

**TRANSBAY JOINT POWERS AUTHORITY  
BOARD OF DIRECTORS**

**RESOLUTION NO. \_\_\_\_\_**

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TRANSBAY JOINT POWERS AUTHORITY APPROVING THE ISSUANCE OF NOT TO EXCEED \$315 MILLION OF TAX ALLOCATION BONDS (“SERIES 2020 BONDS”); DECLARING ITS OFFICIAL INTENT TO USE A PORTION OF THE PROCEEDS OF TAX-EXEMPT BONDS TO REIMBURSE ITSELF FOR CERTAIN EXPENDITURES MADE PRIOR TO THE ISSUANCE OF SUCH BONDS; APPROVING THE EXECUTION AND DELIVERY OF VARIOUS DOCUMENTS IN CONNECTION WITH THE OFFERING AND SALE OF THE BONDS; AND AUTHORIZING THE TAKING OF CERTAIN OTHER ACTIONS RELATED THERETO

WHEREAS, The Transbay Joint Powers Authority (the “Authority”) was established for the purpose, among others, of financing, designing, developing, constructing, and operating a regional transit hub and related structures and ramps commonly known as the Transbay Program; and

WHEREAS, The Transbay Program consists of three interconnected elements: (1) replacing the former Transbay Terminal, (2) extending Caltrain and future-planned California High-Speed Rail underground from Caltrain’s current terminus at 4th and King Streets into the new downtown Salesforce Transit Center, and (3) creating a new neighborhood with homes, officers, parks, and shops surround the Salesforce Transit Center (clauses (1) and (2) above are collectively referred to as the “Transbay Terminal Project”); and

WHEREAS, The Authority and the United States Department of Transportation previously entered into a TIFIA Loan Agreement, dated as of January 1, 2010 (as amended, the “TIFIA Loan”), which, as of February 1, 2020, was outstanding in the amount of \$178,891,106; and

WHEREAS, The Authority and the City and County of San Francisco (the “City”) previously entered into a Leaseback Lease, dated as of January 1, 2017 (the “City Financing”), which, as of January 31, 2020, was outstanding in the amount of \$76,000,000; and

WHEREAS, The Authority desires and intends to refinance the TIFIA Loan, repay all or a portion of the City Financing (as needed), and finance additional costs associated with the construction and design of the Transbay Terminal Project, including, but not limited to, payment of judgement or settlement obligations arising from litigation or other disputes relating to past or future Transbay Terminal Project construction or design activities, and other related costs (the “Project”); and

WHEREAS, The Authority has determined that it is necessary and desirable in order to finance the Project to authorize the issuance, sale and delivery of its Tax Allocation Bonds, in one or more tax-exempt and/or taxable series (the “Series 2020 Bonds”) in the aggregate principal amount of not to exceed \$315 million; and

WHEREAS, The Authority expects that it will incur (or to have incurred) expenditures relating to the Project and to pay for such expenditures from the Authority’s money on hand prior to delivery or issuance of the Series 2020 Bonds (the “Reimbursement Expenditures”); and

WHEREAS, The Authority reasonably expects to use a portion of the proceeds of the tax-exempt Series 2020 Bonds to reimburse the Authority for the Reimbursement Expenditures; and

WHEREAS, At the time of the reimbursement of the Reimbursement Expenditures, the Authority will evidence such reimbursement in a writing which identifies the allocation of the proceeds of the tax-exempt Series 2020 Bonds to the Authority for the purpose of reimbursing the Authority for the Reimbursement Expenditures; and

WHEREAS, The Authority expects to make each of the reimbursement allocations no later than eighteen (18) months after the later of (i) the date on which the earliest original expenditure for the Project is paid or (ii) the date on which such Project is placed in service (or abandoned), but in no event later than three (3) years after the date on which the earliest original expenditure for the Project or other capital expenditure is paid; and

WHEREAS, The Authority will not, within one (1) year of any reimbursement allocation, use the proceeds of the tax-exempt Series 2020 Bonds received in the reimbursement allocation in a manner that will result in the creation of replacement proceeds of the bonds or another issue (e.g., the Authority will not pledge or use the proceeds received for the payment of debt service on the tax-exempt Series 2020 Bonds or another issue, except that the proceeds of the tax-exempt Series 2020 Bonds can be deposited in a bona fide debt service fund); and

