

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. 201215-110

WHEREAS, Pursuant to Section 8A.102(b)(13) of the Charter (“Charter”) and Chapter 43 of the Administrative Code of the City and County of San Francisco (“City”), the San Francisco Municipal Transportation Agency (“SFMTA”) may issue revenue bonds and other debt instruments, with the concurrence of the Board of Supervisors of the City (the “Board”) and without voter approval, such bonds to be issued in accordance with state law and any procedure provided for by ordinance; and

WHEREAS, The SFMTA desires to refinance all or a portion of: (i) \$37,960,000 San Francisco Municipal Transportation Agency Revenue Bonds, Series 2012A; (ii) \$25,835,000 San Francisco Municipal Transportation Agency Revenue Bonds, Series 2012B; (iii) \$75,440,000 San Francisco Municipal Transportation Agency Revenue Bonds, Series 2013; and (iv) \$70,605,000 San Francisco Municipal Transportation Agency Revenue Bonds Series 2014 (collectively, the “Prior Bonds”) and to provide funds to finance the costs of SFMTA new capital projects; and

WHEREAS, In order to refund the Prior Bonds and to provide funds for new capital projects, the SFMTA desires to issue its revenue bonds, in one or more series or subseries, on a taxable or tax-exempt basis in an aggregate amount not to exceed \$485,000,000 (“Bonds”), comprised of: (i) not to exceed \$185,000,000 aggregate principal amount of refunding revenue bonds (“Refunding Bonds”) to refinance all or a portion of the Prior Bonds; and (ii) not to exceed \$300,000,000 aggregate principal amount of new money revenue bonds (“New Money Bonds”) to provide funds for SFMTA purposes; including in each case such, amounts necessary to pay associated financing costs; and

WHEREAS, The SFMTA has been presented with the form of certain documents related to the revenue bonds, including the Fifth Supplement, the Purchase Contract, one or more Escrow Agreements, and the Continuing Disclosure Certificate (all as defined below, and collectively, the “Financing Documents”); and

WHEREAS, On December 3, 2020, the SFMTA, under authority delegated by the Planning Department, determined that the Refunding Bonds and New Money Bonds as described above are not a “project” under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b); and

WHEREAS, A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by reference; and

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

RESOLVED, That all of the recitals herein are true and correct and constitute findings of this Board; and be it

FURTHER RESOLVED, That the SFMTA Board of Directors approves the issuance in one or more series or sub-series of San Francisco Municipal Transportation Agency Revenue Bonds on a taxable or tax-exempt basis in an amount not to exceed \$485,000,000, which includes the issuance of not to exceed \$185,000,000 aggregate principal amount of Refunding Bonds to refinance all or a portion of the Prior Bonds and up to \$300,000,000 aggregate principal amount of New Money Bonds to provide funds to pay the costs of SFMTA capital projects or improvements, including in each case such amounts necessary to pay various financing costs, and, be it

FURTHER RESOLVED, That the Board of Directors hereby approves the form of Financing Documents submitted to this Board, including but not limited to, that certain Fifth Supplement ("Fifth Supplement"), supplementing that certain Indenture of Trust dated July 1, 2012 ("Indenture"), by and between the SFMTA and U.S. Bank National Association, as successor trustee ("Trustee"). The Bonds may be issued in one or more series or sub-series on one or more dates, on a tax-exempt or taxable basis. The Trustee is authorized to cause the registration and authentication of the Bonds in accordance with the Indenture. The Director of Transportation of the SFMTA is authorized and directed to: (i) determine the aggregate principal amount of Bonds to be issued from time to time (subject to the maximum amount and further limitations and conditions set forth herein); (ii) determine the various titles and series designations of the Bonds; (iii) determine whether to establish a reserve account for one more series of Bonds; and (iv) determine the redemption provisions of the Bonds. The Bonds shall bear interest rates not to exceed 12 percent per annum, and shall mature no later than 30 years from their date of issuance. The form of the Bonds, in substantially the form set forth in the Fifth Supplement presented to this meeting, is approved; and be it

FURTHER RESOLVED, That the Director of Transportation is authorized to approve and to execute the Bonds, by manual or facsimile signature, and the Secretary of the Board of Directors is authorized to attest, by manual or facsimile signature, with such changes, additions, amendments or modifications thereto which they may approve, with the advice of the City Attorney and Co-Bond Counsel, such approval to be conclusively evidenced by the issuance of the Bonds, provided however that the Director of Transportation is not authorized to cause the issuance of Bonds hereunder until the Board of Supervisors shall have concurred by resolution with the issuance of the Bonds, and the Director of Transportation shall have presented to this Board for approval a form of Preliminary Official Statement and secondary market undertaking; and provided further that the Director of Transportation shall not proceed with the issuance of Refunding Bonds unless such transaction achieves debt service savings of at least three percent

(three percent) of the par value of the refunded bonds on a net present value basis in aggregate; and; and be it

