12

ATTEST:

County Clerk
County of Riverside

By: _____

Dated: _____

CITY OF WILDOMAR

By: [Signature]
Mayor

COUNTY OF RIVERSIDE

By: _____
Chairman

1 ATTEST:

CITY OF TEMECULA

2 City Clerk
3 City of Temecula

By _____
Mayor

4 By: _____

5 Dated: _____

6
7 ATTEST:

8 City Clerk
9 City of Wildomar

CITY OF WILDOMAR

10 By: _____

By _____
Mayor

11 Dated: _____

12
13 ATTEST:

14 *Kecia Harper-Them*
Clerk of the Board
County of Riverside

COUNTY OF RIVERSIDE

15 By: *[Signature]* Deputy

By *[Signature]*
Chairman of the Board of Supervisors

16 Dated: SEP 25 2012

JOHN TAVAGLIONE

18
19
20 FORM APPROVED COUNTY COUNSEL
21 BY *[Signature]* 9/18/12
MARSHAL VICTOR DATE

**AMENDMENT TO THE JOINT POWERS AGREEMENT
ADDING CITY OF SUNNYVALE AS AN ASSOCIATE
MEMBER OF THE WESTERN RIVERSIDE COUNCIL OF
GOVERNMENTS TO PERMIT THE PROVISION OF
PROPERTY ASSESSED CLEAN ENERGY (PACE)
PROGRAM SERVICES WITH SUCH CITY**

This Amendment to the Joint Powers Agreement (“JPA Amendment”) is made and entered into on the ____ day of _____, 2016, by City of Sunnyvale (“City”) and the Western Riverside Council of Governments (“Authority”) (collectively the “Parties”).

RECITALS

WHEREAS, Authority is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the Government Code of the State of California (Section 6500 and following) (the “Joint Exercise of Powers Act”) and the Joint Power Agreement entered into on April 1, 1991, as amended from time to time (the “Authority JPA”); and

WHEREAS, as of October 1, 2012, Authority had 18 member entities (the “Regular Members”).

WHEREAS, Chapter 29 of the Improvement Act of 1911, being Division 7 of the California Streets and Highways Code (“Chapter 29”) authorizes cities, counties, and cities and counties to establish voluntary contractual assessment programs, commonly referred to as a Property Assessed Clean Energy (“PACE”) program, to fund certain renewable energy sources, energy and water efficiency improvements, and electric vehicle charging infrastructure (the “Improvements”) that are permanently fixed to residential, commercial, industrial, agricultural or other real property; and

WHEREAS, Authority has established a PACE program designated as the “California HERO Program” pursuant to Chapter 29 which authorizes the implementation of such PACE financing program for cities and counties throughout the state; and

WHEREAS, City desires to allow owners of property within its jurisdiction to participate in the California HERO Program and to allow Authority under Chapter 29, as it is now enacted or may be amended hereafter, to finance Improvements to be installed on such properties; and

WHEREAS, this JPA Amendment will permit City to become an Associate Member of Authority and to participate in California HERO Program for the purpose of facilitating the implementation of such program within the jurisdiction of City; and

WHEREAS, pursuant to the Joint Exercise of Powers Act, the Parties are approving this JPA Agreement to allow for the provision of PACE services through the California HERO Program, including the operation of such PACE financing program, within the incorporated territory of City; and

WHEREAS, the JPA Amendment sets forth the rights, obligations and duties of City and Authority with respect to the implementation of the California HERO Program within the incorporated territory of City.

MUTUAL UNDERSTANDINGS

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions hereinafter stated, the Parties hereto agree as follows:

A. JPA Amendment.

1. The Authority JPA. City agrees to the terms and conditions of the Authority JPA, attached.

2. Associate Membership. By adoption of this JPA Amendment, City shall become an Associate Member of Authority on the terms and conditions set forth herein and the Authority JPA and consistent with the requirements of the Joint Exercise of Powers Act. The rights and obligations of City as an Associate Member are limited solely to those terms and conditions expressly set forth in this JPA Amendment for the purposes of implementing the California HERO Program within the incorporated territory of City. Except as expressly provided for by the this JPA Amendment, City shall not have any rights otherwise granted to Authority's Regular Members by the Authority JPA, including but not limited to the right to vote on matters before the Executive Committee or the General Assembly, the right to amend or vote on amendments to the Authority JPA, and the right to sit on committees or boards established under the Authority JPA or by action of the Executive Committee or the General Assembly, including, without limitation, the General Assembly and the Executive Committee. City shall not be considered a member for purposes of Section 9.1 of the Authority JPA.

3. Rights of Authority. This JPA Amendment shall not be interpreted as limiting or restricting the rights of Authority under the Authority JPA. Nothing in this JPA Amendment is intended to alter or modify Authority Transportation Uniform Mitigation Fee (TUMF) Program, the PACE Program administered by Authority within the jurisdictions of its Regular Members, or any other programs administered now or in the future by Authority, all as currently structured or subsequently amended.

B. Implementation of California HERO Program within City Jurisdiction.

1. Boundaries of the California HERO Program within City Jurisdiction. The boundaries within which contractual assessments may be entered into under the California HERO Program (the "Program Boundaries") shall include the entire incorporated territory of City.

2. Determination of Eligible Improvements. Authority shall determine the types of distributed generation renewable energy sources, energy efficiency or water conservation improvements, electric vehicle charging infrastructure or such other improvements as may be authorized pursuant to Chapter 29 (the "Eligible Improvements") that will be eligible to be financed under the California HERO Program.

3. Implementation of California HERO Program Within the Program Boundaries. Authority will undertake such proceedings pursuant to Chapter 29 as shall be legally necessary to enable Authority to make contractual financing of Eligible Improvements available to eligible property owners within the Program Boundaries.

4. Financing the Installation of Eligible Improvements. Authority shall implement its plan for the financing of the purchase and installation of the Eligible Improvements under the California HERO Program within the Program Boundaries.

5. Ongoing Administration. Authority shall be responsible for the ongoing administration of the California HERO Program, including but not limited to producing education plans to raise public awareness of the California HERO Program, soliciting, reviewing and approving applications from residential and commercial property owners participating in the California HERO Program, establishing contracts for residential, commercial and other property owners participating in such program, levying and collecting assessments due under the California HERO Program, taking any required remedial action in the case of delinquencies in such assessment payments, adopting and implementing any rules or regulations for the California HERO Program, and providing reports as required by Chapter 29.

City will not be responsible for the conduct of any proceedings required to be taken under Chapter 29; 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 any bonds issued in connection with the California HERO Program.

6. Phased Implementation. The Parties recognize and agree that implementation of the California HERO Program as a whole can and may be phased as additional other cities and counties execute similar agreements. City entering into this JPA Amendment will obtain the benefits of and incur the obligations imposed by this JPA Amendment in its jurisdictional area, irrespective of whether cities or counties enter into similar agreements.

C. Miscellaneous Provisions.

1. Withdrawal. Authority may withdraw from this JPA Amendment upon six (6) months written notice to the other party; provided, however, there is no outstanding indebtedness of Authority within City. The provisions of Section 6.2 of the Authority JPA shall not apply to City under this JPA Amendment. Notwithstanding the foregoing, City may withdraw, either temporarily or permanently, from its participation in the California HERO Program or either the residential or commercial component of the California HERO Program upon thirty (30) written notice to WRCOG without liability to the Authority or any affiliated entity. City withdrawal from such participation shall not affect the validity of any voluntary assessment contracts (a) entered prior to the date of such withdrawal or (b) entered into after the date of such withdrawal so long as the applications for such voluntary assessment contracts were submitted to and approved by WRCOG prior to the date of City's notice of withdrawal.

2. Mutual Indemnification and Liability. Authority and City shall mutually defend, indemnify and hold the other party and its directors, officials, officers, employees and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liabilities, losses, damages or injuries of any kind, in law or equity, to property or persons, including wrongful death, to the extent arising out of the willful misconduct or negligent acts, errors or omissions of the indemnifying party or its directors, officials, officers, employees and agents in connection with the California HERO Program administered under this JPA Amendment, including without limitation the payment of expert witness fees and attorneys fees and other

related costs and expenses, but excluding payment of consequential damages. Without limiting the foregoing, Section 5.2 of the Authority JPA shall not apply to this JPA Amendment. In no event shall any of Authority's Regular Members or their officials, officers or employees be held directly liable for any damages or liability resulting out of this JPA Amendment.

3. Environmental Review. Authority shall be the lead agency under the California Environmental Quality Act for any environmental review that may required in implementing or administering the California HERO Program under this JPA Amendment.

4. Cooperative Effort. City shall cooperate with Authority by providing information and other assistance in order for Authority to meet its obligations hereunder. City recognizes that one of its responsibilities related to the California HERO Program will include any permitting or inspection requirements as established by City.

5. Notice. Any and all communications and/or notices in connection with this JPA Amendment shall be either hand-delivered or sent by United States first class mail, postage prepaid, and addressed as follows:

Authority:

Western Riverside Council of Governments
4080 Lemon Street, 3rd Floor. MS1032
Riverside, CA 92501-3609
Att: Executive Director

City:

City of Sunnyvale
Director of Environmental Services
P.O. Box 3707
Sunnyvale, CA 94088-3707

6. Entire Agreement. This JPA Amendment, together with the Authority JPA, constitutes the entire agreement among the Parties pertaining to the subject matter hereof. This JPA Amendment supersedes any and all other agreements, either oral or in writing, among the Parties with respect to the subject matter hereof and contains all of the covenants and agreements among them with respect to said matters, and each Party acknowledges that no representation, inducement, promise of agreement, oral or otherwise, has been made by the other Party or anyone acting on behalf of the other Party that is not embodied herein.

7. Successors and Assigns. This JPA Amendment and each of its covenants and conditions shall be binding on and shall inure to the benefit of the Parties and their respective successors and assigns. A Party may only assign or transfer its rights and obligations under this JPA Amendment with prior written approval of the other Party, which approval shall not be unreasonably withheld.

8. Attorney's Fees. If any action at law or equity, including any action for declaratory relief is brought to enforce or interpret the provisions of this Agreement, each Party to the litigation shall bear its own attorney's fees and costs.

9. Governing Law. This JPA Amendment shall be governed by and construed in accordance with the laws of the State of California, as applicable.

10. No Third Party Beneficiaries. This JPA Amendment shall not create any right or interest in the public, or any member thereof, as a third party beneficiary hereof, nor shall it authorize anyone not a Party to this JPA Amendment to maintain a suit for personal injuries or property damages under the provisions of this JPA Amendment. The duties, obligations, and responsibilities of the Parties to this JPA Amendment with respect to third party beneficiaries shall remain as imposed under existing state and federal law.

11. Severability. In the event one or more of the provisions contained in this JPA Amendment is held invalid, illegal or unenforceable by any court of competent jurisdiction, such portion shall be deemed severed from this JPA Amendment and the remaining parts of this JPA Amendment shall remain in full force and effect as though such invalid, illegal, or unenforceable portion had never been a part of this JPA Amendment.

12. Headings. The paragraph headings used in this JPA Amendment are for the convenience of the Parties and are not intended to be used as an aid to interpretation.

13. Amendment. This JPA Amendment may be modified or amended by the Parties at any time. Such modifications or amendments must be mutually agreed upon and executed in writing by both Parties. Verbal modifications or amendments to this JPA Amendment shall be of no effect.

14. Effective Date. This JPA Amendment shall become effective upon the execution thereof by the Parties hereto.

IN WITNESS WHEREOF, the Parties hereto have caused this JPA Amendment to be executed and attested by their officers thereunto duly authorized as of the date first above written.

“AUTHORITY”

WESTERN RIVERSIDE COUNCIL OF
GOVERNMENTS

By _____
Executive Committee Chair

Dated: _____

“CITY”

CITY OF SUNNYVALE, A MUNICIPAL
CORPORATION

By _____
City Manager

Dated: _____

APPROVED AS TO FORM:

By _____
City Attorney

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SUNNYVALE CONSENTING TO THE INCLUSION OF
PROPERTIES WITHIN THE TERRITORY OF THE CITY
OF SUNNYVALE IN THE CSCDA OPEN PACE
PROGRAMS; 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 OF SUNNYVALE; AND
AUTHORIZING RELATED ACTIONS**

WHEREAS, the California Statewide Communities Development Authority (the “Authority”) 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 Sunnyvale (the “City”); and

WHEREAS, the Authority is implementing Property Assessed Clean Energy (PACE) programs, which it has designated CSCDA Open PACE, consisting of CSCDA Open PACE programs each administered by a separate program administrator (collectively with any successors, assigns, replacements or additions, the “Programs”), to allow the financing or refinancing of renewable energy, energy efficiency, water efficiency and seismic strengthening improvements, electric vehicle charging infrastructure and such other improvements, infrastructure or other work as may be authorized by law from time to time (collectively, the “Improvements”) through the levy of contractual assessments pursuant to Chapter 29 of Division 7 of the Streets & Highways Code (“Chapter 29”) within counties and cities throughout the State of California that consent to the inclusion of properties within their respective territories in the Programs and the issuance of bonds from time to time; and

WHEREAS, the program administrators currently active in administering Programs are the AllianceNRG Program (presently consisting of CounterPointe Energy Solutions LLC and Leidos Engineering, LLC), PACE Funding LLC, CleanFund Commercial PACE Capital and Renewable Funding LLC, and the Authority will notify the City in advance of any additions or changes; and

WHEREAS, Chapter 29 provides that assessments may be levied under its provisions only with the free and willing consent of the owner or owners 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 (“Participating Property Owners”) within its territory to participate in the Programs and to allow the Authority to conduct assessment proceedings under Chapter 29 within its territory and to issue bonds to finance or refinance Improvements; and

WHEREAS, the territory within which assessments may be levied for the Programs shall include all of the territory within the City’s official boundaries; and

WHEREAS, the Authority will conduct all assessment proceedings under Chapter 29 for the Programs and issue any bonds issued in connection with the Programs; and

WHEREAS, the City 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 any bonds issued in connection with the Programs; and

WHEREAS, CSCDA Open PACE has agreed that any of its providers which chooses to operate in Sunnyvale will agree to comply with City’s operational requirements for PACE providers;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUNNYVALE THAT:

SECTION 1. This City Council hereby finds and declares that properties in the territory of the City will benefit from the availability of the Programs within the territory of the City and, pursuant thereto, the conduct of special assessment proceedings by the Authority pursuant to Chapter 29 and the issuance of bonds to finance or refinance Improvements.

SECTION 2. In connection with the Programs, the City hereby consents to the conduct of special assessment proceedings by the Authority pursuant to Chapter 29 on any property within the territory of the City and the issuance of bonds to finance or refinance Improvements; provided, that

a. 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

b. The City 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 any bonds issued in connection with the Programs.

SECTION 3. The appropriate officials and staff of the City are hereby authorized and directed to make applications for the Programs available to all property owners who wish to finance or refinance Improvements; provided, that the Authority 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 of the City from time to time, are hereby designated as the contact persons for the Authority in connection with the Programs: Director of Environmental Services, P.O. Box 3707, Sunnyvale, CA 94088-3707.

SECTION 4. The appropriate officials and staff of the City are hereby authorized and directed to execute and deliver such certificates, requisitions, agreements and related documents as are reasonably required by the Authority to implement the Programs.

SECTION 5. 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 6. This Resolution shall take effect once it is adopted only for a program administrator that has entered into a Regional Collaborative Services Agreement (RCSA) with the Association of Bay Area Governments (ABAG) and provides the City a fully executed copy of such agreement with ABAG. In addition, each program administrator shall sign a written acknowledgment of its obligations to defend and indemnify City pursuant to the terms of the RCSA. The City Clerk is hereby authorized and directed to transmit a certified copy of this resolution to the Secretary of the Authority at: Secretary of the Board, California Statewide Communities Development Authority, 1400 K Street, Sacramento, CA 95814.

