

1 [Supporting Assurance Funding for the Central Subway Project]

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3 **Resolution supporting SFMTA's commitment to issue revenue bonds as assurance funding for the**  
4 **Central Subway Project in the event of any delay or other shortfall in the availability of funding.**

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6 WHEREAS, The San Francisco Municipal Transportation Agency's (SFMTA) Central Subway, Phase 2  
7 of the Third Street Light Rail Project (the Project), will complete a transit link connecting the southeastern sector  
8 of the City to the heart of San Francisco's retail and financial centers and Chinatown; and

9 WHEREAS, The Project will serve a low-income, transit-dependent population and provide access to  
10 jobs and services within the corridor, which is projected to see a 26 percent increase in population and a 61  
11 percent increase in employment by 2030; and

12 WHEREAS, The Project is one of only two top New Starts projects in the region included in the  
13 Metropolitan Transportation Commission's Regional Transportation Plan (Transportation 2035), is integral to the  
14 region's transportation future, and will improve connections between Caltrain, BART, Muni Metro and future  
15 California High Speed Rail; and

16 WHEREAS, The Project is poised to receive a federal full funding grant agreement representing the  
17 federal commitment of \$942 million in Federal Transit Administration (FTA) 5309 New Starts funds; and

18 WHEREAS, The Project is fully funded through a variety of local, state and federal sources, including  
19 Proposition 1A High Speed Rail (HSR) Connectivity Funds approved by the voters on November 4, 2008; under  
20 the formula provided in the High-Speed Rail Passenger Train Bond Act (codified in Streets and Highways Code  
21 §§ 2704 *et seq.*), SFMTA expects to receive approximately \$61 million for the Project; and

22 WHEREAS, The FTA is seeking additional assurance with regard to the availability of the HSR  
23 Connectivity funds given that these funds are subject to possible delay due to the timing of bond issuance by the  
24 State of California; and

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1           WHEREAS, The SFMTA currently has the authority under the City's Charter to issue revenue bonds to  
2 support SFMTA capital projects with the approval of the SFMTA Board of Directors and concurrence by the  
3 Board of Supervisors, and SFMTA has included \$300 million of revenue bonds as a source of revenue in its 20  
4 year Capital Improvement Plan; now, therefore, be it

5           RESOLVED, That the Board of Supervisors supports the SFMTA's determination to issue revenue  
6 bonds to serve as assurance funding in the event of any delay or other shortfall in Project funds, subject to  
7 approval by the SFMTA Board of Directors and concurrence by the Board of Supervisors.

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