

1 [Resolution Approving a Loan in an amount up to \$171,000,000 from the U.S. Department of  
2 Transportation to the Transbay Joint Powers Authority]

3 **Resolution approving a Loan in an amount up to \$171,000,000 from the U.S.**  
4 **Department of Transportation to the Transbay Joint Powers Authority and making**  
5 **certain public benefit findings for the Transbay Transit Center program under**  
6 **California Government Code Section 6586.5.**

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8 WHEREAS, The Transbay Joint Powers Authority (the “TJPA”) is a public entity duly  
9 established and organized under the laws of the State of California, which was created  
10 pursuant to a joint exercise of powers agreement (the “Joint Powers Agreement”) entered into  
11 by and among the City and County of San Francisco (the “City”), the Alameda-Contra Costa  
12 Transit District, and the Peninsula Corridor Joint Powers Board; and,

13 WHEREAS, The Joint Powers Agreement charges the TJPA with development, design,  
14 construction, operation, management, and maintenance of the Transbay Transit Center  
15 Program (the “Transbay Program”), which includes: (1) the design and construction of a  
16 temporary terminal and then the permanent Transbay Transit Center, including bus ramps  
17 and bus storage facility (“Phase 1”); (2) the extension of Caltrain commuter rail service from  
18 its current San Francisco terminus at Fourth and Townsend Streets to a new underground  
19 terminus beneath the Transbay Transit Center (“Phase 2”); and (3) activities related to  
20 implementation of the Redevelopment Plan for the Transbay Redevelopment Project Area;  
21 and,

22 WHEREAS, The Transbay Program will be located within the geographical boundaries  
23 of the City; and,

24 WHEREAS, The TJPA has received credit approval for a loan in an amount up to  
25 \$171,000,000 from the United States Department of Transportation, acting by and through the

1 Federal Transit Administration under the Transportation Infrastructure Finance and Innovation  
2 Act of 1998, §§ 1501 et seq. of Public Law 105-178 (as amended by the Public Law 105-206  
3 and Public Law 109-59) (the “TIFIA Loan”), to finance a portion of the costs of Phase 1; and,

4 WHEREAS, The TJPA intends to repay the TIFIA Loan with tax increment revenues  
5 generated by certain State-owned parcels in the Transbay Redevelopment Area and  
6 Passenger Facility Charges related to AC Transit’s use of the new Transit Center; and,

7 WHEREAS, The TJPA intends to enter the TIFIA Loan in accordance with California  
8 Government Code Sections 6584-6599.3 (the “Joint Powers Act”); and,

9 WHEREAS, Under Section 6586.5 of the Joint Powers Act, the local agency within  
10 whose boundaries a public capital improvement is located is required to approve debt  
11 financing and make a finding of significant public benefit in accordance with the criteria  
12 specified in Section 6586 of the Joint Powers Act after holding a public hearing; and,

13 WHEREAS, In order to satisfy the requirements set forth in Section 6586.5 of the Joint  
14 Powers Act, the TJPA has requested that the Board of Supervisors: (i) cause a public hearing  
15 to be held, after giving the notice required by the Joint Powers Act; (ii) make a finding of  
16 significant public benefit in accordance with the criteria specified in Section 6586 of the Joint  
17 Powers Act; and (iii) approve the TJPA’s entering into the TIFIA Loan; and,

18 WHEREAS, The City caused a notice to be published on November 19, 2009, in a  
19 newspaper of general circulation in the City and County of San Francisco for the public  
20 hearing required under Section 6586.5 of the Joint Power Act with respect to the proposed  
21 TIFIA Loan, and such hearing was held by the Board sitting as a Committee of the Whole on  
22 November 24, 2009; now, therefore, be it

23 RESOLVED, That the Board approves the TIFIA Loan from the U.S. Department of  
24 Transportation to the TJPA in accordance with Section 6586.5 of the Joint Powers Act; and, be it

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1           FURTHER RESOLVED, That the Board finds that the TJPA's entering the TIFIA Loan will  
2 result in significant public benefits to the City because it will, among other things, allow the TJPA  
3 to undertake construction of Phase 1 in a timely fashion, resulting in the creation of significant  
4 construction jobs and employment benefits in the City, and result in more efficient delivery of  
5 improved public transit services to the City's residential and commercial development through  
6 the timely completion of a new Transbay Transit Center at First and Mission Streets; and, be it

7           FURTHER RESOLVED, That this Resolution does not bind the City to make any  
8 expenditure, incur any indebtedness or in any way obligate itself under the TJPA's TIFIA Loan;  
9 and, be it

10          FURTHER RESOLVED, That this approval by the City of the TIFIA Loan is neither an  
11 approval of the underlying credit issues of the Transbay Program nor an approval of the  
12 financing structure of the TIFIA Loan; and, be it

13          FURTHER RESOLVED, That the officers and employees of the City are hereby  
14 authorized and directed, jointly and severally, to do any and all things necessary or advisable to  
15 effectuate the purposes of this Resolution, and all actions previously taken by such officers and  
16 employees with respect to those purposes, are hereby ratified and approved.

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