Adopted by the City Council at a regular meeting held on _____, 2017, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

RECUSAL:

ATTEST:

APPROVED:

City Clerk
(SEAL)

Mayor

APPROVED AS TO FORM:

City Attorney

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUNNYVALE CONSENTING TO INCLUSION OF PROPERTIES WITHIN THE CITY'S JURISDICTION IN THE CALIFORNIA HOME FINANCE AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2014-1 (CLEAN ENERGY) TO FINANCE RENEWABLE ENERGY IMPROVEMENTS, ENERGY EFFICIENCY AND WATER CONSERVATION IMPROVEMENTS AND ELECTRIC VEHICLE CHARGING INFRASTRUCTURE AND APPROVING ASSOCIATE MEMBERSHIP IN THE JOINT EXERCISE OF POWERS AUTHORITY RELATED THERETO

WHEREAS, the California Home Finance Authority ("CHFA"), a California joint powers authority, (the "Authority") has established the Community Facilities District ("CFD") No. 2014-1 ("Clean Energy Program") in accordance with the Mello-Roos Community Facilities Act, set forth in sections 53311 through 53368.3 of the California Government Code (the "Act") and particularly in accordance with sections 53313.5(l) and 53328.1(a) (the "District"); and

WHEREAS, the purpose of the District is to finance or refinance (including the payment of interest) the acquisition, installation, and improvement of energy efficiency, water conservation, renewable energy and electric vehicle charging infrastructure improvements permanently affixed to private or publicly-owned real property (the "Authorized Improvements"); and

WHEREAS, the Authority is in the process of amending the Authority Joint Powers Agreement (the "Authority JPA") to formally change its name to the Golden State Finance Authority; and

WHEREAS, the City of Sunnyvale ("City") is committed to development of renewable energy generation and energy efficiency improvements, reduction of greenhouse gases, and protection of the environment; and

WHEREAS, in the Act, the Legislature has authorized a parcel within the territory of the District to annex to the District and be subject to the special tax levy of the District only (i) if 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 (ii) with the unanimous written approval of the owner or owners of the parcel when it is annexed (the "Unanimous Approval Agreement"), which, as provided in section 53329.6 of the Act, shall constitute the election required by the California Constitution; and

WHEREAS, the Authority has contracted with Ygrene California Energy Fund LLC (“Ygrene”) to serve as the program administrator to operate the Clean Energy Program (“CHFA CFD No. 2014-1”) on behalf of the Authority; and

WHEREAS, the City wishes to provide innovative solutions to its property owners to achieve energy efficiency and water conservation and in doing so cooperate with Authority in order to efficiently and economically assist property owners the City in financing such Authorized Improvements; and

WHEREAS, the Authority has established the District, as permitted by the Act, pursuant to the Authority JPA, originally made and entered into July 1, 1993, as amended to date, and the City, desires to become an Associate Member of the JPA by execution of the JPA Agreement, a copy of which has been presented to this meeting and is on file with the City Clerk, to participate in the programs of the JPA and, to assist property owners within the incorporated area of the City in financing the cost of installing Authorized Improvements; and

WHEREAS, YGrene has agreed to comply with City’s operational requirements for PACE providers; and

WHEREAS, the City will not be responsible for the conduct 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.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUNNYVALE THAT:

1. This City Council finds and declares that properties in the City’s incorporated area will be benefited by the availability of the Clean Energy Program (“CHFA CFD No. 2014-1”) to finance the installation of the Authorized Improvements.

2. This City Council consents to inclusion in the Clean Energy Program (“CHFA CFD No. 2014-1”) of all of the properties in the incorporated area within the City and to the Authorized Improvements, upon the request of and execution of the Unanimous Approval Agreement by the owners of such properties when such properties are annexed, in compliance with the laws, rules and regulations applicable to such program; and to the assumption of jurisdiction thereover by Authority for the purposes thereof.

3. The consent of this City Council constitutes assent to the assumption of jurisdiction by Authority for all purposes of the Clean Energy Program (“CHFA CFD No. 2014-1”) and authorizes the Authority, through Ygrene as the Program Administrator, upon satisfaction of the conditions imposed in this resolution, to take each and every step required for or suitable for financing the Authorized Improvements.

4. The City Council acknowledges that Ygrene has entered into an Agreement for Collaborative Services with the Association of Bay Area Governments, of which the City is a member, and pursuant to said agreement, Ygrene has agreed to defend and indemnify the City as

a result of acts or omissions by Ygrene, its officers, agents or employees. Ygrene shall acknowledge said obligations in writing before commencing any operations within the City and shall provide appropriate proof of insurance upon request of City staff.

5. This City Council hereby approves joining the JPA as an Associate Member and authorizes the execution by appropriate City officials of any necessary documents to effectuate such membership.

6. City staff is authorized and directed to coordinate with Authority staff to facilitate operation of the Clean Energy Program (“CHFA CFD No. 2014-1”) within the City, and report back periodically to this City Council on the success of such program.

7. This Resolution shall take effect immediately upon its adoption. The City Clerk is directed to send a certified copy of this resolution to the Secretary of the Authority.

Adopted by the City Council at a regular meeting held on _____, 2017, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

RECUSAL:

ATTEST:

APPROVED:

City Clerk
(SEAL)

Mayor

APPROVED AS TO FORM:

City Attorney

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF SUNNYVALE CONSENTING TO INCLUSION OF
PROPERTIES WITHIN THE CITY'S JURISDICTION IN
THE CALIFORNIA HOME FINANCE AUTHORITY,
PROGRAM TO FINANCE RENEWABLE ENERGY
GENERATION, ENERGY AND WATER EFFICIENCY
IMPROVEMENTS AND ELECTRIC VEHICLE
CHARGING INFRASTRUCTURE AND APPROVING
ASSOCIATE MEMBERSHIP IN THE JOINT EXERCISE
OF POWERS AUTHORITY RELATED THERETO**

WHEREAS, the California Home Finance Authority ("Authority") is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the Government Code of the State of California (Section 6500 and following) (the "Act") and the Joint Power Agreement entered into on July 1, 1993, as amended from time to time (the "Authority JPA"); and

WHEREAS, the Authority is in the process of amending the Authority JPA to formally change its name to the Golden State Finance Authority; and

WHEREAS, Authority has established a property-assessed clean energy ("PACE") Program with Ygrene California Energy Fund LLC ("Ygrene") as the program administrator (the "Authority's YgreneWorks PACE Program") to provide for the financing of renewable energy generation, energy and water efficiency improvements and electric vehicle charging infrastructure (the "Improvements") pursuant to Chapter 29 of the Improvement Bond Act of 1911, being Division 7 of the California Streets and Highways Code ("Chapter 29") within counties and cities throughout the State of California that elect to participate in such program; and

WHEREAS, City of Sunnyvale (the "City") is committed to development of renewable energy generation and energy and water efficiency improvements, reduction of greenhouse gases, and protection of the environment; and

WHEREAS, in Chapter 29, the Legislature has authorized cities and counties to assist property owners in financing the cost of installing Improvements through a voluntary contractual assessment program; and

WHEREAS, installation of such Improvements by property owners within the jurisdictional boundaries of the counties and cities that are participating in the Authority's YgreneWorks PACE Program would promote the purposes cited above; and

WHEREAS, the City wishes to provide innovative solutions to its property owners to achieve energy and water efficiency, and in doing so cooperate with Authority in order to efficiently and economically assist property owners within the City in financing such Improvements; and

WHEREAS, the City desires to allow the owners of property within its jurisdiction to participate in the Authority's YgreneWorks PACE Program and to allow Authority to conduct assessment proceedings under Chapter 29 and to issue Bonds under the 1915 Act to finance the Improvements; and

WHEREAS, Authority has established the YgreneWorks PACE Program, which is such a voluntary contractual assessment program, as permitted by the Act, and the Authority JPA, originally made and entered into July 1, 1993, as amended to date, and the City, desires to become an Associate Member of the JPA by execution of the JPA Agreement, a copy of which is attached as Exhibit "A" hereto, to participate in the programs of the JPA and to assist property owners within the jurisdiction of the City in financing the cost of installing Improvements; and

WHEREAS, YgreneWorks PACE Program has agreed to comply with City's operational requirements for PACE providers;

WHEREAS, the City will not be responsible for the conduct of any assessment proceedings; the levy and collection of assessments or any required remedial action in the case of delinquencies in the payment of any assessments or the issuance, sale or administration of any bonds issued in connection with the Authority's YgreneWorks PACE Program.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUNNYVALE THAT:

1. This City Council finds and declares that properties in the City's incorporated area will be benefited by the availability of the Authority's YgreneWorks PACE Program to finance the installation of the Improvements.

2. This City Council consents to inclusion in the Authority's YgreneWorks PACE Program of all of the properties in the jurisdictional boundaries of the City and to the Improvements, upon the request by and voluntary agreement of owners of such properties, in compliance with the laws, rules and regulations applicable to such program; and to the assumption of jurisdiction thereover by Authority for the purposes thereof.

3. The City Council acknowledges that Ygrene has entered into an Agreement for Collaborative Services with the Association of Bay Area Governments, of which the City is a member, and pursuant to said agreement, Ygrene has agreed to defend and indemnify the City as

a result of acts or omissions by Ygrene, its officers, agents or employees. Ygrene shall acknowledge said obligations in writing before commencing any operations within the City and shall provide appropriate proof of insurance upon request of City staff.

4. The consent of this City Council constitutes assent to the assumption of jurisdiction by Authority for all purposes of the Authority's YgreneWorks PACE Program and authorizes Authority, upon satisfaction of the conditions imposed in this resolution, to take each and every step required for or suitable for financing the Improvements, including the levying, collecting and enforcement of the contractual assessments to finance the Improvements and the issuance and enforcement of bonds to represent such contractual assessments.

5. This City Council hereby approves joining the JPA as an Associate Member and authorizes the execution by appropriate City officials of any necessary documents to effectuate such membership.

6. City staff is authorized and directed to coordinate with Authority staff to facilitate operation of the Authority's YgreneWorks PACE Program within the City, and report back periodically to this City Council on the success of such program.

7. This Resolution shall take effect immediately upon its adoption. The City Clerk is directed to send a certified copy of this resolution to the Secretary of the Authority.

Adopted by the City Council at a regular meeting held on _____, 2017, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

RECUSAL:

ATTEST:

APPROVED:

City Clerk
(SEAL)

Mayor

APPROVED AS TO FORM:

City Attorney

EXHIBIT A

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:

"Act" means 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, including the Marks-Roos Local Bond Pooling Act of 1985, as amended.

"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.

e. 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.

f. 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:

YGRENE ENERGY FUND
ATTN: LEGAL DEPARTMENT
815 5TH STREET
SANTA ROSA CA 95404

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

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:

"Act" means 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, including the Marks-Roos Local Bond Pooling Act of 1985, as amended.

"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.

e. 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.

f. 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:

YGRENE ENERGY FUND
ATTN: LEGAL DEPARTMENT
815 5TH STREET
SANTA ROSA CA 95404

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. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUNNYVALE APPROVING ASSOCIATE MEMBERSHIP BY THE CITY IN THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY; AUTHORIZING AND DIRECTING THE EXECUTION OF AN ASSOCIATE MEMBERSHIP AGREEMENT RELATING TO ASSOCIATE MEMBERSHIP OF THE CITY IN THE AUTHORITY; AUTHORIZING THE CITY 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 CITY OF SUNNYVALE; AND AUTHORIZING RELATED ACTIONS

WHEREAS, the City of Sunnyvale, California (the "City"), a municipal corporation, duly organized and existing under the Constitution and the laws of the State of California; and

WHEREAS, the City, upon authorization of the City Council, may pursuant to Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, commencing with Section 6500 (the "JPA Law") enter into a joint exercise of powers agreement with one or more other public agencies pursuant to which such contracting parties may jointly exercise any power common to them; and

WHEREAS, the City and other public agencies wish to jointly participate in economic development financing programs for the benefit of businesses and nonprofit entities within their jurisdictions offered by membership in the California Enterprise Development Authority (the "CEDA") pursuant to an associate membership agreement and Joint Exercise of Powers Agreement Relating to the California Enterprise Development Authority (the "Agreement"); and

WHEREAS, under the JPA Law and the Agreement, CEDA is a public entity separate and apart from the parties to the Agreement and the debts, liabilities and obligations of CEDA will not be the debts, liabilities or obligations of the City or the other members of the Authority; and

WHEREAS, the form of Associate Membership Agreement (the "Associate Membership Agreement") between the City and CEDA is attached; and

WHEREAS, the City is willing to become an Associate Member of CEDA subject to the provisions of the Associate Membership Agreement.

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, seismic retrofits, electric vehicle charging infrastructure, 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 City 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 A; and

WHEREAS, said ROI sets forth the territory within which assessments may be levied for Figtree PACE which territory shall be coterminous with the City's official boundaries of record at the time of adoption of the ROI (the "Boundaries"); and

WHEREAS, pursuant to Chapter 29, the City 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 City in connection with operation of the Figtree PACE program, Figtree Energy Financing, the program administrator, has agreed to defend and indemnify the City; and

WHEREAS, Figtree PACE program has agreed to comply with City's operational requirements for PACE providers;

WHEREAS, the City will not be responsible for the conduct of any assessment proceedings, the levy of assessments, 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.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUNNYVALE THAT:

SECTION 1. The City Council hereby specifically finds and declares that the actions authorized hereby constitute public affairs of the City. The City Council further finds that the statements, findings and determinations of the City set forth in the preambles above are true and correct.

SECTION 2. The Associate Membership Agreement presented to this meeting and on file with the City Clerk is hereby approved. The Mayor of the City, the City Manager, the City Clerk and other officials of the City are each hereby authorized and directed, for and on behalf of the City, to execute and deliver the Associate Membership Agreement in substantially said form, with such changes therein as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 3. The officers and officials 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 which they may deem necessary or advisable in order to consummate, carry out, give effect to and comply with the terms and intent of this resolution and the Associate Membership Agreement. All such actions heretofore taken by such officers and officials are hereby confirmed, ratified and approved.

SECTION 4. GOOD STANDING. The City is a municipal corporation and in good standing.

SECTION 5. PUBLIC BENEFITS. On the date hereof, the City Council 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 City.

SECTION 6. APPOINTMENT OF CEDA. The City 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 City is not and will not be deemed to be an agent of Figtree or CEDA as a result of this Resolution.

SECTION 7. ASSESSMENT PROCEEDINGS. In connection with Figtree PACE, the City 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 City 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 8. PROGRAM REPORT. The City Council 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 9. FORECLOSURE. The City Council hereby acknowledges that the Law permits foreclosure in the event that there is a default in the payment of assessments due on a property.

SECTION 10. INDEMNIFICATION. The City Council acknowledges that Figtree has entered into an Agreement for Collaborative Services with the Association of Bay Area Governments, of which the City is a member, and pursuant to said agreement, Figtree has agreed to defend and indemnify the City as a result of acts or omissions by Figtree, its officers, agents or employees. Figtree shall acknowledge said obligations in writing before commencing any operations within the City and shall provide appropriate proof of insurance upon request of City staff.

SECTION 11. CITY CONTACT DESIGNATION. The appropriate officials and staff of the City 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 City Manager from time to time, are hereby designated as the contact persons for CEDA in connection with Figtree PACE: Director of Environmental Services, City of Sunnyvale, P.O. Box 3707, P.O. Box 3707, Sunnyvale, CA 94088-3707.

SECTION 12. CEQA EXEMPTION. The City Council 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 13. EFFECTIVE DATE. 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 Figtree Energy Financing.

SECTION 14. COSTS. Services related to the formation and administration of the assessment district will be provided by CEDA at no cost to the City.

