

1 [New Money Revenue Bonds - Municipal Transportation Agency - Not to Exceed
2 \$300,000,000]

3 **Resolution authorizing the sale, issuance and execution of not to exceed \$300,000,000**
4 **aggregate principal amount on a tax-exempt or taxable basis of revenue bonds by the**
5 **Municipal Transportation Agency to provide funds to finance capital improvements for**
6 **the Municipal Transportation Agency's purposes, approving the form of certain**
7 **financing documents including a bond purchase contract, the sixth supplement to**
8 **indenture of trust, one or more escrow agreements, and a continuing disclosure**
9 **certificate; authorizing the taking of appropriate actions in connection therewith, as**
10 **defined herein, and related matters approving the forms of documents relating thereto,**
11 **as defined herein; approving the maximum interest thereon; finding that the**
12 **authorization and issuance of revenue bonds by the Agency is not a project under the**
13 **California Environmental Quality Act (CEQA), CEQA Guidelines, and San Francisco**
14 **Administrative Code, Chapter 31; and approving related matters, as defined herein.**

15
16 WHEREAS, The San Francisco Municipal Transportation Agency ("SFMTA") desires to
17 provide funds for SFMTA's purposes; and

18 WHEREAS, Pursuant to Section 8A.102(b)(13) of the Charter ("Charter") of the City
19 and County of San Francisco ("City"), the Board of Supervisors of the City and County of San
20 Francisco ("Board") may concur with the issuance of revenue bonds by the Board of Directors
21 ("Board of Directors") of the SFMTA without voter approval for any SFMTA-related purpose
22 and secured solely by SFMTA revenues, such revenue bonds to be issued and sold in
23 accordance with state law, the Charter or any procedure provided for by ordinance; and

24 WHEREAS, Pursuant to the procedures outlined in Article XIII of Chapter 43 of the San
25 Francisco Administrative Code ("Code"), the Board of Directors may issue revenue bonds

1 authorized in accordance with the Charter ("SFMTA Revenue Bonds"); and

2 WHEREAS, On December 15, 2020, the Board of Directors of the SFMTA approved
3 Resolution No. 2015-110 for, among other things, the issuance of new money revenue bonds
4 in an aggregate principal amount not to exceed \$300,000,000, and authorized and directed
5 the Executive Director of the SFMTA to seek Board of Supervisors concurrence with respect
6 to the issuance of such obligations; and

7 WHEREAS, In order to provide funds for new capital projects, the SFMTA desires to
8 issue its Revenue Bonds, in one or more series or subseries, on a taxable or tax-exempt
9 basis in an aggregate amount not to exceed \$300,000,000; and

10 WHEREAS, The SFMTA desires to enter into a form of Purchase Contract (as defined
11 below) with the underwriters to be named therein for the purpose of underwriting the Revenue
12 Bonds; and

13 WHEREAS, The SFMTA has been presented with the form of certain documents
14 related to the SFMTA Revenue Bonds, including the Sixth Supplement, the Purchase
15 Contract, one or more escrow agreements, and the Continuing Disclosure Certificate (all as
16 defined below, and collectively, the "Financing Documents"), and the SFMTA has examined
17 each document and desires to approve, authorize and direct the execution of such documents
18 and the consummation of such financing; and

19 WHEREAS, The provisions of the Financing Documents do not conflict with the
20 requirements of the Code; now, therefore, be it

21 RESOLVED, By the Board of Supervisors of the City and County of San Francisco, as
22 follows:

23 Section 1. Recitals. All of the recitals herein are true and correct.

24 Section 2. Approval and Authorization of SFMTA Revenue Bonds. The Board of
25 Directors hereby concurs with the issuance by the SFMTA of its Revenue Bonds in one or

1 more series or sub-series for the purposes of providing funds to finance capital projects for
2 SFMTA's purposes, and paying costs of issuance and other incidental costs, is hereby
3 approved as required by Section 43.13.4 of the Code. The total principal amount of the
4 SFMTA Revenue Bonds issued from time to time shall not exceed the aggregate principal
5 amount of \$300,000,000.

6 Section 3. No Conflicts with the Code. The SFMTA Revenue Bonds shall be issued
7 pursuant to the terms of the Financing Documents as each shall be approved as to form by
8 the City Attorney, which approval shall be conclusively evidenced by the signature of the City
9 Attorney on each such agreement; provided, that the terms of the Financing Documents shall
10 not conflict with the requirements of the Code.

