



SFMTA
Municipal
Transportation
Agency

REVENUE BOND Policies & Procedures

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(revisions highlighted in red)

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1 Scope and Application

1.1 Purpose

The purpose of the San Francisco Municipal Transportation Agency's (SFMTA) Revenue Bond Procedures Manual is to document the policies and procedures utilized in the management of the Agency's Revenue Bond program.

The aim of the established policies and procedures are to:

- Finance capital projects for SFMTA in a timely and cost-effective manner;
- Manage debt effectively;
- Retain financial flexibility;
- Maintain compliance with the SFMTA's Board approved debt policy; and
- Maintain compliance with relevant laws, regulations, and disclosure requirements.

1.2 Revenue Bond Background

In 2007, San Francisco voters approved Proposition A, which allows SFMTA to issue bonds. The SFMTA Board of Directors must authorize each issuance, the Board of Supervisors must concur with the issuance and the Controller's Office must certify that SFMTA has the ability to incur the debt and pay the annual debt service. Funds raised by selling bonds can fund many transportation improvement projects focusing on Muni service and related facilities, parking garages, and pedestrian safety and bicycle infrastructure subject to revenue bond legal requirements. Debt financings cannot be used to fund SFMTA operating costs.

1.3 SFMTA Revenue Bond Program Authorization and Documentation

Legal authorization for debt is provided by the City Charter, Administrative Code, and Proposition A passed by the voters of the City and County of San Francisco. The SFMTA Board approves all debt financings. The Capital Planning Committee (CPC) and the Mayor's Budget Analyst review proposed debt issues prior to Board of Supervisors (BOS) concurrence. The individual projects to be financed by revenue bonds must be part of the SFMTA Board approved 5-year Capital Improvement Plan. See Appendix 3.1 for authorization legislation for SFMTA's Revenue Bond Program. The SFMTA's Board approved debt policy governs the SFMTA Revenue Bonds.

<http://www.sfmta.com/protected/Debtpolicyrevised4213.pdf>

1.4 Trust Indenture

Revenue bonds issued are subject to the provisions of a Trust Indenture, or a similar agreement, for the protection of the bondholders, which may require certain proceeds to be held in trust by a Trustee. Bond proceeds may be held by the Trustee or the City Treasurer. Proceeds are invested pursuant to the Trust Indenture, SFMTA, and CCSF investment policies.

The Trustee sets up funds pursuant to the Trust Indenture.

Responsibilities of the Trustee include providing a monthly accounting for each bond series and fund, collecting funds from the SFMTA to hold for purposes of paying principal and interest when due, investing idle funds, monitoring compliance with the Trust Indentures, and paying the required principal and interest amounts when due to the fiscal agent pursuant to the Official Statements, Trust Indenture, and other bond issuance documents.

1.5 SFMTA Reimbursement Resolution

Federal tax law requires that public agencies declare their reasonable official intent to reimburse prior expenditures with bonds proceeds issued to acquire or improve capital projects if applicable.

To do so, a public entity must pass a Reimbursement Resolution that allows the local jurisdiction to pay costs for a project out of current cash flow and reimburse that initial account with bond proceeds sold at a later date. Once adopted by the SFMTA Board, a Reimbursement Resolution authorizes the Director of Transportation to permit reimbursement from bond proceeds for cash expenditures made no earlier than 60 days prior to the adoption of the Reimbursement Resolution and no later than eighteen months after the later of the date of the expenditure or the date that the project was placed in service and in no event later than three years after the expenditure was paid. Once the bonds are issued and the bond proceeds are received, the actual reimbursement should occur within 30 days.

2 Policies

The policies herein provide general guidelines for the use and application of Revenue Bonds at the SFMTA. These policies support the procedures defined in Section 3.

2.1 When to Use Revenue Bond Funds

Revenue bond funds are intended to support cash flow needs for the construction of capital projects that have an average asset useful life approximately equal to the term of the bonds and for projects that can expend bond proceeds within a three year window.