Adopted by the City Council at a regular meeting held on _____, 2017, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

RECUSAL:

ATTEST:

APPROVED:

City Clerk
(SEAL)

Mayor

APPROVED AS TO FORM:

City Attorney

EXHIBIT A
CEDA RESOLUTION OF INTENTION

**RESOLUTION OF THE CALIFORNIA ENTERPRISE
DEVELOPMENT AUTHORITY DECLARING INTENTION
TO FINANCE INSTALLATION OF DISTRIBUTED
GENERATION RENEWABLE ENERGY SOURCES,
ENERGY EFFICIENCY, SEISMIC RETROFITS,
ELECTRIC VEHICLE CHARGING INFRASTRUCTURE,
AND WATER EFFICIENCY IMPROVEMENTS IN THE
CITY OF _____**

WHEREAS, the California Enterprise Development Authority (“CEDA”) is a joint powers authority authorized and existing pursuant to Joint Powers Act (Government Code Section 6500 et seq.) and that certain Joint Exercise of Powers Agreement (the “Agreement”) dated as of June 1, 2006, by and among the cities of Eureka, Lancaster and Selma; and

WHEREAS, CEDA is authorized under the Agreement and Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California and in accordance with Chapter 29 of Part 3 of Division 7 of the Streets & Highways Code of the State of California (“Chapter 29”) to authorize assessments to finance the installation of distributed generation renewable energy sources, energy efficiency, seismic retrofits, electric vehicle charging infrastructure, and water efficiency improvements that are permanently fixed to real property (“Authorized Improvements”); and

WHEREAS, CEDA has obtained authorization from the City of _____ (the “City”) to enter into contractual assessments for the financing of the installation of Authorized Improvements in the City; and

WHEREAS, CEDA desires to declare its intention to establish a Figtree PACE program (“Figtree PACE”) in the City, pursuant to which CEDA, subject to certain conditions set forth herein, would enter into contractual assessments to finance the installation of Authorized Improvements in the City.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY, AS FOLLOWS:

Section 1. Findings. The Board of Directors hereby finds and determines the following:

- (a) The above recitals are true and correct and are incorporated herein by this reference.
- (b) Energy and water conservation efforts, including the promotion of Authorized Improvements to residential, commercial, industrial, or other real property, are necessary to address the issue of global climate change and the reduction of greenhouse gas emissions in the City.

- (c) The upfront cost of making residential, commercial, industrial, or other real property more energy and water efficient, along with the fact that most commercial loans for that purpose are due on the sale of the property, prevents many property owners from installing Authorized Improvements.
- (d) A public purpose will be served by establishing a contractual assessment program, to be known as Figtree PACE, pursuant to which CEDA will finance the installation of Authorized Improvements to residential, commercial, industrial, or other real property in the City.

Section 2. Determination of Public Interest. The Board of Directors hereby determines that (a) it would be convenient, advantageous, and in the public interest to designate an area, which shall encompass the entire geographic territory within the boundaries of the City, within which CEDA and property owners within the City may enter into contractual assessments to finance the installation of Authorized Improvements pursuant to Chapter 29 and (b) it is in the public interest for CEDA to finance the installation of Authorized Improvements in the County pursuant to Chapter 29.

Section 3. Identification of Authorized Improvements. CEDA hereby declares its intention to make contractual assessment financing available to property owners to finance installation of Authorized Improvements, including but not limited to those improvements detailed in the Report described in Section 8 hereof (the “Report”), as that Report may be amended from time to time.

Section 4. Identification of Boundaries. Contractual assessments may be entered into by property owners located within the entire geographic territory of the City including unincorporated territory within City Boundaries. A property owner located within a City within the City may enter into contractual assessments with CEDA only after such City has adopted a resolution to authorize participation in the PACE Program.

Section 5. Proposed Financing Arrangements. Under Chapter 29, CEDA may issue bonds, notes or other forms of indebtedness (the “Bonds”) pursuant to Chapter 29 that are payable by contractual assessments. Division 10 (commencing with Section 8500) of the Streets & Highways Code of the State (the “Improvement Bond Act of 1915”) shall apply to any indebtedness issued pursuant to Chapter 29, insofar as the Improvement Bond Act of 1915 is not in conflict with Chapter 29. The creditworthiness of a property owner to participate in the financing of Authorized Improvements will be based on the criteria developed by Figtree Energy Financing (the “Program Administrator”) upon consultation with Figtree PACE Program underwriters or other financial representatives, CEDA general counsel and bond counsel, and as shall be approved by the Board of Directors of CEDA. In connection with indebtedness issued under the Improvement Bond Act of 1915 that are payable from contractual assessments, serial and/or term improvement bonds or other indebtedness shall be issued in such series and shall mature in such principal amounts and at such times (not to exceed 20 years from the second day of September next following their date) and at such rate or rates of interest (not to exceed the maximum rate permitted by applicable law) as shall be determined by the Board of Directors at

the time of the issuance and sale of the indebtedness. The provisions of Part 11.1 of the Improvement Bond Act of 1915 shall apply to the calling of the bonds. It is the intention of the Board of Directors to create a special reserve fund for the bonds under Part 16 of the Improvement Bond Act of 1915. Neither CEDA, nor any of its members participating in the Figtree PACE Program, shall advance available surplus funds from its treasury to cure any deficiency in the redemption fund to be created with respect to the indebtedness; provided, however, that this determination shall not prevent CEDA or any of its members from, in their sole discretion, so advancing funds. The Bonds may be refunded under Division 11.5 of the California Streets and Highways Code or other applicable laws permitting refunding, upon the conditions specified by and upon determination of CEDA.

CEDA hereby authorizes the Program Administrator, upon consultation with CEDA general counsel, bond counsel and the Figtree PACE underwriter, to commence preparation of documents and take necessary steps to prepare for the issuance of bonds, notes or other forms of indebtedness as authorized by Chapter 29.

In connection with the issuance of bonds payable from contractual assessments, CEDA expects to obligate itself, through a covenant with the owners of the bonds, to exercise its foreclosure rights with respect to delinquent contractual assessment installments under specified circumstances.

Section 6. Public Hearing. Pursuant to the Act, CEDA hereby orders that a public hearing be held before CEDA Board (the "Board"), at 550 Bercut Drive, Suite G, Sacramento, CA 95811, on _____, _____, at _____ A., for the purposes of allowing interested persons to object to, or inquire about, the proposed Figtree PACE Program. The public hearing may be continued from time to time as determined by the Board for a time not exceeding a total of 180 days.

At the time of the hearing, the Report described in Section 8 hereof shall be summarized, and the Board shall afford all persons who are present an opportunity to comment upon, object to, or present evidence with regard to the proposed Figtree PACE Program, the extent of the area proposed to be included within the boundaries of the assessment district, the terms and conditions of the draft assessment contract described in Section 8 hereof (the "Contract"), or the proposed financing provisions. Following the public hearing, CEDA may adopt a resolution confirming the Report (the "Resolution Confirming Report") or may direct the Report's modification in any respect, or may abandon the proceedings.

The Board hereby orders the publication of a notice of public hearing once a week for two successive weeks. Two publications in a newspaper published once a week or more often, with at least five days intervening between the respective publication dates not counting such publication dates are sufficient. The period of notice will commence upon the first day of publication and terminate at the end of the fourteenth day. The first publication shall occur not later than 20 days before the date of the public hearing.

Section 7. Notice to Water and Electric Providers. Pursuant to Section 5898.24 of the Streets & Highways Code, written notice of the proposed contractual assessment program within

the City to all water and electric providers within the boundaries of the City has been provided.

Section 8. Report. The Board hereby directs the Program Administrator to prepare the Report and file said Report with the Board at or before the time of the public hearing described in Section 6 hereof containing all of the following:

- (a) A map showing the boundaries of the territory within which contractual assessments are proposed to be offered, as set forth in Section 4 hereof.
- (b) A draft contractual assessment contract (the “Contract”) specifying the terms and conditions of the agreement between CEDA and a property owner.
- (c) A statement of CEDA’s policies concerning contractual assessments including all of the following:
 - (1) Identification of types of Authorized Improvements that may be financed through the use of contractual assessments.
 - (2) Identification of the CEDA official authorized to enter into contractual assessments on behalf of CEDA.
 - (3) A maximum aggregate dollar amount of contractual assessments.
 - (4) A method for setting requests from property owners for financing through contractual assessments in priority order in the event that requests appear likely to exceed the authorization amount.
- (d) A plan for raising a capital amount required to pay for work performed in connection with contractual assessments. The plan may include the sale of a bond or bonds or other financing relationship pursuant to Section 5898.28 of Chapter 29. The plan (i) shall include a statement of, or method for determining, the interest rate and time period during which contracting property owners would pay any assessment, (ii) shall provide for any reserve fund or funds, and (iii) shall provide for the apportionment of all or any portion of the costs incidental to financing, administration and collection of the contractual assessment program among the consenting property owners and CEDA.

A report on the results of the discussions with the County Auditor-Controller described in Section 10 hereof, concerning the additional fees, if any, that will be charged to CEDA for inclusion of the proposed contractual assessments on the general property tax roll of the City, and a plan for financing the payment of those fees.

Section 9. Nature of Assessments. Assessments levied pursuant to Chapter 29, and the interest and any penalties thereon, will constitute a lien against the lots and parcels of land on which they are made, until they are paid. Unless otherwise directed by CEDA, the assessments shall be collected in the same manner and at the same time as the general taxes of the City on

real property are payable, and subject to the same penalties and remedies and lien priorities in the event of delinquency and default.

Section 10. Consultations with County Auditor-Controller. CEDA hereby directs the Program Administrator to enter into discussions with the County Auditor-Controller in order to reach agreement on what additional fees, if any, will be charged to CEDA for incorporating the proposed contractual assessments into the assessments of the general taxes of the County on real property.

Section 11. Preparation of Current Roll of Assessment. Pursuant to Section 5898.24(c), CEDA hereby designates the Program Administrator as the responsible party for annually preparing the current roll of assessment obligations by assessor's parcel number on property subject to a voluntary contractual assessment.

Section 12. Procedures for Responding to Inquiries. The Program Administrator shall establish procedures to promptly respond to inquiries concerning current and future estimated liability for a voluntary contractual assessment.

Section 13. Effective Date. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this ____ day of ____, 201__.

CALIFORNIA ENTERPRISE
DEVELOPMENT AUTHORITY

By: _____
Gurbax Sahota, Chair

ATTEST:

Helen Schaubmayer, Assistant Secretary

**JOINT EXERCISE OF POWERS AGREEMENT
CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY**

THIS AGREEMENT (the "Joint Exercise of Powers Agreement") is dated as of June 1, 2006, by and among the City of Selma, California ("Selma"), the City of Lancaster, California ("Lancaster"), and the City of Eureka, California ("Eureka") each duly organized and existing under the laws of the State of California ("State") and such other local agencies within the State as may hereafter become signatories hereto.

WITNESSETH:

WHEREAS, the Joint Exercise of Powers Act (the "Act"), Article 1 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the Government Code of the State, authorizes public agencies by agreement to jointly exercise any powers common to each of them; and

WHEREAS, each of the parties hereto are authorized by law to exercise broad governmental functions and authority to accomplish their respective purposes, including, but not limited to, the right to issue bonds and expend the proceeds thereof and the right to acquire, sell, develop, lease or administer property; and

WHEREAS, by this Agreement, the parties hereto desire to create and establish the "California Enterprise Development Authority" (the "Authority") for the purposes set forth herein and to exercise the powers described herein; and

WHEREAS, each of the parties hereto are authorized by law to exercise broad governmental functions, including, but not limited to, stimulating or expanding local economies, promoting opportunities for the creation or retention of employment and stimulating economic activity and increasing the tax base, and each of the parties hereto possess the authority to accomplish those functions by means of issuing bonds or refunding bonds, entering into loan agreements, indentures, lease agreements, installment purchase agreements, installment sale agreements and trust agreements, making grants and loans, providing other financial assistance or in any other manner deemed appropriate by the governmental entity; and

WHEREAS, each of the parties hereto also desires to assist nonprofit public benefit corporations located within their respective jurisdictions to undertake and complete projects that will provide public benefits to the communities; and

WHEREAS, each Member desires to join together with the other Members for the purpose of assisting the Members and for-profit and nonprofit organizations in obtaining tax-exempt financing for appropriate projects and purposes;

NOW, THEREFORE, in consideration of the above premises and of the mutual promises herein contained, Selma, Lancaster and Eureka do hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. Unless the context otherwise requires, the words and terms defined in this Article I shall, for the purpose hereof, have the meanings herein specified.

“Act” means Articles 1 through 4 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the California Government Code.

“Agreement” means this Joint Exercise of Powers Agreement.

“Associate Member” shall mean any Local Agency that shall have duly executed this Agreement and executed and delivered to the Authority an Associate Membership Agreement in the form and as further provided in the Bylaws of the Authority.

“Authority” means the California Enterprise Development Authority established pursuant to Section 2.2 of this Agreement.

“Board” means the Board of Directors of the Authority referred to in Section 2.3, which shall be the governing body of the Authority.

“Bonds” means the revenue obligations, inclusive of principal (premium, if any) and interest authorized to be issued by the Authority, including a single bond, a promissory note or notes, including bond anticipation notes, lease agreement, installment purchase agreement, certificates of participation or any other instrument evidencing an indebtedness or obligation.

“CALED” means the California Association for Local Economic Development.

“Chairman” means the Chairman elected pursuant to Section 3.1.

“Director” means each member of the Board.

“Eureka” means the City of Eureka, a charter city and municipal corporation formed and existing pursuant to the Constitution and laws of the State.

“Executive Director” means the Executive Director of the Authority appointed pursuant to Section 3.1.

“Facilities” means real and personal property that may be financed or refinanced pursuant to the Act, including but not limited to, land, buildings, improvements, facilities and equipment.

“Fiscal Year” means the period from July 1st to and including the following June 30th.

“Lancaster” means the City of Lancaster, a municipal corporation formed and existing pursuant to the Constitution and laws of the State.

“Legislative Body” means the governing body of a Member.

"Local Agency" means a Member or an agency or subdivision of that Member sponsoring a Project or any other city, county, city and county or redevelopment agency of the State.

"Members" means, collectively, Voting Members and Associate Members.

"Project" means the acquisition, construction and installation of Facilities by the issuance of Bonds.

"Revenues" means all income and receipts of the Authority from a bond purchase agreement, bonds acquired by the authority, loans, installment sale agreements, and other revenue producing agreements entered into by the Authority, projects financed by the Authority, grants and other sources of income, and all interest or other income from any investment of any money in any fund or account established for the payment of principal or interest or premiums on Bonds.

"Secretary" means the Secretary of the Authority appointed pursuant to Section 3.1.

"Selma" means the City of Selma, a municipal corporation formed and existing pursuant to the Constitution and laws of the State.

"State" means the State of California.

"Treasurer" means the Treasurer of the Authority appointed pursuant to Section 3.2.

"Vice-Chairman" means the Vice-Chairman elected pursuant to Section 3.1.

"Voting Members" means Selma, Lancaster and Eureka or each individually or other Local Agencies that may be added pursuant to the terms of this Agreement.

ARTICLE II

GENERAL PROVISIONS

Section 2.1. Purpose. This Agreement is made pursuant to the Act providing for the joint exercise of powers common to the Members and for other purposes as permitted under the Act and as agreed by one or more of the parties hereto. The primary purpose of this Agreement is to assist the Members and for-profit and nonprofit organizations located within the jurisdictions of the Members in financing industrial and commercial development projects and other public purpose projects. Additional purposes of this Agreement are assisting Members undertake any and all other projects permitted by the Act.