WHEREAS, There have been presented to this meeting the proposed forms of the following documents:

- (a) the Indenture of Trust (the “Indenture”);
- (b) the Purchase Contract;
- (c) the Continuing Disclosure Certificate; and
- (d) the Preliminary Official Statement; and

WHEREAS, The Authority will issue the Series 2020 Bonds pursuant to the Marks-Roos Local Bond Pooling Act of 1985 (the “Act”) constituting Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California; and

WHEREAS, In accordance with the Act, following published notice, a public hearing regarding the proposed financing must be conducted by the City, and, following such hearing, the City must make certain findings under the Act and approve the financing; and

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE TRANSBAY JOINT POWERS AUTHORITY BOARD OF DIRECTORS AS FOLLOWS:

SECTION 1. Approval of Issuance of Series 2020 Bonds by the Authority. The issuance of the Series 2020 Bonds by the Authority conditioned on the completion of all necessary approvals and actions by the City described above and on the terms and conditions set forth in, and subject to the limitations specified in, the Indenture and this Resolution, is hereby approved; provided, however, that (i) the aggregate principal amount of the Series 2020 Bonds shall not exceed \$315 million, (ii) the maturity of the Series 2020 Bonds shall not exceed October 1, 2050, and (iii) the true interest cost of the Series 2020 Bonds shall not exceed 4.100%.

SECTION 2. Approval of Indenture. The form of Indenture presented at this meeting is hereby approved and the Chair, the Vice Chair, the Executive Director, the Chief Financial Officer, the Secretary of the Authority, or any designee (each an “Authorized Officer”) are hereby authorized and directed, for and in the name of and on behalf of the Authority, to execute, acknowledge and deliver the Indenture in substantially the form presented at this meeting, with such changes therein, deletions therefrom, and additions thereto as the Authorized Officer shall approve in consultation with the Authority’s financial and legal consultants, which approval shall be conclusively evidenced by the execution and delivery thereof.

SECTION 3. Approval of Purchase Contract. The Authority is hereby authorized to enter into the Purchase Contract and each Authorized Officer is hereby authorized and directed, for and in the name of and on behalf of the Authority, to execute and deliver the Purchase Contract in substantially the form presented at this meeting, with such changes therein, deletions therefrom, and additions thereto as the Authorized Officer shall approve in consultation with the Authority’s financial and legal consultants, which approval shall be conclusively evidenced by the execution and delivery thereof; provided, that the underwriting discount payable pursuant to the Purchase Contract shall not exceed 0.550% of the aggregate principal amount of the Series 2020 Bonds.

SECTION 4. Approval of Continuing Disclosure Certificate. The Authority is hereby authorized to enter into the Continuing Disclosure Certificate and each Authorized Officer is hereby authorized and directed, for and in the name of and on behalf of the Authority, to execute and deliver the Continuing Disclosure Certificate in substantially the form presented at this meeting, with such changes therein, deletions therefrom, and additions thereto as the Authorized Officer shall approve in consultation with the Authority’s financial and legal consultants, which approval shall be conclusively evidenced by the execution and delivery thereof.

SECTION 5. Approval of Official Statement. The Preliminary Official Statement presented at this meeting is hereby approved and the same may be used and is hereby authorized to be used and distributed in the market by the underwriters syndicate incident to the marketing of the Series 2020 Bonds. Each Authorized Officer is hereby authorized to (a) make such changes in, deletions from, and additions to such Preliminary Official Statement as such officer shall determine to be appropriate in consultation with the Authority’s financial and legal consultants

and the underwriters syndicate, and (b) for and in the name of and on behalf of the Authority, to deem such Preliminary Official Statement “final” pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934 (the “Rule”). Each Authorized Officer is hereby authorized and directed to prepare a final Official Statement, with such additional information as may be permitted to be excluded from the Preliminary Official Statement pursuant to the Rule, which final Official Statement shall be executed and delivered for and in the name of and on behalf of the Authority by an Authorized Officer, and such Authorized Officer is hereby authorized and directed to prepare, execute and deliver for and in the name of and on behalf of the Authority any supplemental filings related to such final Official Statement, including any supplemental filings required in connection with the delivery of the Series 2020 Bonds.