Authorization to use revenue bonds for specific projects is supported by Section 1.3.

2.2 Timing of New Issuances

Timing of new revenue bond issuances will take into consideration the expenditures from previous issuances, remaining bond proceeds, availability of other funds as well as the need within the SFMTA Board approved Capital Plan and Capital Improvement Program.

2.3 Payment of Revenue Bond Debt Service and Fees

All fees related to the issuance of revenue bonds are paid through bond proceeds by the Trustee. Costs related to the administration of Revenue Bonds are to be paid out of the SFMTA Board approved operating budget or other available and approved sources.

2.4 Use of Revenue Bond Interest

Interest earned from the revenue bonds will be normally programmed to capital projects on the approved Program of Projects and will be prioritized through the Capital Improvement Program. **Accrued interest will be allocated only after the principal of the bond series is fully spent down.**

2.5 Project Size for Revenue Bond Funding

The minimum project amount should be no less than \$250,000.

2.6 Determining Project Financing Needs

The capital needs of the agency are identified through the SFMTA Capital Improvement Program development process and projects recommended for revenue bond funding is completed through analysis of projects' planned scopes, schedules, and budgets.

2.7 Revenue Bond Accounting

The SFMTA is subject to the Controller's policies and procedures for accounting revenue of bonds and subject to the supplemental appropriation approved by the Board of Supervisors.

2.8 Approved Programs of Projects

The approved Program of Projects will be at the level of a programmatic category as described in Section 2.9.

2.9 Projects within a Programmatic Category

Individual projects will be bundled into a Programmatic Category for approval to balance transparency for policy makers and bond holders with addressing some flexibility for SFMTA changing needs.

2.10 Establishing Bond Funds the in Financial Accounting and Management Information System (FAMIS)

Funds will be posted into FAMIS once the Board of Supervisors has concurred with the SFMTA Board of Directors on the issuance and the Supplemental Appropriation has been approved.

2.11 Monitoring Bond Expenditures and Reprogramming Funds

SFMTA staff will be responsible for monitoring bond expenditures to ensure funds are spent appropriately and in a timely manner after the date of issuance. If a project is nearing completion with anticipated cost savings funds may be allocated to other projects approved pursuant to the above sections.

For any reprogramming of bond funds, a letter signed by the Director of Transportation will be prepared that will describe the changes and the reasons for the reprogramming to the SFMTA Board with a copy to the Bond Oversight Committee. A copy of the Revenue Bond Fund Tracking Sheet detailing the changes will be included with the letter. The SFMTA Board will be notified prior to funding being transferred in FAMIS between bond categories. The reprogramming letter will be attached to all FAMIS fund transfer requests that move bond funds across categories. Capital Projects and Grants Accounting will not process any movement of funds without the letter.

The reprogramming letters will also be included in the quarterly and annual Bond Oversight Committee (BOC) reports. For information on the BOC, please see:

<http://www.sfmta.com/about-sfmta/organization/committees/bond-oversight-committee-boc>

2.12 Tracking Revenue Bond Activity

Project funding is tracked and reported quarterly to the BOC. A sample tracking worksheet is included in Appendix 3.4.

2.13 Reporting

A quarterly report on the status of the bond funded projects will be submitted quarterly to the SFMTA Board of Directors and the Bond Oversight Committee.

2.14 Booking Revenue Bond Funds & Commercial Paper

On occasions when revenue bonds are repayment sources for commercial paper drawdowns, the projects must meet legal requirements of revenue bonds.

Please see SFMTA Commercial Paper Procedures for details on the Commercial Paper program.

2.15 Internal Control and Compliance

SFMTA will ensure proper authorization of initiated transactions and that all transactions entered into FAMIS will include authorized documentation. The SFMTA's internal control and compliance are subject to review and audit by external auditors and the Controller's Office.