Section 2.2. Creation of Authority. Pursuant to the Act, there is hereby created a public entity to be known as the "California Enterprise Development Authority." The Authority shall be a public entity separate and apart from the Members. The Members hereby designate CALED, a California nonprofit corporation, as the administrator and executor of this Agreement, and retain for themselves the power to approve amendments to this Agreement as specified in Section 8.5, hereof.

Section 2.3. Board of Directors. The Authority shall be administered by a board of directors. The Members, by execution of this Agreement, designate the Executive Committee of the Board of Directors of CALED and the President of CALED as the initial Board of Directors of the Authority. This designation of the Board of Directors shall remain unchanged, unless and until such composition is changed by a unanimous vote of the Voting Members. The Board shall be called the "Board of Directors of the California Enterprise Development Authority." All voting power of the Authority, except as otherwise provided, shall reside in the Board.

Section 2.4. Meetings.

- (a) Meetings of Voting Members. The Authority shall provide for the meeting of its Voting Members; provided, however, that at least one meeting of Voting Members shall be held each year, which may not be waived. The date, hour and place of the holding of meetings shall be fixed by resolution of the Board which shall set one such meeting each year and any other meetings at the written request of any Voting Member, and a copy of such resolution shall be filed with each of the Members. The Legislative Body of each Voting Member shall appoint one of its members to serve as the Voting Member's representative to the Authority (the "Representative"). The Representative may select up to two alternates (the "Alternate"), each of whom are either a member of the Voting Member's Legislative Body or an employee of the Voting Member, to represent the Voting Member. The name of each Alternate must be filed with the Executive Director of the Authority at least 30 days prior to the opening of any regular meeting of the Voting Members and at least 24 hours prior to the opening of any special meeting of the Voting Members to be an effective designation. All voting power of the Voting Members, except as otherwise provided herein, shall reside in the Voting Members.
- (b) Board of Directors Meetings. The Board shall provide for its regular meetings; provided, however, that at least one regular meeting shall be held each year unless otherwise waived by a resolution of the Board. The date, hour and place of the holding of regular meetings shall be fixed by resolution of the Board and a copy of such resolution shall be filed with each Director.
- (c) Special Meetings. Special meetings of the Board, the Voting Members or the Members may be called in accordance with the provisions of Section 54956 of the California Government Code.
- (d) Call, Notice and Conduct of Meetings. All meetings of the Board, Voting Members and Members, including without limitation, regular, adjourned regular and special meetings, shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act (Section 54950 et seq. of the California Government Code).

Section 2.5. Minutes. The Secretary shall cause to be kept minutes of the meetings of the Board and Voting Members and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each Director and to each Voting Member.

Section 2.6. Voting.

- (a) At meetings of the Board, each Director shall have one vote;
- (b) At meetings of the Voting Members, each Voting Member shall have one vote; and
- (c) Associate Members are not entitled to vote, except as to amendments of this Agreement, in which instance each Associate Member shall have one vote.

Section 2.7. Quorum; Required Votes; Approvals.

- (a) *Board Meetings.* Three (3) Directors shall constitute a quorum for the transaction of business, except that less than a quorum may adjourn from time to time. The affirmative votes of at least a majority of the Directors present at any meeting at which a quorum is present shall be required to take any action by the Board.
- (b) *Meetings of Voting Members.* Two (2) Voting Members shall constitute a quorum for the transaction of business, except that less than a quorum may adjourn from time to time. Unless otherwise provided herein, the affirmative votes of at least a majority of the Voting Members present at any meeting at which a quorum is present shall be required to take any action by the Voting Members.

Section 2.8. Bylaws, Rules and Regulations. The Board may adopt, from time to time, bylaws for the Authority and rules and regulations for the conduct of its meetings as are necessary for the purposes hereof.

Section 2.9. Withdrawal and Addition of Parties. A Member may withdraw from the Authority upon written notice to the Board; provided, however, that no such withdrawal shall result in the dissolution of the Authority so long as any Bonds remain outstanding. Any such withdrawal shall be effective only upon receipt of a written notice of withdrawal by the Board which shall acknowledge receipt of such notice of withdrawal in writing and shall file such notice as an amendment to Exhibit A to this Agreement effective upon such filing. Each Member certifies that the withdrawal of any Member does not affect this Agreement or each Member's intent to contract with the Members then remaining.

Qualifying Local Agencies may be added as parties to this Agreement and become Voting Members upon: (i) adoption of a resolution by the unanimous vote of the Voting Members at any regular or special meeting and (ii) the filing by such Local Agency of an executed counterpart of this Agreement, together with a certified copy of the resolution of the Legislative Body of such Local Agency approving this Agreement and the execution and

delivery hereof. Upon satisfaction of such conditions, the Board shall file such executed counterpart of this Agreement and add such Local Agency to Exhibit A hereto as an amendment, effective upon such filing.

Section 2.10. Associate Members. Any Local Agency within the State of California may, with the approval of the Board of Directors, become an Associate Member of the Authority by (i) executing and delivering to the Authority an Associate Membership Agreement in the form of and as further provided in the Bylaws and (ii) the filing by such Local Agency of a certified copy of the resolution of the Legislative Body of such Local Agency approving the Associate Membership Agreement and the execution and delivery thereof. Upon satisfaction of such conditions, the Board shall file such executed counterpart of the Associate Membership Agreement and add such Local Agency to Exhibit A hereto as an amendment, effective upon such filing. An Associate Member shall not be entitled to vote on any matter coming before the Voting Members or the Board, except as otherwise specified herein. However, an Associate Member shall be entitled to participate in all programs and other undertakings of the Authority, including, without limitation, any undertaking to finance or refinance a Project, and any other financing program.

ARTICLE III

OFFICERS AND EMPLOYEES

Section 3.1. Chairman, Vice Chairman, Secretary and Executive Director. So long as the Board shall be comprised of the Executive Committee of the Board of Directors of CALED and the President of CALED, the President of CALED shall serve as the Chairman of the Board. The Board shall elect a Vice-Chairman from among its members to serve for such term as shall be determined by the Board. The Board shall appoint or employ an Executive Director, Secretary and Treasurer. The Treasurer (who can be the Executive Director or an officer or employee of the Authority) shall serve as treasurer, auditor, and controller of the Authority pursuant to and in compliance with Section 6505.6 of the Act. The officers shall perform the duties normal to said offices. The Chairman shall sign all contracts on behalf of the Authority, unless a resolution of the Board shall provide otherwise, and shall perform such other duties as may be imposed by the Board. The Vice Chairman shall sign contracts and perform all of the Chairman's duties in the absence of the Chairman. The Secretary shall countersign all contracts signed by the Chairman or Vice Chairman on behalf of the Authority, unless a resolution of the Board shall provide otherwise, perform such other duties as may be imposed by the Board and cause a Notice of Joint Powers Agreement to be filed with the Secretary of State of the State within 30 days of the execution of this Agreement by the last signatory thereto pursuant to the Act. The Executive Director shall administer the day to day operations of the Authority.

Section 3.2. Treasurer. The Treasurer shall be the depositary, shall have custody of all of the accounts, funds and money of the Authority from whatever source, shall have the duties and obligations set forth in Sections 6505 and 6505.5 of the Act and shall assure that there shall be strict accountability of all funds and reporting of all receipts and disbursements of the Authority. As provided in Sections 6505 and 6505.6 of the Act, the Treasurer shall make arrangements with a certified public accountant or firm of certified public accountants for the annual audit of accounts and records of the Authority in compliance with Section 6505 of the

Act. Pursuant to Section 6505 of the Act, the Board, by unanimous vote on a resolution therefor, may replace the annual audit with an audit covering a two year period.

Section 3.3. Officers in Charge of Records, Funds and Accounts. Pursuant to Section 6505.5 of the Act, the Treasurer shall have charge of, handle and have access to all accounts, funds and money of the Authority and all records of the Authority relating thereto; and the Secretary shall have charge of, handle and have access to all other records of the Authority.

Section 3.4. Bonding Persons Having Access to Authority Property. From time to time, the Board may designate persons, in addition to the Secretary and the Treasurer, having charge of, handling or having access to any records, funds of accounts, and may require such persons, including the Secretary and Treasurer, to file official bonds. The Board may designate the respective amounts of the official bonds of the Secretary and the Treasurer and such other persons pursuant to Section 6505.1 of the Act.

Section 3.5. Legal Advisor. The Board shall have the power to appoint the legal advisor of the Authority who shall perform such duties as may be prescribed by the Board.

Section 3.6. Other Employees. The Board shall have the power by resolution to appoint and employ such other employees, consultants and independent contractors as may be necessary for the purposes of this Agreement.

All of the privileges and immunities from liability, exemption from laws, ordinances and rules, all pension, relief, disability, workers' compensation and other benefits which apply to the activities of officers, agents, or employees of a public agency when performing their respective functions shall apply to the officers, agents or employees of the Authority to the same degree and extent while engaged in the performance of any of the functions and other duties of such officers, agents or employees under this Agreement.

None of the officers, agents, or employees directly employed by the Board shall be deemed, by reason of their employment by the Board to be employed by any of the Members, individually or collectively, or by reason of their employment by the Board, to be subject to any of the requirements of the Members.

Section 3.7. Assistant Officers. The Board may by resolution appoint such assistants to act in the place of the Secretary or other officers of the Authority (other than any Director), and may by resolution provide for the appointment of additional officers of the Authority who may or may not be Directors, as the Board shall from time to time deem appropriate.

ARTICLE IV

POWERS

Section 4.1. General Powers. The Authority shall exercise, in the manner herein provided, the powers which are common to each of the Members, or as otherwise permitted under the Act, and necessary to the accomplishment of the purposes of this Agreement, subject to the restrictions set forth in Section 4.4. As provided in the Act, the Authority shall be a public

entity separate from the Members, and the debts, liabilities and obligations of the Authority shall not be the debts, liabilities and obligations of the Members.

Section 4.2. Power to Issue Revenue Bonds. The Authority shall have all of the powers provided in the Act, including but not limited to the power to issue Bonds.

Section 4.3. Specific Powers. The Authority is hereby authorized, in its own name, to do all acts necessary for the exercise of the foregoing powers, including but not limited to, any or all of the following:

- (a) To acquire property by purchase, exchange, gift, lease, contract, or otherwise, except by eminent domain. The power to acquire real property shall not be exercised for other than Authority use except pursuant to project agreement or indenture;
- (b) To maintain property;
- (c) To dispose of property by lease, sale, exchange, donation, release, relinquishment, or otherwise;
- (d) With respect to property, to: (1) charge and collect rent under any lease; (2) sell at public or private sale, with or without public notice; (3) sell at a discount or below appraised value or for a nominal consideration, only; (4) sell on an installment payment or a conditional sales basis; (5) convey, or provide for the transfer of, property without further act of the authority, upon exercise of an option; (6) sell at a fixed or formula price, and receive for any such sale the note or notes of a company and mortgages, deeds of trust, or other security agreements respecting such property;
- (e) To acquire and hold property, including funds, project agreements and other obligations of any kind, and pledge, encumber or assign the same, or the revenues therefrom or any portion of such revenues, or other rights, whether then owned or possessed, or thereafter acquired, for the benefit of the bondholders, and as security or additional security for any bonds or the performance of obligations under an indenture;
- (f) To acquire insurance against any liability or loss in connection with property, in such amounts as the Authority deems desirable;
- (g) To provide for the advance of bond proceeds and other funds pursuant to project agreements as necessary to pay or reimburse for project costs;
- (h) To exercise all rights and to perform all obligations of the Authority under the project agreements and indenture, including the right, upon any event of default by or the failure to comply with any of the obligations thereof by the lessee, purchaser, or other company thereunder, to dispose of all or part of the property to the extent authorized by the project agreements or indenture;

- (i) To borrow money and issue its bonds for the purpose of paying all or any part of the costs of a project, and for any other authorized purpose, as provided in this title;
- (j) To refund outstanding bonds of the Authority without regard to the purposes of this title when the board determines that such refunding will be of benefit to a company or holders of such bonds, subject to the provisions of the proceedings;
- (k) To invest, deposit, and reinvest funds under the control of the Authority and bond proceeds in the types of securities or obligations authorized, pending application thereof to the purposes authorized by, subject to the provisions of, the proceedings;
- (l) To expressly waive any immunity of the political subdivisions of the State provided by the Constitution or laws of the United States of America to taxation by the United States of interest on bonds issued by an authority, in obtaining federal benefits;
- (m) To fund administration expenses (1) by the establishment and collection of reasonable fees in amounts as may be determined by the Board, (2) by the acceptance of funds and other aid from a Member and from other governmental sources authorized to provide such funds or aid, (3) by the acceptance of contributions from business, trade, labor, community, and other associations, and (4) by other authorized means;
- (n) To contract and pay compensation for professional, financial, and other services; and
- (o) to exercise any and all additional powers as may be provided in the Act.

Section 4.4. Restrictions on Exercise of Powers. The powers of the Authority shall be exercised in the manner provided in the Act and shall be subject (in accordance with Section 6509 of the Act) to the restrictions upon the manner of exercising such powers that are imposed upon any Member in the exercise of similar powers.

ARTICLE V

METHODS OF PROCEDURE; CREDIT TO MEMBERS

Section 5.1. Assumption of Responsibilities by the Authority. As soon as practicable after the date of execution of this Agreement, the Directors shall hold the organizational meeting of the Board. At said meeting the Board shall provide for its regular meetings as required by Section 2.4.

Section 5.2. Credit to Members. All accounts or funds created and established pursuant to any instrument or agreement to which the Authority is a party, and any interest

earned or accrued thereon, shall inure to the benefit of the Members in the respective proportions for which such funds or accounts were created.

ARTICLE VI

CONTRIBUTION; ACCOUNTS AND REPORTS; FUNDS

Section 6.1. Contributions. The Voting Members may in the appropriate circumstance, when required hereunder: (a) make contributions from their treasuries for the purposes set forth herein, (b) make payments of public funds to defray the cost of such purposes, (c) make advances of public funds for such purposes, such advances to be repaid as provided herein, or (d) use its personnel, equipment or property in lieu of other contributions or advances. The provisions of Sections 6512 and 6512.1 of the Act are hereby incorporated into this Agreement by reference.

Section 6.2. Accounts and Reports. To the extent not covered by the duties assigned to a trustee chosen by the Authority, the Treasurer shall establish and maintain such funds and accounts as may be required by good accounting practice or by any provision of any trust indenture or trust agreement entered into with respect to the proceeds of any Bonds issued by the Authority. The books and records of the Authority in the hands of a trustee or the Treasurer shall be open to inspection at all reasonable times by representatives of the Members. The Treasurer, within 180 days after the close of each Fiscal Year, shall give a complete written report of all financial activities for such Fiscal Year to the Members to the extent such activities are not covered by the report of such trustee. The trustee appointed under any trust indenture or trust agreement shall establish suitable funds, furnish financial reports and provide suitable accounting procedures to carry out the provisions of said trust indenture or trust agreement. Said trustee may be given such duties in said trust indenture or trust agreement as may be desirable to carry out this Agreement.

Section 6.3. Funds. Subject to the applicable provisions of any instruments or agreement which the Authority may enter into, which may provide for a trustee to receive, have custody of and disburse Authority funds, the Treasurer of the Authority shall receive, have custody of and disburse Authority funds as nearly as possible in accordance with generally accepted accounting practices, and shall make the disbursements required by this Agreement or to carry out any of the provisions or purposes of this Agreement.

Section 6.4. Annual Budget and Administrative Expenses and Surplus Revenues. The Board shall adopt a budget for administrative expenses, which shall include all expenses not included in any financing issue of the Authority, annually prior to July 1st of each year. Any moneys held by the Authority and not required for the payment of administrative expenses of the Authority or other activities authorized under this Agreement shall be deemed surplus and may be allocated as directed by the Board for economic development purposes.