11 Section 4. Maximum Interest Rate. Pursuant to Section 43.13.4(b) of the Code, the
12 maximum interest rate for the SFMTA Revenue Bonds shall not exceed 12% per annum.

13 Section 5. Approval of the Sixth Supplement and Authorization of the Trustee. The form
14 of a sixth supplement to indenture of trust ("Sixth Supplement"), supplementing that certain
15 Indenture of Trust dated July 1, 2012 ("Indenture"), by and between the SFMTA and U.S.
16 Bank National Association, as trustee or such other trustee selected by the Director of
17 Transportation of the SFMTA ("Director") or his designee, copies of which are on file with the
18 Clerk of the Board under File No. 210034 is hereby approved, with such changes, additions,
19 and modifications as the Director or his designee may make or approve in accordance with
20 Section 8 hereof.

21 Section 6. Approval of Bond Purchase Contract relating to the SFMTA Revenue Bonds.
22 The form of a bond purchase contract relating to the SFMTA Revenue Bonds ("Purchase
23 Contract"), a copy of which is on file with the Clerk of the Board under File No. 210034 is
24 hereby approved, with such changes, additions, and modifications as the Director or his
25 designee may make or approve in accordance with Section 8 hereof.

1 Section 7. Approval of the Continuing Disclosure Certificate. The form of a continuing
2 disclosure certificate of the SFMTA ("Continuing Disclosure Certificate"), a copy of which is on
3 file with the Clerk of the Board under File No. 210034 is hereby approved, with such changes,
4 additions, and modifications as the Director or his designee may make or approve in
5 accordance with Section 8 hereof.

6 Section 8. Modifications, Changes and Additions; Additional Agreements. The
7 approvals contained herein shall extend to any modifications, changes and additions to the
8 Sixth Supplement, the Purchase Contract and the Continuing Disclosure Certificate, and all
9 agreements of the Board of Directors supplemental thereto, as well as to such additional
10 agreements as the Board of Directors may adopt or the SFMTA may execute for the purpose
11 of implementing the issuance, sale and delivery of the SFMTA Revenue Bonds. The Director's
12 approval of such modifications, changes or additions, made upon consultation with the City
13 Attorney, shall be conclusively evidenced by the execution and delivery by the Director of the
14 Financing Documents; provided however any such modifications, changes or additions shall
15 be in accordance with the grant of authorization contained in this Resolution.

16 Section 9. Modification of Financial Covenants. Notwithstanding anything to the
17 contrary in this Resolution, the Director, with the advice of the municipal advisor to the
18 SFMTA, may approve modifications to the financial covenants set forth in the Financing
19 Documents, including but not limited to budget and revenue covenants, additional debt
20 covenants and the definition of "Pledged Revenues" to the extent such revisions are deemed
21 necessary or desirable by the Director for the issuance of the SFMTA Revenue Bonds based
22 on consultation with the SFMTA's municipal advisor.

23 Section 10. CEQA. On January 27, 2021, the Planning Department made the following
24 finding in compliance with the California Environmental Quality Act (CEQA), California Public
25 Resources Code, Sections 21000 et seq., the CEQA Guidelines, 15 Cal. Administrative Code,

1 Sections 15000 et seq., (CEQA Guidelines), and San Francisco Administrative Code, Chapter
2 31 (Chapter 31); that the issuance of the SFMTA Revenue Bonds by the SFMTA is not
3 subject to CEQA because as the establishment of a government financing mechanism that
4 does not identify individual specific projects to be constructed with the funds, it is not a project
5 as defined by CEQA and the CEQA Guidelines, which determination is contained in Board of
6 Supervisors File No. 210034, and this Board concurs with this determination.

7 Section 11. General Authority. The Director, Controller of the City, the City Attorney,
8 and all other appropriate officers, employees, representatives and agents of the City are
9 hereby authorized and directed to do everything necessary or desirable to provide for the
10 issuance of the SFMTA Revenue Bonds; provided however, the authorization herein provided
11 is subject to the approval by the SFMTA of a form of Preliminary Official Statement prepared
12 in connection with the issuance of the Revenue Bonds.

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14 APPROVED AS TO FORM:

15 DENNIS J. HERRERA, City Attorney

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17 By /s/ Mark D. Blake
18 MARK D. BLAKE
19 Deputy City Attorney

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