2.16 Designated Representatives

The Agency's Director of Transportation or the Chief Financial Officer appoints the individuals who may serve as Designated Representatives.

3 Appendix

3.1 Authorizing Legislation: SFMTA Board

3.2 Authorizing Legislation: Board of Supervisors

3.3 Reimbursement Resolutions

3.4 Revenue Bond Tracking Tool

3.5 Procedures to Issue and Transfer Revenue Bond Funds

- a. Prior to Revenue Bond Issuance
- b. Revenue Bond Issuance and Related Fiscal Activities
- c. Revenue Bond Fund Transfers to Projects
- d. Procedures to Issue, Transfer **and Close Out** Revenue Bond Funds

Appendix 3.1

Authorizing Legislation: SFMTA Board

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. 12-065

WHEREAS, The San Francisco Municipal Transportation Agency (SFMTA) wishes to finance the costs of certain transportation projects through the issuance of revenue bonds and to refinance bonds previously issued for certain parking garages and parking meters; and

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 SFMTA may issue revenue bonds and other debt instruments, with the concurrence of the Board of Supervisors (Board) of the City and without voter approval, such bonds to be issued in accordance with State law or any procedure provided for by ordinance; and

WHEREAS, The Board has previously authorized a bond financing, including execution of the necessary documents, except for the Preliminary Official Statement which is now presented in substantially final form for approval; now therefore be it

RESOLVED, That all of the recitals herein are true and correct; and be it

FURTHER RESOLVED, The SFMTA Board of Directors does hereby approve the Preliminary Official Statement for the issuance of the Series 2012A and Series 2012B revenue bonds, including the refinancing of outstanding revenue and lease revenue bonds related to certain parking garages and parking meters and providing funds for certain new projects, and authorize the Director of Transportation to make any necessary additions or changes to the Preliminary Official Statement in order to complete the issuance of the revenue bonds, to execute and deliver a certificate of the SFMTA deeming final the Preliminary Official Statement for purposes of Securities and Exchange Commission Rule 15c2-12 and to execute and deliver a final Official Statement, in substantially such form and with such additions thereto or changes therein as the Director of Transportation, with the advice of the City Attorney's Office, shall approve, such approval to be conclusively evidenced by the execution and delivery of the Official Statement; and authorizes and approves the distribution by the underwriters of the revenue bonds of copies of the Official Statement in final form to all actual purchasers of the revenue bonds and the distribution by the underwriters of the revenue bonds of the Preliminary Official Statement to potential purchasers of the revenue bonds.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of May 1, 2012.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. 13-205

WHEREAS, The San Francisco Municipal Transportation Agency (the “SFMTA”) desires to finance the costs of certain transportation projects including, but not limited to the following SFMTA capital improvement programs: Muni Transit Safety and Spot Improvements, Complete Street Capital Improvements, Facility Improvements, Transit Fixed Guideway, Pedestrian Safety and Traffic Signal Improvements and Muni Light Rail Vehicle Procurement (collectively, the “Project”); and

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

WHEREAS, The SFMTA desires to issue revenue bonds to fund the Project; and

WHEREAS, The SFMTA desires to enter into a Bond Purchase Contract (the “Purchase Contract”) with J.P. Morgan Securities LLC, as representative of RBC Capital Markets, LLC, Morgan Stanley & Co. LLC and Siebert Brandford Shank & Co., LLC, as the underwriters, for the purpose of selling the revenue bonds; and

WHEREAS, The SFMTA has been presented with the form of certain documents related to the revenue bonds, including the Second Supplement (defined below), the Purchase Contract, the Preliminary Official Statement (defined below), and the Continuing Disclosure Certificate (defined below), and the SFMTA has examined each document and desires to approve, authorize and direct the execution of such documents and the consummation of such financing; now therefore be it

RESOLVED, That all of the recitals herein are true and correct; and be it

FURTHER RESOLVED, That the SFMTA hereby approves the issuance of “San Francisco Municipal Transportation Agency Revenue Bonds” (the “Bonds” or the “Revenue Bonds”), which shall be issued and delivered in accordance with the Indenture (defined below) and the Second Supplement (defined below), as the same is finally executed and delivered. The proceeds of the Bonds shall be used to (i) fund the Project, (ii) fund a reserve fund, (iii) fund capitalized interest, if any, and (iv) pay costs of issuance of the Bonds. The Bonds may be issued in one or more series. The Trustee (defined below) shall be authorized to cause the execution and delivery of the Bonds in an aggregate principal amount which shall not be greater than \$175,000,000, which shall bear interest rates not to exceed 12 percent (12%) per annum, and which shall mature no later than 30 years from their date of issuance. The Bonds shall be subject to prepayment as set forth in the Indenture; and be it

FURTHER RESOLVED, That pursuant to Section 8A.102(b)(13) of the Charter, the concurrence of the Board of Directors shall be obtained prior to the issuance of the bonds, and by passage of this resolution, the Board of Directors hereby recommends that the Board of Supervisors authorize the Agency to issue the bonds approved hereby and the Director of Transportation is authorized to present to the Board of Supervisors the approval by the Board of Directors of the issuance of the bonds approved hereby; and be it

FURTHER RESOLVED, That the form of a second supplement to indenture of trust, supplementing that certain Indenture of Trust dated July 1, 2012 (the "Indenture") by and between the SFMTA and The Bank of New York Mellon Trust Company, N.A. ("Trustee"), as trustee or such other trustee selected by the Director of Transportation (the "Second Supplement") by and between the SFMTA, and the Trustee as presented to the Board of Directors, a copy of which is on file with the Secretary of the Board of Directors, is hereby approved. The Director of Transportation of the SFMTA or his designee is hereby authorized to execute the Second Supplement with such changes, additions and modifications as the Director of Transportation may make or approve in accordance with Section 11 hereof; and be it

FURTHER RESOLVED, That the form of a bond purchase contract ("Purchase Contract"), as presented to the Board of Directors and a copy of which is on file with the Secretary of the Board of Directors, is hereby approved. The Director of Transportation is hereby authorized to execute the Purchase Contract with such changes, additions and modifications as the Director of Transportation may make or approve in accordance with Section 11 hereof, provided however, that the Underwriters' discount under the Purchase Contract shall not exceed .50% of the principal amount of the Bonds; and be it

FURTHER RESOLVED, That the form of the continuing disclosure certificate of the City (the "Continuing Disclosure Certificate"), as presented to the Board of Directors and a copy of which is on file with the Secretary of the Board of Directors, is hereby approved. The Director of Transportation or his designee is hereby authorized to execute the Continuing Disclosure Certificate, with such changes, additions and modifications as he may make or approve in accordance with Section 11 hereof; and be it

FURTHER RESOLVED, That the Board of Directors hereby authorizes the expenditure of a portion of the proceeds of the Bonds for the payment of certain costs of issuance incurred in connection with the execution and delivery of the Bonds; and be it

FURTHER RESOLVED, That the form of an official statement related to the Bonds (the "Official Statement"), as presented to the Board of Directors and a preliminary copy of which is on file with the Secretary of the Board of Directors, is hereby approved. The Director of Transportation is hereby authorized to approve the distribution of the preliminary Official Statement in printed and/or electronic format in substantially said form, with such changes, additions, modifications or deletions as the Director of Transportation may approve upon consultation with the City Attorney; such approval to be conclusively evidenced by the distribution of the preliminary Official Statement to potential purchasers of the Bonds. The Controller of the City or his designee (collectively, the "Controller") is hereby authorized to cause the distribution of the preliminary Official Statement and deem it final for purposes of Rule 15c2-12 of the Securities and Exchange Act of 1934, as amended, and to execute a certificate to that effect. The Director of Transportation is hereby further authorized and directed to sign the Official Statement in final form; and be it