ARTICLE VII

TERM

Section 7.1. Term. This Agreement shall become effective, and the Authority shall come into existence, on the date hereof, and this Agreement and the Authority shall thereafter continue in full force and effect so long as any Bonds remain outstanding.

Section 7.2. Disposition of Assets. Upon termination of this Agreement, all property of the Authority, both real and personal, shall be divided among the Voting Members in such manner as shall be agreed upon by the Voting Members.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

Section 8.1. Notices. Notices hereunder shall be in writing and shall be sufficient if delivered to:

City of Selma
1710 Tucker Street
Selma, California 93662
Attention: City Clerk

City of Lancaster
44933 North Fern Avenue
Lancaster, California 93534
Attention: City Clerk

City of Eureka
531 K Street
Eureka, California 95501
Attention: City Clerk

Section 8.2. Section Headings. All section headings in this Agreement are for convenience of reference only and are not to be construed as modifying or governing the language in the section referred to or to define or limit the scope of any provision of this Agreement.

Section 8.3. Consent. Whenever in this Agreement any consent or approval is required, the same shall not be unreasonably withheld.

Section 8.4. Law Governing. This Agreement is made in the State under the constitution and laws of the State, and is to be so construed.

Section 8.5. Amendments.

(a) This Agreement may be amended at any time, or from time to time, except as limited by contract with the owners of Bonds issued by the Authority or certificates of participation in payments to be made by the Authority or a Member or by applicable regulations or laws of any jurisdiction having authority, by the procedure set forth in paragraph (b), below. Appendix A to the Agreement may be amended to correctly list current Members without separate action by the Members or the Board.

(b) Except as otherwise provided herein, this Agreement shall not be amended, modified, or altered, unless the negative consent of each of the Members is obtained. To obtain the negative consent of each of the Members, the following negative consent procedure shall be followed: (i) the Authority shall provide each Member with a notice at least sixty days prior to the date such proposed amendment is to become effective explaining the nature of such proposed amendment and this negative consent procedure; (ii) the Authority shall provide each Member who did not respond a reminder notice with a notice at least thirty days prior to the date such proposed amendment is to become effective; and (iii) if no Member objects to the proposed amendment in writing within sixty days after the initial notice, the proposed amendment shall become effective with respect to all Members.

Section 8.6. Enforcement by Authority. The Authority is hereby authorized to take any or all legal or equitable actions, including, but not limited to, injunction and specific performance, necessary or permitted by law to enforce this Agreement.


Section 8.7. Severability. Should any part, term or provision of this Agreement be decided by any court of competent jurisdiction to be illegal or in conflict with any law of the State, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining portions or provisions shall not be affected thereby.

Section 8.8. Successors. This Agreement shall be binding upon and shall inure to the benefit of the successors of the Members, respectively. No Member may assign any right or obligation hereunder without the written consent of all of the others.


IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and attested by their proper officers thereunto duly authorized on the following pages as of the day and year set below the name of each of the parties.

[SIGNATURE PAGES TO FOLLOW]


CITY OF SELMA

By 
D-B Heusser
City Manager

Attest:


Melanie A. Carter
City Clerk

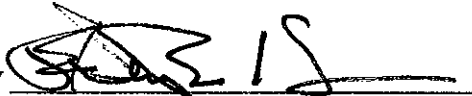
APPROVED AS TO FORM

By 
Richard H. Hargrove
City Attorney

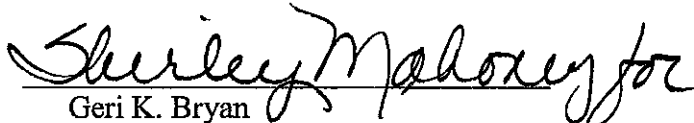
Dated: 5/1/06

SIGNATURE PAGE OF
CITY OF SELMA
TO JOINT EXERCISE OF POWERS AGREEMENT


CITY OF LANCASTER

By 
Henry W. Hearn
Mayor

Attest:


Geri K. Bryan
City Clerk

APPROVED AS TO FORM

By 
David R. McEwen
City Attorney

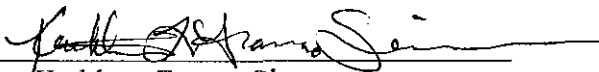
Dated: 5/23/06

SIGNATURE PAGE OF
CITY OF LANCASTER
TO JOINT EXERCISE OF POWERS AGREEMENT

CITY OF EUREKA

By 
Peter La Vallee
Mayor

Attest:


Kathleen Franco Simmons
City Clerk

APPROVED AS TO FORM

By 
David Tranberg
City Attorney

Dated: May 2, 2006

SIGNATURE PAGE OF
CITY OF EUREKA
TO JOINT EXERCISE OF POWERS AGREEMENT

EXHIBIT A

MEMBERS OF THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

(as of 3/4/2008)

Voting Members

City of Selma
City of Lancaster
City of Eureka

Associate Members

City of Upland
County of Stanislaus
County of Sacramento
City of Pittsburg
County of Sonoma
County of Yolo
County of Riverside
City of Fairfield
City of Duarte
City of Montebello
County of San Bernardino
City of King City
City of Long Beach
County of Madera
City of Greenfield
City of Milpitas

ASSOCIATE MEMBERSHIP AGREEMENT

by and between the

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

and the

CITY OF _____, CALIFORNIA

THIS ASSOCIATE MEMBERSHIP AGREEMENT (this “Associate Membership Agreement”), dated as of _____ by and between CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY (the “Authority”) and the CITY OF SUNNYVALE, CALIFORNIA, a municipal corporation, duly organized and existing under the laws of the State of California (the “City”);

WITNESSETH:

WHEREAS, the Cities of Selma, Lancaster and Eureka (individually, a “Member” and collectively, the “Members”), have entered into a Joint Powers Agreement, dated as of June 1, 2006 (the “Agreement”), establishing the Authority and prescribing its purposes and powers; and

WHEREAS, the Agreement designates the Executive Committee of the Board of Directors and the President of the California Association for Local Economic Development as the initial Board of Directors of the Authority; and

WHEREAS, the Authority has been formed for the purpose, among others, to assist for profit and nonprofit corporations and other entities to obtain financing for projects and purposes serving the public interest; and

WHEREAS, the Agreement permits any other local agency in the State of California to join the Authority as an associate member (an “Associate Member”); and

WHEREAS, the City desires to become an Associate Member of the Authority;

WHEREAS, City Council of the City has adopted a resolution approving the Associate Membership Agreement and the execution and delivery thereof;

WHEREAS, the Board of Directors of the Authority has determined that the City should become an Associate Member of the Authority;

NOW, THEREFORE, in consideration of the above premises and of the mutual promises herein contained, the Authority and the City do hereby agree as follows:

Section 1. Associate Member Status. The City is hereby made an Associate Member of the Authority for all purposes of the Agreement and the Bylaws of the Authority, the provisions of which are hereby incorporated herein by reference. From and after the date of execution and delivery of this Associate Membership Agreement by the City and the Authority, the City shall be and remain an Associate Member of the Authority.

Section 2. Restrictions and Rights of Associate Members. The City shall not have the right, as an Associate Member of the Authority, to vote on any action taken by the Board of Directors or by the Voting Members of the Authority. In addition, no officer, employee or representative of the City shall have any right to become an officer or director of the Authority by virtue of the City being an Associate Member of the Authority.

Section 3. Effect of Prior Authority Actions. The City hereby agrees to be subject to and bound by all actions previously taken by the Members and the Board of Directors of the Authority to the same extent as the Members of the Authority are subject to and bound by such actions.

Section 4. No Obligations of Associate Members. The debts, liabilities and obligations of the Authority shall not be the debts, liabilities and obligations of the City.

Section 5. Execution of the Agreement. Execution of this Associate Membership Agreement and the Agreement shall satisfy the requirements of the Agreement and Article XII of the Bylaws of the Authority for participation by the City in all programs and other undertakings of the Authority.

IN WITNESS WHEREOF, the parties hereto have caused this Associate Membership Agreement to be executed and attested by their proper officers thereunto duly authorized, on the day and year first set forth above.

**CALIFORNIA ENTERPRISE
DEVELOPMENT AUTHORITY**

By: _____
Gurbax Sahota, Chair
Board of Directors

Attest:

Helen Schaubmayer, Asst. Secretary

CITY OF _____, CALIFORNIA

By: _____
_____, Mayor
City Council

Attest:

City Clerk



City of Sunnyvale

Agenda Item

17-0492

Agenda Date: 5/15/2017

REPORT TO SUSTAINABILITY COMMISSION

SUBJECT

Approve the City's Green Infrastructure Plan Framework and Find that the Action is Categorically Exempt from Environmental Review under CEQA Guidelines Section 15308

BACKGROUND

The City of Sunnyvale owns and operates a separate storm drainage system which is regulated under the Federal National Pollutant Discharge Elimination System (NPDES) Program. Consequently, the City is subject to the San Francisco Bay Municipal Regional Stormwater NPDES Permit (Order R2-2015-0049), also known as the Municipal Regional Permit (Permit) issued by the San Francisco Bay Regional Water Quality Control Board (RWQCB). This Permit was recently reissued and became effective on January 1, 2016. In addition to Sunnyvale, the Permit applies to 75 other large, medium and small agencies (cities, towns, counties and flood control agencies) that discharge stormwater to San Francisco Bay. The current permit continues many of the previous requirements to prevent stormwater pollution. Additionally, there are new requirements including more aggressive trash reduction targets, implementation of new activities to control targeted pollutants such as mercury and PCBs, and the development of a stormwater Green Infrastructure plan.

During the five-year Permit term, Permittees are specifically required to develop and begin implementing long-term Green Infrastructure (GI) Plans to integrate low impact development (LID) measures with storm drain infrastructure on public and private lands, including streets, roads, storm drains, parking lots, building roofs, and other elements. The GI Plan must be completed by September 30, 2019. As part of the GI planning process, the Permit requires Permittees to develop a Green Infrastructure Plan Framework (Framework) that is approved by its governing body or city manager by June 30, 2017, and to submit the approved GI Plan Framework to the Regional Water Board by September 30, 2017. The Framework is intended to serve as the work plan for completing the GI Plan and must at a minimum include a statement of purpose and the tasks and timeframes to complete the required elements of the GI Plan.

The City Council is scheduled to consider approval of the City's Green Infrastructure Plan Framework on June 20, 2017.

EXISTING POLICY

Sunnyvale General Plan, Chapter 7 Environmental Management

EM-8 Protection of Creeks and Bay - Assure the reasonable protection of beneficial uses of creeks and San Francisco Bay, established in the Regional Board's Basin Plan, and Protect Environmentally Sensitive Areas.

Goal EM-10 Reduced Runoff and Pollutant Discharge - Minimize the quantity of runoff and discharge of pollutants to the maximum extent practicable by integrating surface runoff controls into new development and redevelopment land use decisions.

ENVIRONMENTAL REVIEW

Adoption of the Green Infrastructure Plan Framework is exempt from review under the California Environmental Quality Act (CEQA) pursuant to a Class 8 categorical exemption (Section 15308 of the CEQA Guidelines) for actions authorized by state or local law to assure the maintenance, restoration, enhancement, or protection of the environment where the regulatory process involves procedures for the protection of the environment. Projects subject to the Green Infrastructure Plan will undergo appropriate CEQA review prior to approval.

DISCUSSION

What is "Green Infrastructure"?

Traditional storm drain infrastructure has been designed with the primary purpose of conveying stormwater flows away from the developed urban environment to local creeks and channels to minimize surface flooding. Stormwater is collected and moved from city streets into local waterways through a system of curbs, gutters, and pipes (commonly comprised of concrete) and which is considered "grey infrastructure." Green infrastructure is a new approach designed to transform traditional "grey infrastructure" by integrating natural systems of vegetation, soils, and natural processes to manage and treat stormwater and create healthier urban environments.

Green infrastructure provides many benefits beyond water quality improvement. It can provide groundwater replenishment, creation of attractive streetscapes, habitat, reduction of heat island effect, and bicycle and pedestrian accessibility. Examples of green infrastructure measures include resilient, sustainable systems that slow, filter, capture and reuse, or infiltrate stormwater runoff such as: landscape-based stormwater "biotreatment" using soil and plants ranging in size from grasses to trees; pervious paving systems (e.g., interlocking concrete pavers, porous asphalt, and pervious concrete); and rainwater harvesting systems (e.g., cisterns and rain barrels). These practices are also known as Low Impact Development (LID) site design and treatment measures. Attachment 3 includes a fact sheet that illustrates common types of green infrastructure measures that can be integrated into public infrastructure projects.

Under previous stormwater permits, LID measures have been required to treat onsite stormwater for private development projects of a certain size since 2011. The goal of the GI Plan is to strategically integrate LID measures as a part of public infrastructure projects such as roadway projects, public parks and facilities, or other infrastructure improvements.

What is the driver for Green Infrastructure?

The current Permit continues to increase the requirements on Permittees to reduce priority pollutants including polychlorinated biphenyls (PCBs) and mercury. Both are toxic pollutants that impact aquatic and human health through the food chain. These pollutants bind to dirt and sediment and can be conveyed from land to waterways with stormwater. Both have Total Maximum Daily Load requirements for reductions in SF Bay, especially from stormwater sources. Due to historic usages and applications of these chemicals in commercial and industrial products, trace amounts of these pollutants are found throughout the Bay Area though there are some land uses identified as having a greater potential to have elevated levels (older industrial areas). Widespread integration of LID measures incorporated through green infrastructure over time can help prevent these pollutants from

being transported to the Bay via stormwater runoff. For this reason, the Permit establishes this new linkage between public infrastructure retrofits and required reductions in discharges of certain pollutants, specifically PCBs and mercury. Over the next few decades, Permittees must reduce the loads of PCBs and mercury in stormwater discharges through various means, with a portion of these load reductions achieved through the installation of green infrastructure systems.

Green Infrastructure is also recognized as providing multiple benefits beyond PCB and mercury pollutant reductions. Integrating green infrastructure features with other public improvements such as street improvements or bicycle or pedestrian improvements can also lead to increased multi-modal travel and safety; cleaner water and air; climate change resilience and mitigation; placemaking and community cohesion; habitat and energy savings; and higher property values.

City's GI Framework and Approach

The purpose of the City of Sunnyvale's GI Plan is to describe how the City will gradually transform its urban landscape and storm drainage systems from "gray" to "green"; that is, shift from traditional storm drain infrastructure to a more resilient, sustainable system. The GI Plan will also be used to demonstrate the City's long-term commitment to implementation of green infrastructure to help reduce loads of pollutants of concern, particularly mercury and PCBs, discharged in stormwater to local waterways. The GI Plan will be coordinated with other City plans, such as land use, transportation, parks, urban forestry, and sustainability plans, to achieve multiple potential benefits to the community.

The purpose of the City's Green Infrastructure Plan Framework is to:

- Provide background and context on the Permit's requirements for GI Planning;
- Describe the purpose, goals, and tasks to develop the City's GI Plan; and,
- Outline the timeframes staff have established for the development of the City's GI Plan and other GI tasks required in the Permit.

As identified in the GI Plan Framework, the development of the GI Plan will be led by staff from the Environmental Services Department with considerable participation from key staff within the departments of Public Works and Community Development.

Key tasks identified as part of the development process include but are not limited to:

- Review of Green Infrastructure plans developed by other communities around the country such as Portland, Philadelphia, and San Francisco
- Review of regionally developed tools and resources and adaption for local use
- Identification and modification of City standards, codes, and policies needed to facilitate Green Infrastructure implementation
- Review and update of applicable City plans to align with the GI Plan
- Evaluation of long-term funding implications and identification of potential financing strategies
- Public outreach and education

This significant work effort will take place over the next two fiscal years, with the goal to have a draft GI Plan available for public comment in early 2019 and culminating in Sustainability Commission review and City Council adoption in mid-2019. The final GI Plan must be submitted to the Regional Water Board by September 30, 2019.

