

1 [Administrative Code – San Francisco Municipal Transportation Agency Revenue Bond]

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3 **Ordinance amending the San Francisco Administrative Code by adding Chapter 43,**
4 **Article XIII, Sections 43.13.1 through 43.13.8, to authorize the issuance of revenue bonds**
5 **by the San Francisco Municipal Transportation Agency.**

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7 The City and County of San Francisco (the “City”) is a municipal corporation and
8 chartered city and county duly organized and existing under a charter pursuant to which the
9 City has the right and power to make and enforce all laws and regulations in respect to
10 municipal affairs and certain other matters in accordance with and as more particularly
11 provided in Sections 3, 5 and 7 of Article XI of the Constitution of the State of California and
12 Section 1.101 of the Charter of the City (the “Charter”).

13 Pursuant to Section 8A.102(b)(13) of the Charter, the San Francisco Municipal
14 Transportation Agency (the “SFMTA”) is authorized with the concurrence of the Board of
15 Supervisors of the City (the “Board”) to issue revenue bonds or other obligations for any
16 SFMTA purpose provided: (a) the Controller first certifies that sufficient unencumbered
17 balances are expected to be available in the proper fund to meet all payments under such
18 obligations as they become due; and (b) any debt obligation, if secured, is secured by
19 revenues or assets under the jurisdiction of the SFMTA.

20 Pursuant to the Charter, this Article sets forth a procedure by which the SFMTA may
21 issue revenue bonds for any SFMTA-related purpose and secured solely by SFMTA
22 revenues.

23 The Board of Supervisors hereby finds that this Article is consistent with the Charter
24 and other applicable law and in furtherance of the purpose of SFMTA as an enterprise
25 department of the City that manages the City’s transportation system.

Section 43.13.1

This Article shall be known as the San Francisco Municipal Transportation Agency
Revenue Bond Law.

1 Section 43.13.2

2 For purposes of this Article, the following terms shall have the meanings given below:

- 3 (a) The term “Board” shall mean the Board of Supervisors of the City.
- 4 (b) The term “Board of Directors” shall mean the Board of Directors of the SFMTA.
- 5 (c) The term “Charter” shall mean the Charter of the City.
- 6 (d) The term “City” shall mean the City and County of San Francisco.
- 7 (e) The term “Director of Transportation” shall mean the Director of Transportation
- 8 of the SFMTA, or his/her designee, or any successor to that Office.
- 9 (f) The term “SFMTA” shall mean the San Francisco Municipal Transportation
- 10 Agency of the City.

11 Section 43.13.3

12 The general authority provided in this Article is intended to be in addition to, and not

13 limited by, specific provisions authorizing the issuance of bonds, notes or other evidences of

14 indebtedness and is separate and complete authority for the actions authorized in this Article.

15 Section 43.13.4

16 (a) Subject to the approval, amendment or rejection of the Board in each instance,

17 the Board of Directors shall have authority to issue revenue bonds for any SFMTA-related

18 purpose, including but not limited to new capital improvements and refundings (including the

19 refunding of bonds issued by The Parking Authority of the City and County of San Francisco

20 or nonprofit corporations), and secured solely by revenues available to the SFMTA and

21 pledged by the SFMTA to such bonds, under such terms and conditions as the Board of

22 Directors may authorize by resolution. Refunding revenue bonds may be issued to further

23 any SFMTA purpose, including but not limited to the refunding of obligations issued or entered

24 into by corporations or The Parking Authority of the City and County of San Francisco to

25 finance parking garages, and the Board of Directors may by resolution approve such

 refundings based on parameters for debt service savings or other benefits from such

 refundings (notwithstanding any other savings test in this Article 43 or in any other law).

1 (b) Revenue bonds issued pursuant to this Article shall bear a rate of interest not to
2 exceed the maximum legal rate of interest and shall be prescribed by resolution of the Board
3 of Directors.

4 (c) Revenue bonds issued pursuant to this Article may be sold at either competitive
5 or negotiated sale as the Board of Directors may determine by resolution and such
6 determination may be delegated by the Board of Directors to the Director of Transportation.

