

1 [Refunding Revenue Bonds - Municipal Transportation Agency - Not to Exceed \$185,000,000]

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3 **Resolution authorizing the sale, issuance and execution of not to exceed \$185,000,000**
4 **aggregate principal amount on a tax-exempt or taxable basis of refunding revenue**
5 **bonds by the Municipal Transportation Agency to refinance all or a portion of**
6 **outstanding bonds, approving the form of certain financing documents including the**
7 **bond purchase contract, the fifth supplement to indenture of trust, one or more escrow**
8 **agreements, and a continuing disclosure certificate; authorizing the taking of**
9 **appropriate actions in connection therewith; and related matters approving the forms**
10 **of documents relating thereto; approving the maximum interest thereon; finding that**
11 **the authorization and issuance of refunding revenue bonds by the agency is not a**
12 **project under CEQA, CEQA Guidelines, and San Francisco Administrative Code,**
13 **Chapter 31; and related matters, as defined herein.**

14
15 WHEREAS, The San Francisco Municipal Transportation Agency ("SFMTA") desires to
16 refinance all or a portion of: (i) \$37,960,000 San Francisco Municipal Transportation Agency
17 Revenue Bonds, Series 2012A; (ii) \$25,835,000 San Francisco Municipal Transportation
18 Agency Revenue Bonds, Series 2012B; (iii) \$75,440,000 San Francisco Municipal
19 Transportation Agency Revenue Bonds, Series 2013; and (iv) \$70,605,000 San Francisco
20 Municipal Transportation Agency Revenue Bonds, Series 2014 (collectively, the "Prior
21 Bonds") and provide funds for SFMTA's purposes; and

22 WHEREAS, Pursuant to Section 8A.102(b)(13) of the Charter ("Charter") of the City and
23 County of San Francisco ("City"), the Board of Supervisors of the City and County of San
24 Francisco ("Board") may authorize the issuance of revenue bonds by the Board of Directors
25 ("Board of Directors") of the SFMTA without voter approval for any SFMTA-related purpose and

1 secured solely by SFMTA revenues, such revenue bonds to be issued and sold in accordance
2 with state law, the Charter or any procedure provided for by ordinance; and

3 WHEREAS, Pursuant to the procedures outlined in Article XIII of Chapter 43 of the San
4 Francisco Administrative Code ("Code"), the Board of Directors may issue revenue bonds
5 authorized in accordance with the Charter ("SFMTA Refunding Revenue Bonds"); and

6 WHEREAS, In order to refund the Prior Bonds, the SFMTA proposes to issue SFMTA
7 Refunding Revenue Bonds, in one or more series or subseries, on a taxable or tax-exempt
8 basis in an aggregate amount not to exceed \$185,000,000 aggregate principal amount of
9 refunding revenue bonds ("Refunding Bonds") to refinance all or a portion of the Prior Bonds;
10 and

11 WHEREAS, The SFMTA has determined to issue the Refunding Bonds on a
12 negotiated basis pursuant to a Bond Purchase Contract (as defined below) in substantially the
13 form submitted with this Resolution with the underwriters to be named therein; and

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

20 WHEREAS, The provisions of the Financing Documents do not conflict with the
21 requirements of the Code; and

22 WHEREAS, The Board desires to confirm that proceeds of the new Traffic Congestion
23 Mitigation Tax levied by the City and allocable to the SFMTA pursuant to Article 32 of the
24 City's Business and Tax Regulations Code ("Agency Traffic Congestion Mitigation Tax
25 Proceeds") constitute Pledged Revenues under the Indenture (defined below); and

1 WHEREAS, The Board of Directors of the SFMTA approved on December 15, 2020, a
2 resolution authorizing the issuance of Refunding Bonds in an amount not to exceed
3 \$185,000,000, and approved the forms of documents named in such resolution; now,
4 therefore, be it

5 RESOLVED, By the Board of Supervisors of the City and County of San Francisco, as
6 follows:

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

8 Section 2. Approval and Authorization of SFMTA Refunding Revenue Bonds. The
9 issuance by the Board of Directors of the SFMTA Refunding Revenue Bonds in one or more
10 series or sub-series for the purposes of refinancing all or a portion of the Prior Bonds,
11 providing funds for SFMTA's purposes, and paying costs of issuance and other incidental
12 costs, is hereby approved as required by Section 43.13.4 of the Code. The total principal
13 amount of the SFMTA Revenue Bonds issued from time to time shall not exceed the
14 aggregate principal amount of not to exceed \$185,000,000 aggregate principal amount of
15 Refunding Bonds; provided however, the SFMTA shall not cause an issuance of Bonds
16 authorized hereunder until the SFMTA Board of Directors shall have approved the form of
17 Preliminary Official Statement prepared in connection with the sale of Refunding Bonds.