FURTHER RESOLVED, That the Controller of the City, the Treasurer of the City, the Director of Transportation, the City Attorney, and all other appropriate officers, employees, representatives and agents of the City are hereby authorized and directed to do everything necessary or desirable to provide for the execution and delivery 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 hereby authorized to approve and make such modifications, changes or additions to the Second Supplement, any amendments to Indenture would be in a subsequent supplement, the Purchase Contract, the Continuing Disclosure Certificate or the Official Statement, upon consultation with the City Attorney, 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 the execution and delivery by the Director of Transportation, of the Second Supplement, the Purchase Contract, the Official Statement, or the Continuing Disclosure Certificate (collectively, the "Financial Documents"); and be it

FURTHER RESOLVED, That, notwithstanding anything to the contrary in this resolution, the Director of Transportation, with the advice of the financial advisors to the SFMTA, may modify the financial covenants set forth in the Financial 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 financial advisors; 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, This Board of Directors makes the following finding in compliance with the California Environmental Quality Act (CEQA), California Public Resources Code Sections 21000 et seq., the CEQA Guidelines, 15 Cal. Administrative Code Sections 15000 et seq., (CEQA Guidelines), and San Francisco Administrative Code Chapter 31 (Chapter 31); that the issuance of the SFMTA Revenue Bonds by the SFMTA is not subject to CEQA because as the establishment of a government financing mechanism that does not identify individual specific projects to be constructed with the funds, it is not a project as defined by CEQA and the CEQA Guidelines and that the SFMTA shall consult with the City Attorney as to necessary CEQA findings and determinations with respect to any project prior to the expenditure of bond proceeds; and be it

FURTHER RESOLVED, That the documents presented to the SFMTA 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 September 3, 2013.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

Appendix 3.2

Authorizing Legislation: Board of Supervisors

1 [San Francisco Municipal Transportation Agency Revenue Bonds - Not to Exceed
2 \$80,000,000]

3 **Resolution authorizing the issuance of not to exceed \$80,000,000 aggregate principal**
4 **amount of San Francisco Municipal Transportation Agency revenue bonds for the**
5 **purpose of financing certain capital improvements related to the Agency, including the**
6 **refinancing of certain outstanding revenue bonds issued by various non-profit public**
7 **benefit corporations and/or The Parking Authority of the City and County of San**
8 **Francisco to finance certain improvements to garages owned by the Agency, the**
9 **Authority or the City, and/or parking meters; approving the forms of documents**
10 **relating thereto; approving the maximum interest thereon; finding that the**
11 **authorization and issuance of revenue bonds by the Agency is not a project under**
12 **California Environmental Quality Act (CEQA), CEQA Guidelines and San Francisco**
13 **Administration Code Chapter 31; and related matters.**

14
15 WHEREAS, Pursuant to Section 8A.102(b)(13) of the Charter (the "Charter") of the
16 City, the Board of Supervisors of the City (the "Board") may authorize the issuance of revenue
17 bonds by the Board of Directors (the "Board of Directors") of the San Francisco Municipal
18 Transportation Agency (the "SFMTA") for any SFMTA-related purpose and secured solely by
19 SFMTA revenues, such revenue bonds to be issued and sold in accordance with State law,
20 the Charter or any procedure provided for by ordinance; and,

21 WHEREAS, The Parking Authority of the City and County of San Francisco (the
22 "Authority") has previously issued its Series 1999-1 Parking Meter Revenue Refunding Bonds
23 (the "1999-1 Bonds") to finance and refinance the acquisition, installation, equipping,
24 improvement or rehabilitation of various Agency owned parking meters, and its Lease
25