7 (d) In connection with the issuance of any revenue bonds issued pursuant to this
8 Article, the Board of Directors may enter into credit enhancement or liquidity agreements.

9 (e) In connection with the issuance of any revenue bonds pursuant to this Article,
10 the Board of Directors may appoint such agents and other professionals as necessary or
11 desirable.

12 Section 43.13.5.

13 (a) Revenue bonds issued pursuant to this Article may be secured by the gross
14 revenues (including parking garage and parking meter revenues and excluding general fund
15 transfers and including or excluding any other portion of the revenues as may be particularly
16 described in the related documents) of the SFMTA, in each case as provided in the
17 documentation for such revenue bonds. Revenue bonds issued pursuant to this Article shall
18 be special obligations of the SFMTA, payable as to principal and interest solely out of
19 revenues of the SFMTA expressly pledged therefor. The general fund of the City shall not be
20 liable for the payment of such revenue bonds, and neither the credit nor taxing power of the
21 City, the State of California or any political subdivision thereof shall be pledged to the payment
22 of the principal of or interest on the revenue bonds. No holder of a revenue bond shall have
23 the right to compel the exercise of the taxing power of the City, the State of California or any
24 political subdivision thereof to pay the revenue bonds or the interest thereon.

25 (b) Revenue bonds issued pursuant to this Article shall not be included in the
bonded debt limit provided for in Section 9.106 of the Charter. Nothing in this Article shall
prevent the City from issuing general obligation bonds for the purpose of acquiring,
constructing, improving or developing transit, transportation and/or related facilities, subject to
the general obligation bond issue procedure provided for in the Charter.

1 (c) Notwithstanding anything to the contrary in this Article XIII, Chapter 43, the
2 requirements and limitations set forth in Sections 9.107, 9.108 and 9.109 of the Charter shall
3 in no way limit the authority of the SFMTA to issue revenue bonds or refunding revenue
4 bonds.

5 (d) The Board of Directors may by resolution authorize the issuance of bonds,
6 certificates of participation or other types of debt obligations to refund any bond issued or
7 permitted to be refunded pursuant to the provisions of this Article VIII. Said resolution shall
8 set forth the benefits and the purpose for the issuance of such refunding obligations.

9 (e) In addition to revenue bonds as described herein, the Board of Directors by
10 resolution may determine to issue revenue bonds, special facility revenue bonds, notes or
11 commercial paper, and related credit enhancement or liquidity facilities, secured by a parity or
12 subordinate lien on all or a portion of the revenues of the SFMTA, in each case as provided in
13 the related documents for such obligation. The authorization and issuance of such obligations
14 shall be entitled to the same rights and benefits, and shall be subject to the same parameters
15 and procedures, as are set forth herein for revenue bonds.

16 Section 43.13.6

17 (a) Any action by the Board of Directors or the City to determine, or any action by
18 an interested person challenging, the validity of the SFMTA's revenue bonds shall be brought
19 pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the California
20 Code of Civil Procedure.

21 (b) For the purposes of Section 860 of the Code of Civil Procedure, any action
22 initiated pursuant to this section shall be brought in the Superior Court of the City and County
23 of San Francisco.

24 Section 43.13.7

25 The powers conferred by the provisions of this Article are in addition to and
supplemental to the powers conferred by the Charter or any other ordinance or law.

Section 43.14.8.

The Mayor, the Director of Transportation, the City Attorney, the Controller of the City,
the Treasurer of the City, the City Administrator, the Clerk of the Board and other officers of

1 the City and their duly authorized deputies and agents are hereby authorized and directed,
2 jointly and severally, to take such actions and to execute and deliver such certificates,
3 agreements, requests or other documents, as they may deem necessary or desirable to
4 facilitate the purposes of this Section XIII of Chapter 43.

5 APPROVED AS TO FORM:
6 DENNIS J.HERRERA, City Attorney
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9 By: _____
10 MARK D. BLAKE
11 Deputy City Attorney
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