

**Memorandum**  
**Office of Jenine Windeshausen**  
**Treasurer-Tax Collector**



---

**To:** The Board of the Placer County Public Financing Authority

**From:** Jenine Windeshausen, Treasurer-Tax Collector

**Date:** June 16, 2015

**Subject:** Resolution Approving Issuance and Sale of Bonds mPOWER Bonds and Approving Related Loan Agreements

---

**Action Requested:**

1. Adopt a resolution approving the issuance of bonds in aggregate principal amount not to exceed \$67 million approving the Indenture of Trust, authorizing the Treasurer-Tax Collector to act as trustee, authorizing and approving loans to the County and approving the Loan Agreement, approving the sale of the Bonds, authorizing the Treasurer-Tax Collector to hire a registered broker dealer and Jones Hall as bond counsel, approving, authorizing, ratifying and directing any other actions related to the issuance and sale of the Bonds and the making of the Loan.

**Background:**

on January 26, 2010, after holding public hearing, the Board of Supervisors adopted Resolution No. 2010-22, pursuant to which the Board of Supervisors, confirmed and approved the original Program Report for the mPOWER program, established the Program, and authorized the execution of Assessment Contracts with the owners of property in the County to provide for the levy of contractual assessments to finance installation of certain energy efficiency, water conservation and renewable generation improvements.

The original Program Report established an initial maximum aggregate dollar amount of assessments of \$33 million, but also provided for future amendment of the original Program Report to increase the maximum aggregate dollar amount of voluntary contractual assessments in response to demand.

Based on the experience of the Program over the past two years, the Treasurer-Tax Collector has determined that there is demand for financing from the Program in excess of \$33 million, and is therefore requesting approval to amend the current Amended and Restated AB 811 Program Report and Administrative Guidelines which was most recently updated by the Treasurer-Tax Collector on June 9, 2014, (the "2014 Program Report") to increase the maximum aggregate dollar amount of voluntary contractual assessments to \$100 million which is an increase of \$67 million over the \$33 million previously authorized.

The Placer County Public Financing Authority (the Authority) Board is asked to adopt a resolution authorizing the issuance of one or more series of Authority Revenue Bonds (the Authority Bonds) in an aggregate principal amount not to exceed \$67 million and to approve making one or more loans from the Authority to the County with the proceeds of the Bonds. The County will use the proceeds of the Loan(s) to finance the installation of

Authorized Improvements on property in the County. The Loans to the County will be in an aggregate principal amount not to exceed \$67 million.

A registered broker dealer and bond counsel are required to accomplish the issuance and sale of the Bonds and to facilitate the Loan transactions. The attached resolution also authorizes the Treasurer-Tax Collector to hire a registered broker dealer and to hire Jones Hall as the bond counsel.

The Limited Obligation Loan Agreement and the Indenture of Trust are on file with the Secretary of the Authority in substantially final form.

**Fiscal Impact:**

The mPOWER program operates under an enterprise fund therefore there is no direct impact to the County General Fund. The repayment of the Loan(s) is fully payable from proceeds on the underlying assessments without recourse to the County and the repayment of the Bonds is fully payable from proceeds of the repayment of the Loan(s) without recourse to the County. A portion of the interest from the underlying assessments will flow to the Program as revenue.

On file with the Clerk of the Board:

1. Form of Limited Obligation Loan Agreement
2. Form of Indenture of Trust

**BEFORE THE BOARD OF PLACER COUNTY  
PUBLIC FINANCING AUTHORITY,  
STATE OF CALIFORNIA**

In the matter of:

Resolution No. \_\_\_\_\_

**A RESOLUTION OF THE GOVERNING BOARD OF THE PLACER COUNTY  
PUBLIC FINANCING AUTHORITY AUTHORIZING THE ISSUANCE OF ONE  
OR MORE SERIES OF REVENUE BONDS, APPROVING THE INDENTURE  
OF TRUST AND LOAN AGREEMENT RELATED TO SUCH BONDS,  
AUTHORIZING THE SALE OF SUCH BONDS, AND PROVIDING OTHER  
MATTERS PROPERLY RELATING THERETO**

The following Resolution was duly passed by the Board of the Placer County Public Financing Authority at a regular meeting held on \_\_\_\_\_, 2015.

by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

\_\_\_\_\_  
Chairman of the Board  
Placer County Public Financing Authority

Attest:  
Secretary of the Board

\_\_\_\_\_

THE GOVERNING BOARD (the "Board") OF THE PLACER COUNTY PUBLIC FINANCING AUTHORITY (the "Authority"), STATE OF CALIFORNIA, DOES HEREBY RESOLVE THAT:

WHEREAS, the Authority is a joint powers authority duly organized and existing under that certain Joint Exercise of Powers Agreement, dated May 9, 2006, by and between the County of Placer (the "County") and the Placer County Redevelopment Agency, and under the provisions of Articles 1 through 4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act"); and