FURTHER RESOLVED, That the form of one or more escrow agreements (“Escrow Agreements”) between the City and U.S. Bank National Association as escrow agent (“Escrow Agent”), as presented to the Board of Directors, a copy of which is on file with the Secretary of the Board of Directors, is approved. The Director of Transportation or his designee is authorized to execute the Escrow Agreements, with such changes, additions and modifications as he may make or approve in accordance with this Resolution; and be it

FURTHER RESOLVED, That the Director of Transportation is authorized to cause a sale of the Bonds by means of a negotiated sale with an underwriter or underwriters selected in accordance with City contracting procedures. The form of a bond purchase contract (“Purchase Contract”), as presented to the Board of Directors, a copy of which is on file with the Secretary of the Board of Directors, is approved. The Director of Transportation is authorized to make such changes, additions and modifications to the Purchase Contract as the Director of Transportation may make or approve in accordance with this Resolution; provided, however, that the Underwriters’ discount under the Purchase Contract shall not exceed 0.50% of the principal amount of the Bonds and the Director of Transportation presents such Purchase Contract to this Board for approval showing final changes, additions or modifications prior to the sale of the Bonds; and be it

FURTHER RESOLVED, That the form of the continuing disclosure certificate of the City (“Continuing Disclosure Certificate”), as presented to the Board of Directors, a copy of which is on file with the Secretary of the Board of Directors, is approved. The Director of Transportation or his designee is authorized to execute the Continuing Disclosure Certificate, with such changes, additions, and modifications as he may make or approve in accordance with this Resolution; and be it

FURTHER RESOLVED, That the City Controller, the City Treasurer, the Director of Transportation, the City Attorney, and all other appropriate officers, employees, representatives, and agents of the City are authorized to do everything necessary or desirable to provide for the issuance of the Bonds, including, but not limited to, executing and delivering such certificates and other documents as they may deem necessary or advisable, including, without limitation, any custody agreements required by the Trustee; and be it

FURTHER RESOLVED, That the Director of Transportation is authorized to approve and make such modifications, changes, or additions to the Fifth Supplement, the Purchase Contract, the Continuing Disclosure Certificate, or the Escrow Agreements, upon consultation with the City Attorney and Co-Bond Counsel, as may be necessary or desirable in the interests of the SFMTA, and which changes are within the parameters of this Resolution. The Director of Transportation’s approval of such modifications, changes, additions, or deletions shall be conclusively evidenced by (i) final approval by this Board, and thereafter (ii) the execution and delivery by the Director of Transportation of the Financing Documents. The Director of

Transportation is further authorized to take any actions or make any decisions necessary to maximize the financial advantages to be realized in connection with the issuance of the Bonds; and be it

FURTHER RESOLVED, That the Director of Transportation is authorized to cause a resolution to be prepared and submitted to the Board of Supervisors seeking their concurrence with respect to the issuance of Bonds by the SFMTA in accordance with Charter Section 8A.102(b)(13); and be it

FURTHER RESOLVED, That Section 5.01 of the Indenture and Section 3.01 of the Fifth Supplement, both of which set forth the disposition of Pledged Revenues (as defined in the Indenture) applicable to SFMTA's bonds issued pursuant to the Indenture, as supplemented, are hereby confirmed by the Director of Transportation and the Director of Transportation further confirms, pledges and covenants with the holders of the Bonds that the Pledged Revenues shall be appropriated and expended in the order of priority set forth in Section 5.05 of the Indenture, as the same may be amended from time to time, and be it

FURTHER RESOLVED, That this Board of Directors hereby confirms that Agency Traffic Congestion Mitigation Tax Proceeds constitute Pledged Revenues under the Indenture, and be it

FURTHER RESOLVED, That, notwithstanding anything to the contrary in this Resolution, the Director of Transportation, with the advice of the municipal advisor to the SFMTA, may approve modifications to the financial covenants set forth in the Financing Documents, to the extent such revisions are deemed necessary or desirable by the Director of Transportation for the issuance of the Bonds based on advice from the SFMTA's municipal advisor; provided, however, that any such modifications or revisions shall not materially increase the financial or operational risks to the SFMTA and shall otherwise be subject to the terms hereof; and be it

FURTHER RESOLVED, That if any section, subsection, sentence, clause, phrase, or word of this resolution, or any application thereof to any person or circumstance, is held to be invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision shall not affect the remaining portions or applications of this resolution; the Board of Directors declares that it would have passed this resolution and each and every section, subsection, sentence, clause, phrase, or word of this resolution not declared invalid or unconstitutional without regard to whether any other portion of this resolution or application thereof without regard to whether any other portion of this resolution or application thereof would be subsequently declared invalid or unconstitutional; and be it

FURTHER RESOLVED, That the documents presented to the Board of Directors are on file with the Secretary of the Board of Directors.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of December 15, 2020.

Caroline Celaya

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency