

**MINUTES OF THE JOINT CITY COUNCIL
SAN JOSE FINANCING AUTHORITY**

SAN JOSE, CALIFORNIA

TUESDAY, SEPTEMBER 27, 2011

The Council of the City of San José convened in Regular Joint Session at 4:42 p.m. in the Council Chambers at City Hall.

Present: Council Members - Campos, Chu, Constant, Herrera, Kalra, Liccardo, Nguyen, Oliverio, Pyle, Rocha; Reed.

Absent: Council Members - All Present.

2. (a) **It is recommended that the City Council take the following actions:**
- (1) **Accept the report on the Request for Proposals for a Power Purchase Agreement for Solar Energy Installations on City Facilities and Lands.**
 - (2) **Adopt a resolution approving a form Power Purchase Agreement and authorizing the City Manager or designee to execute Power Purchase Agreements in such form and all related documents with SolarCity Corporation by December 31, 2012, for the following City facilities and subject to the limitations outlined in the staff memorandum to the Council.**
 - (a) **Almaden Community Center and Library**
 - (b) **Alum Rock Library**
 - (c) **Bascom Community Center/Library**
 - (d) **Berryessa Community Center**
 - (e) **Berryessa Library**
 - (f) **Cambrian Library**
 - (g) **Camden Community Center**
 - (h) **East San Jose Carnegie Library**
 - (i) **Edenvale Community Center**
 - (j) **Edenvale Library**
 - (k) **Evergreen Library**
 - (l) **Evergreen Community Center**
 - (m) **Hillview Library**
 - (n) **Joyce Ellington Library**
 - (o) **Kelley Park (Senter Road Lot)**
 - (p) **Mayfair Community Center**

2. (a) (2) (q) **Municipal Water Office**
- (r) **Pal Sports Centre**
- (s) **Pearl Library**
- (t) **Prusch Park**
- (u) **Roosevelt Community Center**
- (v) **Santa Teresa Library**
- (w) **Seven Trees Community Center/ Library**
- (x) **South Service Yard**
- (y) **Tully Library**
- (z) **Vineland Library**
- (aa) **Willow Glen Community Center**
- (bb) **Willow Glen Library**
- (b) **Adopt a resolution authorizing the City Manager or designee to negotiate and execute, by June 30, 2013, additional Power Purchase Agreements with SolarCity Corporation at alternative or additional City facilities in the form approved by Council and subject to the limitations (cash flow positive, private activity analysis, financing and landlord consent, parkland and CEQA clearance) outlined in this staff memorandum to Council.**
- (c) **It is recommended that the City of San José Financing Authority Board take the following actions:**
 - (1) **Adopt a resolution to authorize the Executive Director or the Executive Director's authorized designee to consent to the license or sublicense of Evergreen Library, Edenvale Library and Vineland Library and other City facilities that are pledged assets of outstanding City of San José Financing Authority lease revenue bonds or commercial paper program to SolarCity Corporation for the installation of solar photovoltaic systems and to execute a letter acknowledging SolarCity Corporation's ownership and financing interests in the solar photovoltaic systems, subject to the requirements of the applicable governing documents.**

CEQA: Exempt, Files No. PP11-064, PP11-065, PP11-066, PP11-067, PP11-068, PP11-069, PP11-070, PP11-071, PP11-072, PP11-073, PP11-074, PP11-075, and PP11-079. (Environmental Services/Finance)

Documents Filed: (1) Replacement memorandum from Acting Director of Finance Julia H. Cooper and Acting Director of Environmental Services Kerri Romanow, dated September 26, 2011, transmitting further evaluation of the potential impacts to close all branch libraries and community centers recommended for solar installation, the addition of a more extensive discussion of the associated potential liabilities; and recommending acceptance of the report and adoption of resolutions. (2) Statement and Declaration of Conflict of Interest Form from Council Member Chu, dated September 27, 2011, abstaining from Item 2(a)(2)(d) because his residence is located within 500 feet of the Berryessa Community Center.

Council Member Chu stated on the advice of the City Attorney, he will be abstaining on Item 2(a)(2)(d), because his residence is located within 500 feet of the Berryessa Community Center.

2. (Cont'd.)

Assistant Director of Environmental Services Kerri Romanow and Acting Director of Finance Julia Cooper presented the report and responded to Council questions and concerns.

Motion: Council Member Liccardo moved approval of the Staff recommendations, except for Item 2(a)(2)(d). Council Member Herrera seconded the motion.

Public Comments: David Wall expressed concern about reliance on Federal monies and remarked that there had been no discussion on maintenance.

Motion: Council Member Liccardo moved approval of Item 2(a)(2)(d), The Berryessa Community Center. Council Member Herrera seconded the motion.

Action: On a call for the question, the motions carried unanimously, the report on the Request for Proposals for a Power Purchase Agreement for Solar Energy Installations on City Facilities and Lands was accepted; Resolution No. 76011, entitled: "A Resolution of the Council of the City of San José Approving a Form Power Purchase Agreement and Authorizing the City Manager or Designee to Execute Power Purchase Agreements with SolarCity Corporation to Finance, Engineer, Install, Commission and Maintain Solar Energy Installations on 28 City Facilities"; Resolution No. 76012, entitled: "A Resolution of the Council of the City of San José Authorizing the City Manager or Designee to Execute Power Purchase Agreements with SolarCity Corporation to Finance, Engineer, Install, Commission and Maintain Solar Energy Installations at Alternative or Additional City Facilities", and San José Financing Authority Resolution No. 113, entitled: "A Resolution of the Council of the City of San José Financing Authority Authorizing the Executive Director to Consent to the License or Sublicense of Evergreen Library, Edenvale Library, Vineland Library and Other City Facilities for Solar Photovoltaic Power Production Systems and To Execute Letters Acknowledging the Ownership Interest of SolarCity Corporation in the System", were adopted. (11-0.) (Resolution No. 70611: 10-0-0-1. Abstained: Chu. Item 2(a)(2)(d) only: Berryessa Community Center).

Mayor Reed adjourned the Joint Council/San José Financing Authority Meeting at 5:04 p.m.

Minutes Recorded, Prepared and Respectfully Submitted by,

Dennis D. Hawkins, CMC
City Clerk

smd/09-27-11 JT-SJFA MIN

Access the video, the agenda and related reports for this meeting by visiting the City's website at <http://www.sanjoseca.gov/clerk/agenda.asp> or <http://www.sanjoseca.gov/clerk/MeetingArchive.asp>. For information on any ordinance that is not hyperlinked to this document, please contact the Office of the City Clerk at (408) 535-1266.