WHEREAS, the Authority is authorized pursuant to Article 4 of the Act to issue bonds for the purpose of making loans to local agencies, to the extent those local agencies are authorized

by law to borrow moneys, when the loan proceeds will be used by the local agencies to pay for public capital improvements; and

WHEREAS, the County is authorized to borrow money under Sections 5898.22 and 5898.28 of Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code (the "Chapter 29") to finance the installation of distributed generation renewable energy, energy efficiency and water efficiency improvements that are permanently fixed to real property (the "Authorized Improvements"), and the Authorized Improvements constitute "public capital improvements" as defined in the Act; and

WHEREAS, on December 8, 2009, the Board of Supervisors of the County (the "Board of Supervisors") adopted Resolution No. 2009-343, entitled "Declaring the County of Placer's Intention to Finance Distributed Generation Renewable Energy Sources, and Energy Efficiency Improvements and Water Efficiency Improvements Through the Use of Contractual Assessments Pursuant to Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code and Setting a Public Hearing Thereon" (the "Resolution of Intention"), to initiate proceedings under Chapter 29 to establish the "Placer money for Property Owner Water & Energy Efficiency Retrofitting Program" (the "Program"), pursuant to which the County will enter into contractual assessments to finance the installation of Authorized Improvements as described in the Resolution of Intention; and

WHEREAS, on January 26, 2010, after holding a duly noticed public hearing at which interested persons were allowed to object to or inquire about the proposed Program or any of its particulars, the Board of Supervisors adopted Resolution No. 2010-22, entitled "Resolution Confirming Report Relating to the Financing of the Installation of Distributed Generation Renewable Energy Sources, Energy Efficiency and Water Efficiency Improvements and Approving and Ordering Other Related Matters," (the "Resolution Confirming Program Report"), pursuant to which the Board of Supervisors, among other things, (i) confirmed and approved a report (the "Original Program Report") addressing all of the matters set forth in Section 5898.22 of Chapter 29, and authorized the Treasurer-Tax Collector to make such changes to the matters addressed by the Original Program Report as the Treasurer-Tax Collector determined were appropriate in connection with implementation of the Program, (ii) established the Program, and (iii) authorized execution of agreements ("Assessment Contracts") with the owners of property in the County (the "Program Area") to provide for the levy of contractual assessments to finance installation of Authorized Improvements; and

WHEREAS, the Original Program Report established an initial maximum aggregate dollar amount of voluntary contractual assessments of \$33 million, but also provided for future amendment of the Original Program Report to increase the maximum aggregate dollar amount of voluntary contractual assessments in response to demand; and

WHEREAS, the County has determined that there is demand for financing from the Program in excess of \$33 million, and has approved an amendment of the current Amended and Restated AB 811 Program Report and Administrative Guidelines (which was most recently updated by the Treasurer-Tax Collector on June 9, 2014) (the "2014 Program Report") to increase the maximum aggregate dollar amount of voluntary contractual assessments to \$100 million; and

WHEREAS, for the purpose of providing moneys to fund one or more loans to the County in an aggregate principal amount not to exceed \$67 million (the "Loans"), the proceeds of which Loan the County will use to finance the installation of Authorized Improvements on

property in the County (the "Participating Parcels"), the Authority wishes to issue one or more series of Placer County Public Financing Authority Revenue Bonds (Placer mPOWER Program) in an aggregate principal amount not to exceed \$67 million (the "Bonds"); and

WHEREAS, the County has the authority to incur the Loans under Chapter 29 and the Improvement Bond Act of 1915, Division 10 of the Streets and Highways Code of California (the "1915 Act"); and

WHEREAS, as a condition precedent to the issuance of the Bonds by the Authority, Section 6586.5 of the California Government Code requires that the County approve the proposed issuance of the Bonds by the Authority, and that the County make certain findings with respect to such issuance of the Bonds, and Section 6586.5 further requires that such approval be given and findings be made only after noticed public hearings thereon; and

WHEREAS, the County has given such required notice, held such public hearing and made the required findings; and

WHEREAS, the Board of Supervisors of the County has approved the purchase by the Placer County Treasurer-Tax Collector (the "Treasurer") of the Bonds in accordance with a bond purchase agreement in the forms on file with the Secretary (the "Purchase Agreement"); and

WHEREAS, a default judgment was entered on November 19, 2010, by the Superior Court of the County of Placer in the validation action entitled "ALL PERSONS INTERESTED IN THE MATTER of the mPOWER Placer Program, All Proceedings Relating Thereto and All Bonds, Contracts, Obligations or Evidences of Indebtedness Relating Thereto," Case No. SCV-26931;

WHEREAS, the Board has duly considered the transactions described above and wishes at this time to approve such transactions as being in the public interest;

**NOW, THEREFORE, BE IT RESOLVED** by the Governing Board of the Placer County Public Financing Authority as follows:

Section 1. The Authority hereby finds and declares that the above recitals are true and correct.

