

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. 210615-085

WHEREAS, The City and County of San Francisco (City) is a member agency of the Peninsula Corridor Joint Powers Board (JPB) and is required to contribute to the operating costs of Caltrain and for the costs of JPB capital projects as set forth in the JPB Joint Powers Agreement; and,

WHEREAS, As the transportation agency for the City, the San Francisco Municipal Transportation Agency (SFMTA) is responsible for paying the City's portion of these costs through its Operating Budget; and,

WHEREAS, In 2019, the JPB undertook a plan of financing that included (i) the issuance of farebox revenue bonds, comprised of \$47,635,000 aggregate principal amount of Peninsula Corridor Joint Powers Board Farebox Revenue Bonds, 2019 Series A (2019 Farebox Bonds) in order to achieve debt service savings and certain other benefits; (ii) an increase in the amount of the JPB's existing revolving credit facility with an affiliate of JP Morgan Chase Bank, N.A. for the Peninsula Corridor Electrification Project (PCEP) from \$150,000,000 to \$170,000,000 (Existing PCEP Credit Facility); and (iii) an additional \$30,000,000 revolving credit facility with the same affiliate of JP Morgan Chase Bank, N.A. for working capital (Existing Working Capital Credit Facility and, together with the Existing PCEP Credit Facility, the Existing Credit Facilities); and,

WHEREAS, On November 3, 2020, the voters in the City and County of San Francisco, San Mateo County and Santa Clara County approved Measure RR, which will provide the JPB with a dedicated revenue source consisting of a 1/8th cent sales and use tax on taxable transactions in those counties (Measure RR Sales Tax); and,

WHEREAS, Collection of the Measure RR Sales Tax will commence on July 1, 2021 and expire in 30 years on June 30, 2051; and,

WHEREAS, To facilitate operations and completion of capital projects, the JPB intends to proceed with a financing plan (2021 Financing Plan) that utilizes and leverages the Measure RR Sales Tax and consists of (i) restructuring and replacing the Existing Credit Facilities in the aggregate amount of \$200,000,000, (ii) the issuance of sales tax revenue bonds for additional PCEP costs in an aggregate principal amount not to exceed \$140,000,000 and (iii) the potential refinancing of the 2019 Farebox Bonds with sales tax revenue refunding bonds in an aggregate principal amount not to exceed \$75,000,000, as further described below; and,

WHEREAS, Pursuant to the 2021 Financing Plan, JPB intends to (a) replace the Existing PCEP Credit Facility with a new revolving credit facility in an amount not to exceed \$100,000,000 at any one time for the same purposes as the Existing PCEP Credit Facility (Replacement PCEP Credit Facility), and replace the Existing Working Capital Credit Facility with a new revolving credit facility in an amount not to exceed \$100,000,000 at any one time to

finance working capital expenses and to make up for potential revenue shortfalls due to the timing of receipt of Measure RR Sales Tax revenues (Replacement Working Capital Credit Facility and together with the Replacement PCEP Credit Facility, Replacement Credit Facilities), each from Wells Fargo, National Association or an affiliate thereof, (b) issue certain sales tax revenue bonds in an aggregate principal amount not to exceed \$140,000,000, to fund a portion of additional capital costs associated with completing PCEP, capitalized interest through the expected commencement of revenue service and transaction costs, and (c) issue sales tax revenue refunding bonds in an aggregate principal amount not to exceed \$75,000,000 to refinance the 2019 Farebox Bonds, in whole or in part, at such time that such refunding produces debt service savings; and,

WHEREAS, The JPB expects that the 2021 Financing Plan, by relying on Measure RR sales tax revenues, will reduce the annual contributions for operations and for capital projects required to be provided by the City and each of the other member agencies; and,

WHEREAS, On January 8, 2015, the JPB Board of Directors approved Resolution No. 2015- 03, certifying the PCEP Final Environmental Impact Report (FEIR), and Resolution No. 2015-04, adopting and approving CEQA Findings, a Statement of Overriding Considerations to address Significant and Unavoidable Impacts identified in the FEIR, and a Mitigation Monitoring and Reporting Program (MMRP); subsequently, the JPB Board approved the PCEP under Resolution No. 2015-04; and,

WHEREAS, On May 16, 2017, the SFMTA Board Of Directors also adopted CEQA findings in its Resolution No. 170516-065; and,

WHEREAS, The resolution authorization falls within the scope of the PCEP FEIR; and,

WHEREAS; There have been no substantial changes to the PCEP or the circumstances under which the PCEP is being undertaken, nor substantial new information that would require subsequent or supplemental environmental review, beyond the PCEP FEIR; and,

WHEREAS, The PCEP FEIR is on file with the SFMTA Board of Directors, may be found in the records of the Planning Department at <https://sfplanning.org/> and 49 South Van Ness Avenue, Suite 1400 in San Francisco; and,

WHEREAS, The CEQA findings contained in SFMTA Board of Directors Resolution 170516-065, including any mitigation measures within the jurisdiction of the SFMTA and as are applicable to this action, are hereby incorporated herein by reference; and,

WHEREAS, The Board of Supervisors is required to approve the 2021 Financing Plan pursuant to Section 6586.5 of the Government Code of the State of California; now therefore be it

RESOLVED, That the SFMTA Board recommends that the Board of Supervisors approve the 2021 Financing Plan; and be it further

RESOLVED, That the SFMTA Board authorizes the Director of Transportation or his designee to execute any documents which may be necessary to complete this transaction.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of June 15, 2021.



Secretary to the Board of Directors
San Francisco Municipal Transportation Agency