FISCAL IMPACT

Funding to support development and beginning implementation of the Green Infrastructure Plan Framework is listed in FY 2017/18 Recommended Budget (Project 901094 Green Infrastructure Planning for Stormwater), however, this project is not funded. Staff is exploring options to fund this project, which may involve reprioritizing or reallocating funding from another stormwater project. Changes to the FY 2017/18 Recommended Budget, if necessary, would be brought forward separately for City Council consideration.

Funding would be used for consultant support to assist in the review and technical assessment of capital projects for potential green infrastructure measures, support adaption of regional standards and design details for local adoption and use, and support Sunnyvale specific funding strategy development. In addition, some of the tasks required for development of the Plan will be completed collaboratively through the City's membership and participation in the Santa Clara Valley Urban Runoff Pollution Prevention Program.

The departments involved in GI Planning - Public Works, Community Development, and Environmental Services - are already facing significant staffing constraints as they manage current operational priorities as well as ongoing and new initiatives to address Council policy priorities. Staff will continue to apprise the Council of potential impacts to progress of existing projects as GI Planning moves forward. If additional resource needs are identified during the GI Plan development process, funding will be requested through the City's budget process. A key component of developing the GI Plan will be evaluating and determining long-term fiscal impact and on-going financing strategies.

PUBLIC CONTACT

Public contact was made through posting of the Sustainability Commission agenda on the City's official-notice bulletin board, on the City's website, and the availability of the agenda and report in the Office of the City Clerk. The GI Plan Framework includes a Public Outreach component for staff to gather public comment on the Draft GI Plan prior to City Council consideration of the GI Plan.

ALTERNATIVES

1. Find that the Action is Exempt from CEQA and Approve the Green Infrastructure Plan Framework as presented by staff.
2. Do not approve the Green Infrastructure Plan Framework.
3. Other action as determined by the City Council.

RECOMMENDATION

Alternative: 1. Find that the Action is Exempt from CEQA and Approve the Green Infrastructure Plan Framework as presented by staff.

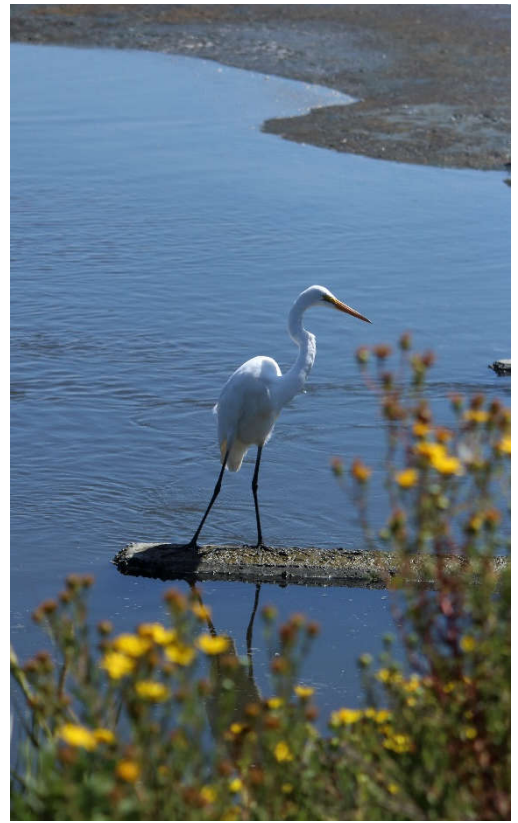
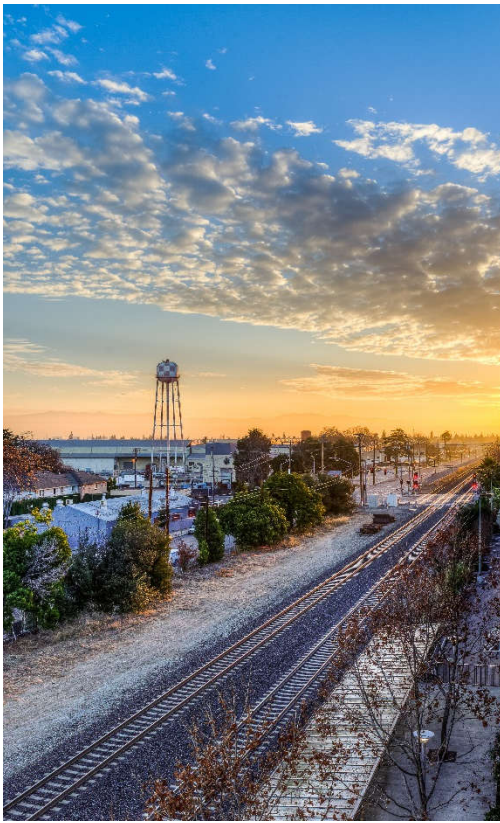
Prepared by: Melody Tovar, Regulatory Programs Division Manager
Reviewed by: Kent Steffens, Interim Director, Environmental Services Department
Reviewed by: Manuel Pineda, Director, Public Works
Reviewed by: Trudi Ryan, Director, Community Development
Reviewed by: Kent Steffens, Assistant City Manager
Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Reserved for Report to Council
2. Draft Green Infrastructure Plan Framework
3. Green Infrastructure Fact Sheet

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City of Sunnyvale



Green Infrastructure Plan Framework



2017

GREEN INFRASTRUCTURE PLAN FRAMEWORK

City of Sunnyvale

Prepared for:

Mr. Bruce Wolfe

California Regional Water Quality Control Board

San Francisco Bay Region

1515 Clay Street, Suite #1400

Oakland, CA 94612

Prepared by:

City of Sunnyvale

Environmental Services Department

Regulatory Programs Division

P.O. Box 3707

Sunnyvale, CA 94088-3707

June 2017

Cover Photo Credits (left to right):

(1) Good Morning Sunnyvale by Alfred Leung; (2) Synopsys Building by Alfred Leung; (3) Egret Bay Trail by Rebecca Moon

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ABBREVIATIONS

BASMAA	Bay Area Stormwater Management Agencies Association
Caltrans	California Department of Transportation
CASQA	California Stormwater Quality Association
CEQA	California Environmental Quality Act
CIP	Capital Improvement Program
COA	Condition of Approval
EPA	Environmental Protection Agency
FY	Fiscal Year
GI	Green Infrastructure
GIS	Geographic Information System
GI	Green Infrastructure
Hg	Mercury
LID	Low Impact Development
LUS	Watershed Management Initiative Land Use Subgroup
MC	Management Committee
MEP	Maximum Extent Practicable
MRP	Municipal Regional Stormwater NPDES Permit
MS4	Municipal Separate Storm Sewer System
NGO	Non-Governmental Organization
NPDES	National Pollutant Discharge Elimination System
O&M	Operation and Maintenance
PCBs	Polychlorinated Biphenyls
PIP	Public Information and Participation
POC	Pollutant of Concern
Program	Santa Clara Valley Urban Runoff Pollution Prevention Program
RFP	Request for Proposal
ROW	Right of Way
RWQCB	San Francisco Bay Regional Water Quality Control Board
SCBWMI	Santa Clara Basin Watershed Management Initiative
SCVURPPP	Santa Clara Valley Urban Runoff Pollution Prevention Program
SCVWD	Santa Clara Valley Water District
SFEI	San Francisco Estuary Institute
SFEP	San Francisco Estuary Partnership
State Board	State Water Resource Control Board
SWRP	Storm Water Resources Plan
SWRCB	State Water Resources Control Board
TMDL	Total Maximum Daily Load
Water Board	San Francisco Bay Regional Water Quality Control Board
Water District	Santa Clara Valley Water District
WMI	Watershed Management Initiative

I. INTRODUCTION

1.0. WHAT IS GREEN INFRASTRUCTURE?

“Green Infrastructure” (GI), also known as “Green Stormwater Infrastructure,” is infrastructure that uses vegetation, soils, and natural processes to manage water and create healthier urban environments. At the scale of a city or county, green infrastructure refers to the patchwork of natural areas that provides habitat, flood protection, cleaner air, and cleaner water. At the scale of a neighborhood or project site, green infrastructure refers to stormwater management systems that mimic nature by soaking up and storing water.

Examples of GI include resilient, sustainable systems that slow, filter, harvest, infiltrate and/or evapotranspire runoff such as: landscape-based stormwater “biotreatment” using soil and plants ranging in size from grasses to trees; pervious paving systems (e.g., interlocking concrete pavers, porous asphalt, and pervious concrete); rainwater harvesting systems (e.g., cisterns and rain barrels); and other methods to capture and treat stormwater. These practices are also known as Low Impact Development (LID) site design and treatment measures.

GI roadway projects are typically called “Green Streets.” Another term of art related to street design is “Complete Streets.” This term comes from the transportation field and deals with the designing of streets that incorporate all modes of travel equally - in particular to increase safety and access for cyclists and pedestrians. The integration of the goals of both Complete Streets and Green Streets has coined several new terms such as “Living Streets”, “Better Streets” and “Sustainable Streets.” This movement recognizes that environmentally and holistically designed streets achieve many benefits: increased multi-modal travel and safety; clean water and air; climate change resilience and mitigation; placemaking and community cohesion; habitat and energy savings; and higher property values.

Greening stormwater infrastructure is a movement to integrate low impact development measures such as infiltration, biofiltration, and/or use of best management practices to collect, retain or detain stormwater runoff with public infrastructure such as roads, parking lots, or other facilities to limit the discharge of pollutants from streets to the storm drain system and infiltrate stormwater into the groundwater basin. Green stormwater infrastructure provides amenities with many benefits beyond water quality improvement and groundwater replenishment, including creation of attractive streetscapes, habitat, reduction of heat island effect, and bicycle and pedestrian accessibility.

2.0. STORMWATER QUALITY REGULATORY REQUIREMENTS

The City of Sunnyvale (City) is subject to the requirements of the recently reissued Municipal Regional Stormwater National Pollutant Discharge Elimination System (NPDES) Permit for Phase I municipalities and agencies in the San Francisco Bay area (Order R2-2015-0049), also known as the Municipal Regional Permit (MRP), which became effective on January 1, 2016. The MRP applies to 76 large, medium and small agencies (cities, towns and counties) and flood control agencies that discharge stormwater to San Francisco Bay, collectively referred to as Permittees.

Over the last 13 years, under the first MRP and previous permits, new development and redevelopment projects on private and public property that exceed certain size thresholds (“Regulated Projects”) have been required to mitigate impacts on water quality by incorporating site design, pollutant source control, stormwater treatment and flow control measures as appropriate. LID treatment measures, such as rainwater harvesting and use, infiltration, and biotreatment, have been required on most Regulated Projects since December 2011. Construction of new roads is covered by these requirements, but projects related to existing roads and adjoining sidewalks and bike lanes are not regulated unless they include creation of an additional travel lane.

A new section of the MRP requires Permittees to develop and implement long-term Green Infrastructure (GI) Plans for the inclusion of LID measures in storm drain infrastructure on public and private lands, including streets, roads, storm drains, parking lots, building roofs, and other elements. The GI Plan must be completed by September 30, 2019. As part of the GI planning process, the MRP requires Permittees to adopt a *Green Infrastructure Plan Framework* (Framework) by June 30, 2017 and submit it to the Regional Water Quality Control Board (Water Board) by September 30, 2017. The Framework, a work plan for completing the GI Plan, must at a minimum include a statement of purpose, tasks and timeframes to complete the required elements of the GI Plan.

Other sections of the MRP include requirements for municipalities to control pollutants of concern to water quality in stormwater discharges, including polychlorinated biphenyls (PCBs), mercury, trash and pesticides. LID measures incorporated into green infrastructure can help remove these pollutants from stormwater runoff. For this reason, the MRP establishes a new linkage between public infrastructure retrofits and required reductions in discharges of certain pollutants, specifically PCBs and mercury. Over the next few decades, Permittees must reduce the loads of PCBs and mercury in stormwater discharges through various means, with a portion of these load reductions achieved through the installation of GI systems. Permittees in Santa Clara County, collectively, must implement GI on public and private property to reduce mercury loading by 16 grams/year and PCB loading by 37 grams/year by 2020. The load reductions will continue in future permits. Therefore, these efforts will be integrated and coordinated countywide for the most effective program. Other pollutants, including trash and pesticides, should also be coordinated with the GI program since, when properly designed, constructed and maintained, biotreatment systems may also be credited towards trash and pesticide reduction goals.

A key part of the GI definition in the MRP is the inclusion of both private and public property locations for GI systems. This has been done in order to plan, analyze, implement and credit GI systems for pollutant load reductions on a watershed scale, as well as recognize all GI accomplishments within a municipality. However, the focus of the GI Plan and Framework is the integration of GI systems into public rights-of-way. The GI Plan is not intended to impose retrofit requirements on private property, outside the standard development application review process for projects already regulated by the MRP, but may provide incentives or opportunities for private property owners to add or contribute towards GI elements if desired.

3.0. PURPOSE OF GREEN INFRASTRUCTURE PLAN AND FRAMEWORK

The purpose of the City of Sunnyvale's GI Plan is to describe how the City will gradually transform its urban landscape and storm drainage systems from "gray" to "green." That is, shifting from traditional storm drain infrastructure, where stormwater runoff flows directly from impervious surfaces into storm drains and receiving waters, to a more resilient, sustainable system that reduces and slows runoff by dispersing it to vegetated areas, promotes infiltration and evapotranspiration, collects runoff for nonpotable uses, and treats runoff using biotreatment and other green infrastructure practices. The GI Plan will also be used to demonstrate the City's long-term commitment to implementation of green infrastructure to help reduce loads of pollutants of concern, particularly mercury and PCBs, discharged in stormwater to local waterways. The GI Plan will be coordinated with other City plans, such as land use, transportation, parks, urban forestry, and sustainability plans, to achieve multiple potential benefits to the community, including improved water and air quality, reduced flooding, increased water supply, traffic calming, safer pedestrian and bicycle facilities, climate resiliency, improved wildlife habitat, and a more pleasant urban environment.

The purposes of this Framework are to:

1. Provide background information on the MRP requirements for GI Planning;
2. Describe the purpose, goals, and tasks to develop the City's *GI Plan*; and,
3. Outline the timeframes for the creation of the City's GI Plan and other GI tasks required in the MRP.

This Framework was reviewed and approved for submittal to the Water Board by the Sunnyvale City Council at its June 20, 2017 meeting. The City's Staff Report is attached as Appendix A.

This Framework is submitted by the City in compliance with MRP Provision C.3.j.i.(1).

4.0. SUNNYVALE DESCRIPTION AND BACKGROUND

Incorporated in 1912, Sunnyvale is located in Santa Clara County and covers approximately 22.8 square miles, including more than 12,000 acres of land area. According to the California Department of Finance, Sunnyvale has a population of 148,372, with a population density of 6,507 people per square mile and average household size of 2.61. Sunnyvale is home to some of the nation's most successful business and industrial leaders including AMD, Network Appliance and Yahoo!.

Sunnyvale's history has always been based on its economy. Initially, the area's vast open space and fertile soil were ideal for the fruit orchards that supported the settlement's first residents. With the arrival of the railroad in 1864, the economic base of the community expanded, as canneries to process the fruit from the surrounding orchards were built near the rail lines. In 1906, the Hendy Iron Works relocated from San Francisco to Sunnyvale, continuing the area's industrial development.

By 1940, the population had grown to about 4,400 and the Hendy Iron Works was taken over by Westinghouse to support the war effort. After the war, the defense-related industry arrived, capitalizing on the pleasant climate and Moffett Naval Air Station. Lockheed Missiles & Space Company moved to Sunnyvale in 1956, and soon became Sunnyvale's largest employer. The 1950s and 1960s became the periods of largest growth for the community, resulting in a population of 96,000 in 1970.