18 Section 3. No Conflicts with the Code. The SFMTA Refunding Revenue Bonds shall be
19 issued pursuant to the terms of the Financing Documents as each shall be approved as to
20 form by the City Attorney, which approval shall be conclusively evidenced by the signature of
21 the City Attorney on each such agreement; provided, that the terms of the Financing
22 Documents shall not conflict with the requirements of the Code.

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

1 Section 5. Approval of the Fifth Supplement and Authorization of the Trustee. The form
2 of a fifth supplement to indenture of trust ("Fifth Supplement"), supplementing that certain
3 Indenture of Trust dated July 1, 2012 ("Indenture"), by and between the SFMTA and U.S.
4 Bank National Association, as trustee or such other trustee selected by the Director of
5 Transportation of the SFMTA ("Director") or his designee, copies of which are on file with the
6 Clerk of the Board under File No. 201397 is hereby approved, with such changes, additions,
7 and modifications as the Director or his designee may make or approve in accordance with
8 Section 9 hereof.

9 Section 6. Approval of Bond Purchase Contract relating to the SFMTA Refunding
10 Revenue Bonds. The form of a bond purchase contract relating to the SFMTA Refunding
11 Revenue Bonds ("Bond Purchase Contract"), a copy of which is on file with the Clerk of the
12 Board under File No. 201397 is hereby approved, with such changes, additions, and
13 modifications as the Director or his designee may make or approve in accordance with
14 Section 9 hereof.

15 Section 7. Approval of the Escrow Agreements. The form of one or more escrow
16 agreements ("Escrow Agreements") between the SFMTA and U.S. Bank National Association
17 as escrow agent, a copy of which is on file in preliminary form with the Clerk of the Board under
18 File No. 201397 is hereby approved, with such changes, additions and modifications as the
19 Director or his designee may make or approve in accordance with Section 9 hereof.

20 Section 8. Approval of the Continuing Disclosure Certificate. The form of a continuing
21 disclosure certificate of the SFMTA ("Continuing Disclosure Certificate"), a copy of which is on
22 file with the Clerk of the Board under File No. 201397 is hereby approved, with such changes,
23 additions, and modifications as the Director or his designee may make or approve in
24 accordance with Section 9 hereof.

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1 Section 9. Pledged Revenues. The Board hereby confirms that Agency Traffic
2 Congestion Mitigation Tax Proceeds constitute Pledged Revenues under the Indenture.

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

15 Section 11. Modification of Financial Covenants. Notwithstanding anything to the
16 contrary in this Resolution, the Director, with the advice of the municipal advisor to the
17 SFMTA, may approve modifications to the financial covenants set forth in the Financial
18 Documents, including but not limited to budget and revenue covenants, additional debt
19 covenants and the definition of "Pledged Revenues" to the extent such revisions are deemed
20 necessary or desirable by the Director for the issuance of the SFMTA Refunding Revenue
21 Bonds based on advice from the municipal advisor.

22 Section 12. CEQA. On January 12, 2021, the Planning Department made the following
23 finding in compliance with the California Environmental Quality Act (CEQA), California Public
24 Resources Code, Sections 21000 et seq., the CEQA Guidelines, 15 Cal. Administrative Code,
25 Sections 15000 et seq., (CEQA Guidelines), and San Francisco Administrative Code, Chapter

1 31 (Chapter 31); that the issuance of the SFMTA Refunding Revenue Bonds by the SFMTA is
2 not subject to CEQA because as the establishment of a government financing mechanism that
3 does not identify individual specific projects to be constructed with the funds, it is not a project
4 as defined by CEQA and the CEQA Guidelines, which determination is contained in Board of
5 Supervisors File No. 201397, and this Board concurs with this determination.

6 Section 13. General Authority. The Director, Controller of the City, the City Attorney,
7 and all other appropriate officers, employees, representatives and agents of the City are
8 hereby authorized and directed to do everything necessary or desirable to provide for the
9 issuance of the SFMTA Refunding Revenue Bonds.

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11 APPROVED AS TO FORM:
12 DENNIS J. HERRERA, City Attorney

13 By: /s/ MARK D. BLAKE
14 MARK D. BLAKE
15 Deputy City Attorney

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