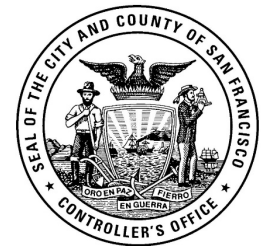
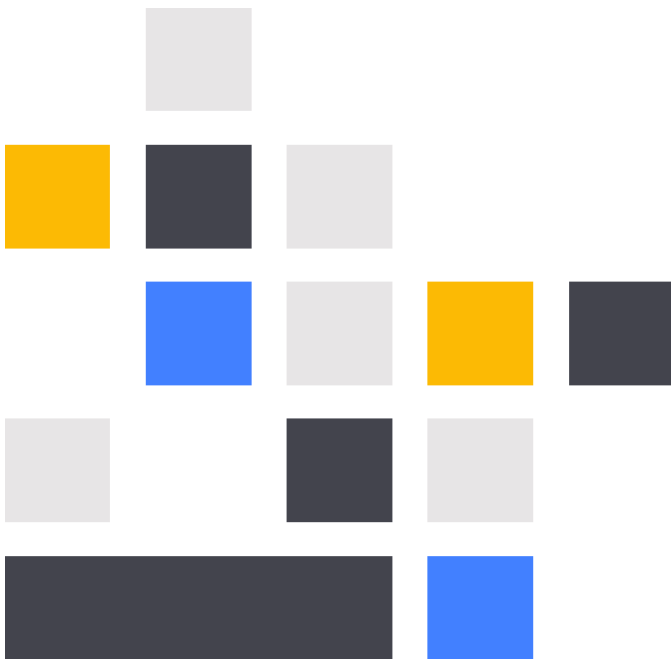


Community Facilities District No 2014-1 (Transbay Transit Center)

BUDGET AND FINANCE COMMITTEE

Resolution for Special Tax Bonds: Resolution Authorizing the Issuance of City and County of San Francisco Community Facilities District No. 2014-1 (Transbay Transit Center) Special Tax Bonds, Series 2021 Not to Exceed \$35,000,000



September 15, 2021

City & County of San Francisco
Transbay Joint Powers Authority
Controller's Office of Public Finance

Transbay Program Background

TJPA OVERVIEW

- Transbay Joint Powers Authority (“TJPA”) members include: City and County of San Francisco (City), Alameda-Contra Costa Transit District (AC Transit), Peninsula Corridor Joint Powers Board (Caltrain), California High-Speed Rail Authority (CHSRA), California Department of Transportation (Caltrans)
- Transbay Program includes:
 - Replacing former Transbay Terminal: new Salesforce Transit Center open for operations
 - Creating Transit-Oriented Neighborhood: extensive development completed with close to 4,000 housing units (35% affordable)
 - Extending Caltrain and California High-Speed Rail system through Downtown Rail Extension (DTX) project to Transit Center: environmentally cleared in 2019, engineering underway
- SF Peninsula Rail Program Integrated Team includes: TJPA, MTC, SFCTA, City, Caltrain, and CHSRA



Transbay Program: Downtown Rail Extension Background



- Estimated 90,000 riders per day*
- Seamless transfers between local and regional transit services
- One-seat ride from the Peninsula / Los Angeles into downtown San Francisco
- Reduces greenhouse gas emissions impact
- Creates thousands of jobs
- Mega-regional access to housing and employment

* Average of Caltrain, CHSRA, and TJPA ridership estimates



FTA Project Development & FTA Engineering Funding Plan

DTX FUNDING PLAN MILESTONES

Oct. 2021

Request Entry to FTA Project Development Phase

Funding Requirement:

~\$30M in fully-committed and available funding for FTA Project Development activities

Feb. 2023

Request Entry to FTA Engineering Phase

Funding Requirement:

30% of non-New Starts funds committed

Aug. 2023

Submit funding application for FTA New Starts grant

Funding Requirement:

100% of non-New Starts funds identified

Winter/Spring 2025

Prior to execution of Full Funding Grant Agreement

Funding Requirement:

100% of non-New Starts funds committed

Oct. 2021

Feb 2023

Aug 2023

FFGA Execution
Spring 2025

FTA "Project Development"
Phase (+\$30M)

Winter 2021/22

Summer 2023

FTA "Engineering" Phase (~\$20M±)

Summer 2023

DTX
Procurement
&
Construction

Spring 2025

FTA Project Development & FTA Engineering Funding Plan

FUNDING APPROACH

- \$30M CFD bond project fund proceeds planned for FTA Project Development activities in lieu of near term RM3 funds currently in litigation
- \$20M from local/regional contributions (Caltrain, CHSRA, SFCTA and MTC) and grant funds for FTA Engineering by FY23-24
- \$11.6M of anticipated CFD Pay-Go funds for DTX other programmatic costs planned in FY21-22 and 22-23

NEXT STEPS

- Current \$35M CFD bond resolution authorization under consideration today to secure committed funds for FTA Project Development
- Further funding discussions with all partners to demonstrate financial commitment including seeking additional grant funds
- TIPA request to enter FTA Project Development (October 2021) – critical path to August 2023 FTA funding application



Estimated Sources & Uses for CFD 2014-1 Special Tax Bonds – Not to Exceed \$35,000,000

ESTIMATED FINANCING TERMS

- Final Maturity of September 1, 2050
- Estimated True Interest Cost: 3.12%
- Estimated Bond Proceeds*: \$30.04M
- Estimated Financing Costs: \$1.09M
- Estimated Total Debt Service: \$55.68M

Source: Del Rio Advisors, LLC
Market conditions as of June 24, 2021

SOURCES & USES

Sources:

Estimated Bond Par	\$33,640,000
Total Sources	\$33,640,000

Uses:

Project Fund	\$30,040,000
Debt Service Reserve Fund	2,509,312
<u>Delivery Date Expenses</u>	
Cost of Issuance	\$754,288
Underwriter's Discount	336,400
Total Uses	\$33,640,000
Not-to-Exceed Par Amount	\$35,000,000

*Represents the expected amount of bond proceeds to be received less the financing costs and any reserves funded with proceeds of the bonds