The defense era gave way to the high-tech era when the microprocessor was introduced in 1971. During the years that followed, companies with foresight saw the potential of computers and the power of semiconductors. The City has become the nexus of research, development and manufacturing that created Silicon Valley, and that legacy continues today in the era of the Internet.

Understanding Sunnyvale's development history, current land uses, and projected growth will inform the development of the City's GI Plan and strategy for prioritizing future GI investments and opportunities for aligning GI with future projects. A description of the City of Sunnyvale's current land use, infrastructure, and watershed characteristics is provided in the following section.

Sunnyvale Land Uses

Sunnyvale is primarily comprised of seven land uses. These include commercial and services, industrial, residential, retail, K-12 schools, urban parks, and other. Regional monitoring efforts have associated certain land uses with elevated PCB levels. Table 1 provides the current breakdown of City land uses by percentage.

Table 1. Percentages of the Sunnyvale's Jurisdictional Area¹ within Land Use Classes

	Jurisdictional Acres	Percent of Area
Commercial/Service	1,133	9%
Industrial	2,117	18%
Residential	6,700	56%
Retail	541	4%
K-12 Schools	433	4%
Urban Parks	366	3%
Other	782	6%

Specifically, old industrial areas and old urban areas (areas developed prior to 1980) have been seen to have higher levels of PCBs than more recently developed areas. This is assumed to be associated with historic uses of PCB-containing products. PCB production was banned in the United States in 1979 because of its environmental toxicity and classification as a persistent organic pollutant. **Table 2** presents a

¹ A Permittee's jurisdictional area is defined as the urban land area within a Permittee's boundary that is not subject to stormwater NPDES Permit requirements for traditional and non-traditional small MS4s (i.e. Phase II MS4s) or the California Department of Transportation, or owned and maintained by the State of California, the U.S. federal government or other municipal agency or special district (e.g., flood control district).

breakdown of City land area by development timeframe and key uses provided by the Santa Clara Valley Urban Runoff Pollution Prevention Program.

Table 2. Land Uses of Interest for PCBs

Areas Based on Development Timeframe	Acres
Old Industrial (industrial areas with no redeveloped prior 1980)	2,248
Old Urban (areas developed prior to 1980)	8,832
Open Space	506
New Urban (urban areas developed since 1980)	934

Sunnyvale Streets and Roads

Sunnyvale has approximately 260 miles of streets (more than 1,300 acres) consisting of the following types:

- 52 miles of arterials
- 14 mi collector streets
- 194 miles of residential street

In general, Sunnyvale streets are well maintained and on average are rated in good condition. The average pavement condition index of Sunnyvale streets is 77 (good rating = 70-79). This indicator rating describes pavement condition as requiring mostly preventative maintenance and showing only low levels of distress. The Sunnyvale City Council has set a target average score of 80.

The City is actively working to increase bike facilities. Since 2006, bike lanes have increased from 79 miles to 169 miles.

Significant Water Bodies

Stormwater is conveyed from streets through the City's separate storm sewer system to four key waterways that flow to San Francisco Bay. These include Sunnyvale West Channel, Sunnyvale East Channel, Steven's Creek, and Calabazas Creek.

- Sunnyvale West Channel -- The Sunnyvale West Channel was constructed, by the Water District, in 1964 to manage flooding that was becoming a problem due to subsidence of lands in the drainage area. The channel watershed drains 7.5 square miles and is entirely located on the alluvial plain of the Santa Clara Valley. The channel originates in the urbanized sections of Sunnyvale and Mountain View. Sunnyvale West Channel is approximately 3 miles in length, extending from Guadalupe Slough to Maude Avenue (SCVWD 2005b). From the upper end of the channel at Maude Avenue to Almanor Avenue, the Sunnyvale West Channel is a concrete pipe culvert. Downstream of Almanor Avenue to Mathilda Avenue, the channel is an earth-excavated channel. Sunnyvale West Channel drains to Lower South San Francisco Bay via the Moffett Channel and then the Guadalupe Slough.
- Sunnyvale East Channel -- The Sunnyvale East Channel was constructed by the Water District in 1967 to manage flooding that was becoming a problem due to subsidence of lands in the drainage area. The channel watershed covers 7.1 square miles extending from central Cupertino northeastward through the City of Sunnyvale and is located entirely on the alluvial plain of the

Santa Clara Valley. Sunnyvale East Channel is approximately 6 miles in length and extends from Interstate 280 in the south to Guadalupe Slough in the north. The channel is a man-made feature with no natural antecedent. One quarter of it runs through underground culverts (SCVWD 2005b). It drains to the Lower South San Francisco Bay via the Guadalupe Slough.

- Stevens Creek -- From Stevens Creek Reservoir, the creek flows northward for a total of 12.5 miles through the foothills in the cities of Cupertino and Los Altos, across the alluvial plain through the cities of Sunnyvale and Mountain View, and finally draining into the Lower South San Francisco Bay.
- Calabazas Creek -- This 13.3 mile long creek originates from the northeast-facing slopes of the Santa Cruz Mountains and flows into the Lower South San Francisco Bay via the Guadalupe Slough. Major tributaries to Calabazas Creek include Prospect, Rodeo, and Regnart Creeks upstream of Sunnyvale. Additional sources of water to Calabazas Creek include the El Camino storm drain (and the Junipero Serra Channel). The Creek traverses through a small portion of unincorporated County land, and flows through the cities of Saratoga, Cupertino, Sunnyvale, San Jose, and Santa Clara.

Projected Growth

The City of Sunnyvale has developed growth and development forecasts as part of its General Plan. **Table 3** shows projected 2040 population and employment (jobs) in the City's Priority Development Areas.

Table 3 Projected Growth in Priority Development Areas

	Household (2040)	Employment (2040)
Downtown PDA	5,075	5,818
Lawrence SAP PDA	3,500	9,260
ERC Precise Plan PDA	12,450	
Tasman Crossing PDA	3,469	900
East Sunnyvale PDA	4,080	6,300
Non-PDA	43,606	86,185
TOTAL	72,180	123,998

5.0. SUNNYVALE GOALS AND OVERALL APPROACH

The last comprehensive update to the City's General Plan included a community visioning process in October 2006 which resulted in a consensus among residents and businesses on the characteristics of today's Sunnyvale which they cherish, and the attributes of the future Sunnyvale to which they aspire. Certain core community values emerged from the process. These values are reflected in a very positive current self-image of the community, which can be summarized as follows: *"Sunnyvale is an attractive, safe, environmentally-sensitive community which takes pride in the diversity of its people, the innovation of its businesses, and the responsiveness of its government."*

The vision statement is thought of as a desired end state for our community— an ideal future. A vision may not be achievable all at once, even for many years, and certainly not without the efforts of many individuals and institutions. Sunnyvale’s vision statement reflects a high level of community discussion and agreement and establishes a framework for future strategies and actions and a benchmark from which to evaluate future proposals. Sunnyvale’s community vision affirms the City’s commitment to environmental sustainability and specifically includes that Sunnyvale will become *“A regional leader in environmental sustainability advocating to reduce dependence on non-renewable resources by providing greater transportation options, reducing waste, protecting our natural resources, and promoting alternative energy usage and research. We take environmental preservation and protection seriously and consider how each action will affect Sunnyvale for future generations.”*

The City’s values and vision will form the foundation of the City’s Green Infrastructure development process. The City has assembled a cross-functional team of key staff from the departments of Public Work, Community Development, and Environmental Services. The City will work with regional partners and neighboring communities to develop common resources and tools that will be adapted for local implementation. The City will also work to engage a diverse array of stakeholders to ensure that there is a common understanding of the goals and benefits for Green Infrastructure are broadly understood and that the needs of the community are identified and addressed through the process.

II. GI PLAN ELEMENTS & APPROACH

1.0. SUMMARY OF REQUIRED ELEMENTS

To meet MRP requirements, Sunnyvale's Green Infrastructure (GI) Plan will contain certain mandatory elements:

- **Project Identification and Prioritization Mechanism:** The GI Plan must describe the mechanism by which the City will identify, prioritize and map potential and planned projects that incorporate green infrastructure components in different drainage areas within the City of Sunnyvale. These include public and private projects that may be implemented over the long term, with milestones for implementation by 2020, 2030, and 2040. The mechanism must include the criteria for prioritization and outputs that can be incorporated into the City's long-term planning and capital improvement processes.
- **Prioritized Project Locations and Timeframes:** The GI Plan must contain the outputs resulting from the identification and prioritization mechanism described above, such as lists and maps of prioritized projects and timeframes for implementation. The outputs must also include "targets" or estimates of how much impervious surface within the City will be converted or "retrofit" to drain to a green infrastructure feature, such as a vegetated area or stormwater capture or treatment facility, by the 2020, 2030, and 2040 milestones.
- **Completed Project Tracking System:** The GI Plan must describe the City's process for tracking and mapping completed public and private projects and making the information available to the public.
- **Guidelines and Specifications:** The GI Plan must include general design and construction guidelines, standard specifications and details (or references to those documents) for incorporating green infrastructure components into projects within the City. These guidelines and specifications should address the different street and project types within the City of Sunnyvale, as defined by its land use and transportation characteristics, and allow projects to provide a range of functions and benefits, such as stormwater management, bicycle and pedestrian mobility and safety, public green space, urban forestry, etc.
- **Integration with Other Plans:** The GI Plan must describe its relationship to other planning documents and efforts within the City of Sunnyvale and how those planning documents have been updated or modified, if needed, to support and incorporate the green infrastructure requirements. If any necessary updates or modifications have not been accomplished by the completion of the GI Plan, the GI Plan must include a work plan and schedule to complete them.
- **Evaluation of Funding Options:** The GI Plan must include an evaluation of funding options for design, construction, and long-term maintenance of prioritized green infrastructure projects, considering local, state and federal funding sources.

In addition, the City of Sunnyvale will adopt or update key policies, ordinances, standards, or other appropriate legal mechanisms to facilitate implementation of the GI Plan. The City will also conduct outreach and education to elected officials, department managers and staffs, developers and design

professionals, and the general public as part of development and implementation of the GI Plan and implementation of specific projects within the GI Plan.

2.0. APPROACH TO COMPLETION OF REQUIRED ELEMENTS

The City of Sunnyvale is committed to a thorough and transparent process for developing the GI Plan. The City has assembled a cross-functional project team that includes representatives from the departments of Public Works, Community Development, and Environmental Services to complete the required GI Plan elements described in **Section 1.0**. The City is also committed to working with the Santa Clara Valley Water District and the Santa Clara Valley Urban Runoff Pollution Prevention Program (SCVURPPP) on regional collaboration and resource development in support of the City's GI Plan. This section describes the City's approach to each required element.

2.1. Outreach and Education

One of the first and most important steps in the development of the GI Plan is educating a municipality's department staff, managers, and elected officials about the purposes and goals of green infrastructure, the required elements of the GI Plan, and steps needed to develop and implement the GI Plan, and get their support and commitment to the Plan and this new approach to urban infrastructure. Another important first step is local community and stakeholder outreach to gain public support. The City began this process in FY 15-16 and FY 16-17 by completing the following tasks:

- Convened several interdepartmental meetings with affected department staff and management to discuss GI requirements and assigned project elements.
- Provided training for key Public Works staff on the MRP requirements to analyze proposed capital projects for opportunities to incorporate GI, and completed the first list of planned and potential GI projects.
- Provided training to department staff on GI requirements and strategies using the GI workshops and other training tools developed by SCVURPPP.
- Engaged elected officials and Sustainability Commissioners with a presentation on GI and GI Framework to raise awareness of the goals and requirements in the MRP and the concepts, intent and multiple benefits of GI.
- Brought a staff report to elected officials to provide direction to management staff on the assignment of staff and possible establishment of an interdepartmental GI team with a set of tasks and schedule.
- Coordinated with SCVURPPP on a comprehensive outreach and education program. Key audiences include: the general public (countywide, and in the neighborhood or municipality where GI projects are located); the development community (e.g., developers, engineers, landscape architects, and contractors); and elected officials. Incorporated the materials produced by SCVURPPP into outreach efforts at the local level.

- Sunnyvale staff is also serving on the Technical Advisory Committee for the Water District and SCVURPPP project to develop a Storm Water Resource Plan (SWRP) for the Santa Clara Basin.

The City will conduct or continue the following education and outreach activities as part of development of the GI Plan:

- Continue to hold inter-department meetings to get input on the GI Plan.
- Continue to keep elected officials updated on GI Plan development and schedule for adoption.
- Continue to provide outreach to the general public and development community in coordination with SCVURPPP.
- Continue to conduct internal training as needed, and identify additional staff training opportunities through SCVURPPP or other associations.
- Continue to participate on the Technical Advisory Committee for the District/SCVURPPP SWRP.
- Provide outreach to the local community and other stakeholders to get input and support for the GI Plan.

2.2. Project Identification and Prioritization

The City will use the following approaches to identify, prioritize and map potential and planned projects that incorporate green infrastructure components in different drainage areas within the City:

- Coordination with the Santa Clara Basin Stormwater Resource Plan:** The Water District and SCVURPPP obtained a Proposition 1 Stormwater Grant Program planning grant to develop a Stormwater Resource Plan (SWRP) for the Santa Clara Basin. Proposition A funded grant programs require that an applicant have a SWRP to qualify for funding. The SWRP will support the development and implementation of GI Plans within the Basin (including the City of Sunnyvale's GI Plan) through identification of local and regional opportunities for GI projects and development of modeling tools for estimating pollutant load reductions over future timeframes. The resulting maps and tools will be available for local use by participating municipalities.

The SWRP will also produce a list of prioritized GI projects eligible that may be eligible for future State implementation grant funds. Building on existing documents that describe the characteristics and water quality and quantity issues within the Santa Clara Basin, the SWRP will identify and prioritize multi-benefit GI projects throughout the Basin, using a metrics-based approach for quantifying project benefits such as volume of stormwater infiltrated and/or treated and quantity of pollutants removed. The metrics-based analysis will be conducted using hydrologic/hydraulic and water quality models coupled with GIS resources and other tools. The products of these analyses will be a map of opportunity areas for GI projects throughout the watershed, an initial prioritized list of potential projects and strategies for implementation of these and future projects. The list of potential projects within the City of Sunnyvale will then be incorporated into the City's list for its GI Plan.

- Review of Capital Improvement Program Projects for Green Infrastructure Opportunities:** As required by the MRP, the City has begun to prepare and maintain a list of public and private GI projects that are planned for implementation during the permit term, and public projects that have potential for GI measures. The first such list was submitted with the FY 15-16 Annual

Report. These lists will be used to provide potential projects for inclusion in the SWRP and incorporation into the GI Plan.

- c. **Use of Additional Tools to Identify, Prioritize and Map Potential GI Projects:** City staff have been working with the San Francisco Estuary Institute (SFEI) and BASMAA through several grants to create tools that will support GI Planning and project opportunity identification and prioritization. This includes application of SFEI's GreenPlan IT Tool, which strives to provide a GIS-based screening tool that will broadly identify potential locations for GI, model water quality benefits, and provide information that can inform prioritization of GI investments. The GreenPlan IT tool continues to be refined as SFEI works with partner communities. The City has provided significant data inputs for SFEI analysis and is continuing to work with SFEI to develop the tool outputs including reviewing the GI site locator map and water quality modeling. This effort in ongoing and outputs will be considered as the City moves forward with GI Plan development.

The GI Plan will also describe the tools and approaches used, the criteria for prioritization, and the outputs, which can be incorporated into the City's long-term planning and capital improvement processes.