Section 2. The Board hereby approves the issuance by the Authority of the Bonds in an aggregate principal amount not to exceed \$67 million. The Bonds will be payable only from loan payments made by the County under the Loan Agreements described above.

For each series of Bonds, the Board hereby approves an Indenture of Trust (each, an "Indenture") in substantially the form on file with the Secretary together with any additions thereto or changes therein deemed necessary or advisable by the Executive Director and the Treasurer of the Authority, whose execution thereof shall be conclusive evidence of approval of any such additions and changes. The Executive Director and the Treasurer, each acting alone (the "Designated Officers"), are hereby authorized and directed to execute the final form of each Indenture for and in the name and on behalf of the Authority. The Board hereby authorizes the delivery and performance of each Indenture and the execution and delivery of the Bonds, as provided in each Indenture.

The Authority hereby authorizes the Treasurer-Tax Collector to act as trustee with respect to the Bonds or to retain a national banking association with a corporate trust department to act as trustee, as the Treasurer-Tax Collector determines is most appropriate from time to time.

Section 3. The Board hereby authorizes and approves the Loans to be made to the Agency by the Authority, and the execution of the Loan Agreements relating thereto. The Board hereby approves the Loan Agreements in substantially the form on file with the Secretary together with any additions thereto or changes therein deemed necessary or advisable by the Designated Officers, whose execution thereof shall be conclusive evidence of approval of any such additions and changes. The Designated Officers, each acting alone, are hereby authorized and directed to execute the final form of the Loan Agreements for and in the name and on behalf of the Authority. The Board hereby authorizes the delivery and performance of the Loan Agreements. The Authorized Improvements that will be financed with the proceeds of the Loans are located within the geographical boundaries of the County.

The Loans shall be payable from contractual assessments levied in the Program Area as described above.

The Participating Parcels may be divided into two or more pools as determined by the Treasurer-Tax Collector.

Section 4. The Authority hereby approves the sale of one or more series of Bonds to one or more accredited investors (as that term is defined in Rule 501 of Regulation D promulgated under the United States Securities Act of 1933, as amended) to be identified by the Treasurer-Tax Collector, after consultation with County Counsel, the County's municipal advisor and bond counsel, with each sale to be documented pursuant to a Purchase Agreement (each, a "Purchase Agreement") among the Authority, the County and the purchaser, in substantially the form on file with the Clerk, together with any changes therein or additions thereto approved by a Designated Officer, whose execution thereof shall be conclusive evidence of approval of any such additions and changes. The Purchase Agreement shall be executed in the name and on behalf of the Authority by a Designated Officer, each of whom is hereby authorized and directed to execute and deliver the Purchase Agreement on behalf of the Authority.

The Authority hereby authorizes the Treasurer-Tax Collector, on behalf of the Authority, to hire a registered broker-dealer to act as placement agent for the Bonds and hereby authorizes a Designated Officer to execute an agreement with such registered broker-dealer on behalf of the Authority, and execution by a Designated Officer of an agreement with the registered broker-dealer shall be conclusive evidence of the approval of such agreement.

The Board of Supervisors hereby authorizes the Treasurer-Tax Collector, on behalf of the County, to hire Jones Hall to act as bond counsel for the Bonds and to enter into an agreement with such Jones Hall, and execution by a Designated Officer of an agreement with the Jones Hall shall be conclusive evidence of the approval of such agreement.

The Authority also hereby approves the sale of one or more series of Bonds to the Treasurer-Tax Collector on behalf of the Placer County Treasurer's Investment Portfolio. The sale shall be accomplished by execution of a Purchase Agreement among the County, the Authority and the Placer County Treasurer-Tax Collector, in substantially the form on file with the Clerk, together with any changes therein or additions thereto approved by a Designated Officer, whose execution thereof shall be conclusive evidence of approval of any such additions and changes.

Section 5. All actions heretofore taken by the officers and agents of the Authority with respect to the preparation of the Indentures and the Loan Agreements, the sale and issuance of the Bonds and the execution and delivery of the Loan Agreements are hereby approved, confirmed and ratified, and the proper officers of the Authority, including the Designated Officers, are hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds and the execution and delivery of the Loan Agreements in accordance with this Resolution, including but not limited to those certificates, agreements and other documents described in the Loan Agreements and the other documents herein approved, and any certificates, agreements or documents as may be necessary to further the purpose hereof or provide additional security for the Bonds and the Loan Agreements, including but not limited to amendments to the Existing Indenture, the Existing Loan Agreement and the Existing Bonds, but which shall not create any obligation or liability of the Authority other than with respect to the loan repayments under the Loan Agreements pledged as security for the Bonds and assets derived from the proceeds of the Bonds.

Section 6. This Resolution shall take effect from and after the date of approval and adoption thereof.