1 Revenue Bonds Series 2000A (North Beach) (the "2000A Bonds" and, together with the 1999-
2 1 Bonds, the "Authority Bonds"), to finance and refinance the acquisition, construction,
3 installation, equipping, improvement or rehabilitation of the North Beach Garage; and,

4 WHEREAS, The City of San Francisco Ellis-O'Farrell Parking Corporation (the "Ellis-
5 O'Farrell Corporation") has previously issued its Parking Revenue Refunding Bonds, Series
6 2002 (the "Ellis-O'Farrell Bonds") to finance and refinance the acquisition, construction,
7 installation, equipping, improvement or rehabilitation of the Ellis-O'Farrell Garage; and,

8 WHEREAS, The City of San Francisco Uptown Parking Corporation (the "Uptown
9 Corporation and, together with the Ellis-O'Farrell Corporation and the Uptown Corporation, the
10 "Corporations") has previously its Parking Revenue Refunding Bonds, (Union Square), Series
11 2001 (the "Uptown Bonds") to finance and refinance the acquisition, construction, installation,
12 equipping, improvement or rehabilitation of the Union Square Garage; and,

13 WHEREAS, The City of San Francisco Downtown Parking Corporation (the "Downtown
14 Corporation and, together with the Ellis-O'Farrell Corporation and the Uptown Corporation, the
15 "Corporations") has previously Parking Revenue Refunding Bonds, Series 2002 (the
16 "Downtown Bonds" and, together with the Ellis-O'Farrell Bonds, the Uptown Bonds, and the
17 Authority Bonds, the "Prior Bonds") to finance and refinance the acquisition, construction,
18 installation, equipping, improvement or rehabilitation of the Fifth and Mission Garage; and

19 WHEREAS, Pursuant to the procedures outlined in a procedural ordinance (the
20 "Procedural Ordinance") to be considered concurrently by this Board, a copy of which is on file
21 with the Clerk of the Board under File No. 111354, the Board of Directors may issue revenue
22 bonds authorized in accordance with the Charter; and,

23 WHEREAS, The Board of Directors, pursuant to the terms of Resolution No. 11-150,
24 adopted by the Board of Directors on December 6, 2011 (the "SFMTA Resolution"), has
25 authorized the issuance of not to exceed \$80,000,000 aggregate principal amount of its San

1 Francisco Municipal Transportation Agency Revenue Bonds (the "Bonds" or the "Revenue
2 Bonds"), for the purpose of financing the costs of acquiring, constructing, improving and
3 developing facilities under the jurisdiction of the SFMTA, the Authority, the Corporations,
4 and/or the Recreation and Park Department of the city and refunding the Prior Bonds, as well
5 as for the payment of costs of issuance and other incidental costs therefor; and,

6 WHEREAS, The Board of Directors has approved the forms of various documents
7 relating to the issuance, sale and delivery of the Bonds (collectively, the "Financing
8 Documents," as further defined in Section 9 below); and,

9 WHEREAS, The provisions of the SFMTA Resolution and the Financing Documents do
10 not conflict with the requirements of the Procedural Ordinance; now, therefore, be it

11 RESOLVED, By the Board of Supervisors of the City and County of San Francisco, as
12 follows:

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

14 Section 2. Approval and Authorization of Revenue Bonds. The issuance by the Board
15 of Directors of the SFMTA Revenue Bonds for the purposes of acquiring, constructing,
16 improving and developing facilities under the jurisdiction of the SFMTA, as well as refinancing
17 the Prior Bonds, paying costs of issuance and other incidental costs, is hereby approved as
18 required by Section 43.13.4 of the Procedural Ordinance; provided however (i) the SFMTA
19 Revenue Bonds issued for new money purposes shall mature on a date not more than 30
20 years from their date of issuance, (ii) SFMTA Refunding Revenue Bonds shall not be issued
21 to refund the Prior Bonds unless the SFMTA achieves at least an aggregate 3% present value
22 savings on a true interest cost basis. The total principal amount of the SFMTA Revenue
23 Bonds shall not exceed \$80,000,000.