2.3. Prioritized Project Locations and Timeframes

The GI Plan will include the prioritized list of projects and map of locations within the City of Sunnyvale's jurisdiction resulting from Task 2.2 above, as well as timeframes for implementation. The outputs will also include "targets" or estimates of how much impervious surface within the City of Sunnyvale will be converted or "retrofit" to drain to a green infrastructure feature, such as a vegetated area or stormwater treatment facility, or converted to pervious surfaces, by the 2020, 2030, and 2040 milestones.

2.4. Completed Project Tracking System

This section of the GI Plan will describe the City of Sunnyvale's process for tracking and mapping completed public and private projects and making the information available to the public. The City will work with SCVURPPP to develop a consistent countywide approach to tracking and mapping completed projects and estimating expected PCB and mercury load reductions resulting from these projects.

2.5. Guidelines and Specifications

The City will support and participate in the SCVURPPP process to develop and adopt GI Design Guidelines and Specifications for streetscapes and other public infrastructure. A set of model Guidelines and Specifications will be developed at the countywide level which will be used as a reference by the City of Sunnyvale. The City will evaluate the model Guidelines and Specifications for compatibility with its own local standards, and revise existing guidelines, standard specifications, design details, and department procedures as needed.

The Guidelines and Specifications will also include the results of the regional analysis of alternative approaches to sizing GI facilities where project constraints (e.g., limited space in public right-of-way, utility conflicts, etc.) preclude fully meeting the permit-required sizing criteria for such facilities.

2.6. Integration with Other Municipal Plans

The City has reviewed its existing municipal planning documents and identified which documents may need to be updated or modified to support and/or be consistent with the GI Plan. Part of the GI Plan development effort will include a more thorough review and determination if specific updates to facilitate or support GI are beneficial and the timing for those updates or modifications will be determined. A summary of the results of the municipal plan review and the schedule for known updates or modifications is presented in **Table 4** below. If any necessary updates or modifications have not been accomplished by the completion of the GI Plan, the GI Plan will include a work plan and schedule to complete them.

Table 4. Schedule for Municipal Plan Updates for Green Infrastructure

Name of Plan	Last Updated	Next Projected Update	Includes Language to Support GI?	If No, Date to Complete GI Update
General Plan Land Use and Transportation Element (LUTE)	Apr 2017	N/A	No	N/A
General Plan Environmental Management Element	Jul 2011	N/A	Yes	TBD
Peery Park Specific Plan	Sep 2016	N/A	Yes	N/A
Lawrence Station Area Plan	Dec 2016	N/A	Yes	N/A
Lakeside Specific Plan	Dec 2016	N/A	No	N/A
El Camino Real Precise Plan	Jan 2007	2018	Will include as appropriate	N/A
Moffett Park Area Plan	Dec 2013	N/A	No	TBD
Downtown Specific Plan	Mar 2013	N/A	No	TBD
Transportation Plan and Completes Streets Plan (Chapter 3 of the City's General Plan)	2011	TBD	No	TBD
Bicycle Plan	2007	2018/19*	Will include as appropriate	N/A
Pedestrian Plan	2012	2018/19*	Will include as appropriate	N/A
Vision Zero Plan	N/A	2018/19	Will include as appropriate	N/A
Urban Forestry Plan	Sep 2014		Yes	TBD
Storm Drain Master Plan	Dec 2015		No	TBD
Parks of the Future Plan	Nov 2008		No	TBD
Climate Action Plan	May 2014	2018	Will include as appropriate	N/A

Safe Routes to School Plan	N/A	2018/2019**	Will include as appropriate	N/A
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*pending City Council adoption of proposed budget

** seeking grant funding

2.7. Evaluation of Funding Options

The City currently uses a combination of federal and state grants and local funding sources to fund construction of projects in its capital improvement program (CIP) and other projects. The City's General Fund or certain enterprise funds are used for public street, parking lot and building maintenance; maintenance of stormwater control measures installed at public projects; and maintenance of other landscaped areas (e.g., parks, medians, public plazas, etc.)

The City will analyze possible funding options to raise additional revenue for the projects that will eventually be included in the agency's GI Plan, including capital and operation and maintenance (O&M) costs of these projects. Options for capital project funding include the State Proposition 1 Stormwater Grant Program implementation grants, Prop 1 IRWMP grants, California Urban Rivers Grants, Urban Greening Grants, and others.

Additional funding options that will be explored by Sunnyvale include:

- **Treatment at an Offsite Location** – An alternative compliance option in which a private Regulated Project (one required to treat runoff from created and replaced impervious surface on the project) would instead treat runoff from an equivalent amount of impervious surface offsite, potentially in the public right-of-way, in LID treatment facilities it would pay to construct (and/or maintain). That is, the private developer would fund and oversee construction of a potential green infrastructure project identified by the City.
- **Payment of In-Lieu Fees** – An alternative compliance option in which the developer of a private Regulated Project, in lieu of constructing LID treatment facilities on-site, would pay equivalent in-lieu fees for construction and maintenance of a regional or municipal stormwater treatment (green infrastructure) facility.
- **Public-Private Partnerships** – An option in which green infrastructure facilities are jointly funded by the municipality and a private organization or land owner for the benefit of stormwater treatment and pollutant reduction.

2.8. Adoption of Policies, Ordinances, and Other Legal Mechanisms

The City has begun to review its existing policies, ordinances, and other legal mechanisms related to current planning procedures and implementation of stormwater NPDES permit requirements to identify which documents may need to be updated or modified to help implement the GI Plan, and the timing for those actions. An initial summary of potential policy, ordinance, and legal mechanisms that will be reviewed for potential updates is presented in **Table 5** below. Additional policies, ordinances, or legal mechanisms may be identified through the GI plan development process. All needed updates, modifications, or new mechanism(s) will be completed and adopted (if necessary) by September 30, 2019.

Table 5. Schedule for Municipal Policy, Ordinance and Legal Mechanism, Updates

Policy/Ordinance/Legal Mechanism	Description	Update Needed?	Update Schedule
City standards and design details	City will review its infrastructure standards and design details and determine which need to be updated to facilitate GI	Yes	Complete by Sep 2019
Sunnyvale Municipal Code Chapter 12.60 Stormwater Management	City will review language and update as needed to facilitate GI	Yes	Complete by Sep 2019
Private Development Conditions of Approval	City will review language and update as needed to facilitate GI	Potentially	Complete by Sep 2019

In the 2019 Annual Report, the City will describe any updates to ordinances, policies, plans or programs needed to implement the GI Plan and associated programs, or state that existing mechanisms are sufficient to implement the GI Plan.

2.9. Completion and Adoption of the GI Plan

The City will draft its GI Plan to contain all of the elements described above, obtain reviews and approvals by various departments, governing bodies, and the public as needed, and submit the GI Plan to the Water Board by September 30, 2019. Internal deadlines to complete and adopt the GI Plan are presented in **Table 6** below.

Table 6. Schedule for Completion and Adoption of GI Plan

Task	Department/Group	Deadline
Prepare draft GI Plan	Environmental Services, Public Works, Community Development	Sep 2018
Internal Review draft GI Plan	Environmental Services, Public Works, Community Development, Finance, City Manager	Dec 2018
Public input on draft GI Plan	Public, Key Stakeholders	Mar 2019
Review/consider draft GI Plan	Sustainability Commission, City Council Study Session	Mar 2019
Approve final GI Plan	City Council	May 2019

III. GI PLAN DEVELOPMENT SCHEDULE

This section describes the time frames for completion of the tasks presented in CHAPTER II to develop and adopt the City of Sunnyvale's GI Plan.

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Table 7. Sunnyvale Green Infrastructure Development Schedule

		2017						2018						2019											
Task	Responsibility	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Regional Resources																									
Provide model GI and LID policies, resolutions, SOPs and other mechanisms	SCVURPPP																								
Green/Complete Street Guidelines, Design Details, and Specifications	SCVURPPP																								
Complete work w/BASMAA on an alternative approach for hydraulic sizing	SCVURPPP																								
Continue to collaborate and develop a method for GI tracking/reporting	SCVURPPP																								
Complete a Draft Template for a Model GI Plan for Co-permittees	SCVURPPP																								
Research and summarize possible options for funding mechanisms	SCVURPPP																								
Stormwater Resources Plan Development																									
Countywide Project Screening	SCVURPPP																								
Develop List of Prioritized Countywide Projects	SCVURPPP																								
Stormwater Resources Plan GI Projects - Conceptual Design for 5 projects	SCVURPPP																								
Administrative Draft Stormwater Resources Plan	SCVURPPP																								
Sunnyvale GI Plan Development																									
Research and Review Regional Resources and Tools	ESD, DPW, CDD																								
Review of GI Plan models for Sunnyvale adaptation	ESD																								
Review Regional Tools and Resources (GreenPlan IT Modeling/Optimization)	ESD																								
Develop Sunnyvale GI Plan Outline/Key Sections	ESD																								
Review of City Plans for updates to facilitate GI	ESD, DPW, CDD																								
Review of City Plans for updates to facilitate GI	ESD, DPW, CDD																								
Develop update schedule																									
GI Project Identification	ESD, DPW																								
Determine Approach for Project Identification	ESD, DPW																								
Project Identification	DPW, ESD																								
Refine Long-term Project Identification Approach	DPW, ESD																								
Work with SFEI on Green Plan IT site locator and optimization	ESD																								
Consider GreenPlan IT outputs for incorporation in the GI Plan	ESD, DPW																								
Review and Update of City Standards	ESD, DPW, Consultants																								
Review of Guidelines, Design Details, and Specifications for local use	DPW, ESD																								
Identify City standards that need to be updated to facilitate GI	DPW, ESD																								
Update City standards (TBD)	DPW, consultant																								
Financing Strategy	ESD, Fin, DPW, CAO, OCM																								
Review of financing and fund mechanisms	ESD, Fin, DPW, CAO, OCM																								
Review and Update Legal Authority (Muni Code, City policies, etc)	ESD																								
Review legal authority for updates to facilitate GI (Muni Code, City policies, etc)	ESD, DPW, CAO																								
Draft and Finalize GI Plan	ESD, DPW, CDD																								
Draft Sunnyvale GI Plan	ESD																								
Draft GI Plan Available for Internal Review	DPW, CDD, Fin, OCM																								
Draft GI Plan for Outreach and Public Comment	ESD																								
Sustainability Commission Recommendations for GI Plan	ESD																								
City Council Study Session on GI Plan	ESD																								

ATTACHMENTS

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ATTACHMENT A
(HOLD FOR CITY COUNCIL REPORT)

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Integrating Green Infrastructure into Public Streets, Roads, Buildings, and Parking Lots

In natural landscapes, rain that falls on the ground mostly soaks, or infiltrates, into the soil. However, in urban areas, impervious surfaces such as roofs, pavement, and streets, prevent infiltration. This results in an increase in stormwater runoff and pollutants flowing into storm drains, local creeks, and the Bay.



To reduce the impact of urban development on waterways, local municipalities are now required to develop and implement Green Infrastructure (GI) Plans for incorporating Low Impact Development (LID) designs into new and existing drainage infrastructure on public properties and rights-of-way, including streets, storm drains, parking lots, and building roofs. LID designs reduce stormwater runoff and mimic a site's predevelopment hydrology by minimizing impervious cover, and infiltrating, storing, and/or biotreating stormwater runoff. This reduces the quantity of runoff and pollutants flowing into storm drains and local creeks.

Image: Street runoff flowing into vegetated areas that capture and infiltrate stormwater (Image courtesy of Callander Associates and the City of Campbell)

Regulatory Requirements

The Federal Clean Water Act and State regulations require municipalities to obtain permits to discharge stormwater from municipal storm drain systems. The Municipal Regional Stormwater Permit (MRP) covers 76 agencies in the Bay Area. In Santa Clara Valley, 15 local agencies (Co-permittees) collaborate through the Santa Clara Valley Urban Runoff Pollution Prevention Program (SCVURPPP) to implement MRP requirements.

Since 2011, Provision C.3 of the MRP has required public and private development projects that create and/or replace 10,000 square feet or more of impervious surface (5,000 sq. ft. for highly polluting land uses) to provide LID site design and stormwater treatment measures. Beginning in 2016, each Co-permittee is also required to:

- Evaluate all public projects, regardless of size, to identify opportunities for integrating LID measures.
- Prepare and maintain a list of public projects that may have the opportunity to integrate GI elements.
- Develop and implement a GI Plan describing how local impervious surface areas will be built or retrofitted over time to disperse, capture, infiltrate, and/or treat runoff on-site, or before it enters the storm drain system.
- Develop a framework (work plan) for developing a GI Plan, and have it approved by a local governing body by June 30, 2017.
- Complete a GI Plan and submit it to the Regional Water Quality Control Board by September 30, 2019.
- Amend policies, ordinances, and planning documents to support the implementation of the GI Plan.
- Conduct outreach to the public, municipal staff, and elected officials.

Opportunities for Green Infrastructure

Some projects that offer opportunities to integrate GI include:

- Roadway narrowing for traffic calming and safety ("road diets")
- Improvement of bicycle and pedestrian facilities
- Replacing or adding pavement or drainage structures (including gutters, inlets, or pipes)
- Reconstruction of parking facilities
- Landscaping and street beautification, including tree planting
- Streetscape and intersection improvements
- Modifications or improvements to public building areas

Potential Green Infrastructure Benefits

- Improved water quality
- Improved wildlife habitat
- Reduced flooding
- Increased water supply
- More pleasant urban environment
- Traffic calming
- Safer pedestrian and bicycle facilities
- Increased property values
- Improved air quality and climate resiliency



Green Infrastructure Measures

The following low impact development measures can be integrated into public infrastructure projects:



Dispersion of Stormwater Runoff into Landscaping

Landscaped areas can be designed to collect stormwater runoff from building roofs and paved areas. Stormwater infiltrates into these areas, and pollutants are filtered out or broken down by the soil and plants.

Landscaped drainage areas along a walkway



Bioretention Areas or Rain Gardens

These landscaped areas collect, treat, and infiltrate runoff using plants and a specified soil mix. Biotreatment areas can be incorporated into parking lots, curb extensions, park strips, traffic circles, and street edges and medians. Planter boxes next to buildings, tree wells, and tree trenches can also be designed as biotreatment areas.

Biotreatment area in a curb bulb-out in the Southgate Neighborhood, Palo Alto



Rainwater Harvesting and Use

Rainwater harvesting systems collect and store rainwater for later use. They slow and reduce stormwater runoff, and that stored water can be used for landscape irrigation or toilet flushing.

A large rainwater collection cistern at the Environmental Innovation Center, San Jose



Green Roofs

Building roofs covered in soil and vegetation enable rain water infiltration, storage, and evapotranspiration. In addition to stormwater benefits, Green roofs can also mitigate urban heat island effects while improving air quality and building energy efficiency.

Green roof at 1460 North 4th Street Apartments, San Jose



Pervious Concrete, Porous Asphalt, and Pervious Pavers

Pervious surfaces let rain percolate through them and into the soil. They are generally used in crosswalks, sidewalks, plazas, driveways, parking spaces, street edges, and emergency vehicle access lanes. Pervious surfaces include the following:

- Pervious concrete or porous asphalt
- Interlocking pavers made of pervious material
- Grid pavers with gaps filled with gravel or turf
- Solid interlocking pavers that have gaps between

Pervious pavers at Rosita Park, Los Altos



Infiltration Trenches

Infiltration trenches are excavated trenches backfilled with gravel. They capture, store and infiltrate stormwater runoff into the soil. They can be used along street edges and in alleys and parking lots.

Pervious pavers over an infiltration trench in the Martha Gardens neighborhood, San Jose



City of Sunnyvale

Agenda Item

17-0557

Agenda Date: 5/15/2017

Annual Review of the City Manager's Recommended Budget

Full budget available online at:

[<http://sunnyvale.ca.gov/Departments/Finance/BudgetDocuments.aspx>](http://sunnyvale.ca.gov/Departments/Finance/BudgetDocuments.aspx)