SECTION 6. Reimbursement Expenditures. The Authority hereby declares its official intent to use a portion of the proceeds of the tax-exempt Series 2020 Bonds to reimburse itself, in whole or in part, for the Reimbursement Expenditures. It is intended that this Resolution shall constitute a declaration of “official intent” within the meaning of Section 1.150-2 of the Treasury Regulations promulgated under Section 150 of the Internal Revenue Code of 1986, as amended.

SECTION 7. SB 450 Representation. The Authority adopts and approves the Good Faith Estimates required by Senate Bill 450 (Chapter 625 of the 2017-2018 Session of the California Legislature) (“SB 450”) and obtained by the Authority from the underwriters syndicate and/or the Municipal Advisor, attached hereto as Appendix A.

SECTION 8. Other Acts. The officers and staff of the Authority are hereby authorized and directed, jointly and severally, to do any and all things, to execute and deliver any and all documents, which in consultation with General Counsel and with Nixon Peabody LLP, the Authority’s bond counsel, they may deem necessary or advisable in order to effectuate the purposes of this Resolution, and any and all such actions previously taken by such officers or staff members are hereby ratified and confirmed. Any one of the Authorized Officers is hereby authorized and directed, for and in the name of and on behalf of the Authority, to evaluate and select one or more municipal bond insurers for all or any portion of the Series 2020 Bonds and to execute and deliver such contracts and agreements with such bond insurers as may be approved by the Authorized Officer executing the same, subject to the provisions of this Resolution, such approval to be conclusively evidenced by such execution and delivery.

SECTION 9. Effective Date. This Resolution shall take effect immediately upon its adoption.

I hereby certify that the foregoing resolution was adopted by the Transbay Joint Powers Authority Board of Directors at its regular meeting of March 12, 2020.

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Secretary, Transbay Joint Powers Authority

## APPENDIX A TO RESOLUTION

### GOOD FAITH ESTIMATES

#### TRANSBAY JOINT POWERS AUTHORITY TAX ALLOCATION BONDS SERIES 2020

The following information was obtained from Sperry Capital, Inc., as Municipal Advisor of the bonds defined above (the "Bonds"), for consideration prior to the authorization in the foregoing Resolution of the proposed Bonds:

1. ***True Interest Cost of the Bonds.*** Assuming an aggregate principal amount of the proposed Bonds in the amount of \$298,605,000 is sold to effectuate the financing and the refunding and based on market interest rates prevailing plus 50 basis points at the time of preparation of this information, a good faith estimate of the true interest cost of the Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Bonds, is 3.857%.

2. ***Finance Charge of the Bonds.*** Assuming such aggregate principal amount of the proposed Bonds is sold and based on market interest rates prevailing plus 50 basis points at the time of preparation of this information, a good faith estimate of the Finance Charge of the Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the issuance of the Bonds), is \$3,284,655.00.

3. ***Amount of Proceeds to be Received.*** Assuming such aggregate principal amount of the proposed Bonds is sold and based on market interest rates prevailing plus 50 basis points at the time of preparation of this information, a good faith estimate of the amount of proceeds expected to be received by the issuer for sale of the Bonds less the Finance Charge of the Bonds described in 2 above and any reserves or capitalized interest paid or funded with proceeds of the Bonds, is \$296,824,429.15.

4. ***Total Payment Amount.*** Assuming such aggregate principal amount of the proposed Bonds is sold and based on market interest rates prevailing plus 50 basis points at the time of preparation of this information, a good faith estimate of the total payment amount, which means the sum total of all payments the issuer will make to pay debt service on the Bonds plus the Finance Charge of the Bonds described in paragraph 2 above not paid with the proceeds of the Bonds, calculated to the final maturity of the Bonds, is \$537,829,707.29.

Attention is directed to the fact that the foregoing information constitutes good faith estimates only. The actual interest cost, finance charges, amount of proceeds and total payment amount may vary from the estimates above due to variations from these estimates in the timing of Bond sales, the amount of Bonds sold, the amortization of the Bonds sold and market interest rates at the time of each sale. The date or dates of sale and the amount of Bonds sold will be determined by the issuer based on need for funds and other factors. The actual interest rates at which the Bonds will be sold will depend on the bond market at the time of sale. The actual amortization of the Bonds will also depend, in part, on market interest rates at the time of each sale. Market interest rates are affected by economic and other factors beyond the issuer's control.