24 Section 3. No Conflicts with Procedural Ordinance. The Revenue Bonds shall be
25 issued pursuant to the terms of the Financing Documents as each shall be approved as to

1 form by the City Attorney, which approval shall be conclusively evidenced by the signature of
2 the City Attorney on each such agreement; provided, that the terms of the Financing
3 Documents shall not conflict with the requirements of the Procedural Ordinance.

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

7 Section 5. Approval of the Indenture and Authorization of Selection of the Trustee.
8 The forms of an indenture of trust and a first supplement to indenture of trust (collectively, the
9 "Indenture") each between the SFMTA and a trustee selected by the Director of
10 Transportation of the SFMTA or her/his designee (collectively, the "Director"), copies of which
11 are on file with the Clerk of the Board under File No. 111341, are hereby approved, with such
12 changes, additions, and modifications as the Director, in consultation with the City Attorney,
13 may make or approve in accordance with Section 9 hereof.

14 Section 6. Approval of Bond Purchase Contract relating to the Bonds. The form of a
15 bond purchase contract relating to the Bonds (the "Bond Purchase Contract"), a copy of which
16 is on file with the Clerk of the Board under File No. 111341, is hereby approved, with such
17 changes, additions, and modifications as the Director may make or approve in accordance
18 with Section 9 hereof; provided however that the compensation payable to the underwriters
19 shall not exceed .6% of the par amount of the Bonds.

20 Section 7. Approval of the Official Statement in Preliminary and Final Form. The form
21 of official statement relating to the Bonds (the "Official Statement"), a draft copy of which is on
22 file in preliminary form with the Clerk of the Board under File No. 111341, is hereby approved,
23 with such changes, additions and modifications as the Director, in consultation with the City
24 Attorney, may make or approve in accordance with Section 9 hereof. The Board's approval of
25

1 the Official Statement hereby is subject in all respects to approval of the substantially final
2 document by the SFMTA prior to its distribution and release to potential investors.

3 Section 8. Approval of the Continuing Disclosure Certificate. The form of a Continuing
4 Disclosure Certificate of the City, a copy of which is on file with the Clerk of the Board under
5 File No. 111341, is hereby approved, with such changes, additions, and modifications as the
6 Director, in consultation with the City Attorney, may make or approve in accordance with
7 Section 9 hereof.

8 Section 9. Modifications, Changes and Additions; Additional Agreements. The
9 approvals contained herein shall extend to any changes, modifications or amendments to the
10 Indenture, the Bond Purchase Contract, the Official Statement, the Continuing Disclosure
11 Certificate (collectively, the "Financing Documents") and all agreements of the Board of
12 Directors supplemental thereto, as well as to such additional agreements as the Board of
13 Directors may adopt or the SFMTA may execute for the purpose of implementing the
14 issuance, sale and delivery of the SFMTA Revenue Bonds. The Director's approval of such
15 modifications, changes or additions, made upon consultation with the City Attorney, shall be
16 conclusively evidenced by the execution and delivery by the Director of the Financing
17 Documents. In connection with the authorization to issue bonds hereunder, the SFMTA and
18 the Controller shall within six months of the issuance of the SFMTA's revenue bonds prepare
19 a report evaluating the costs and benefits of (a) using outside financial advisory services, (b)
20 using in-house City debt management staff, and (c) SFMTA's initial revenue bond issuance.

21 Section 10. Modification of Financial Covenants. Notwithstanding anything to the
22 contrary in this resolution, the Director, with the advice of the financial advisors to the SFMTA
23 and upon consultation with the Controller and the City Attorney, may modify the financial
24 covenants set forth in the Financial Documents, including but not limited to budget and
25 revenue covenants, additional debt covenants and the definition of "Pledged Revenues" to the

1 extent such revisions are deemed necessary or desirable by the Director for the issuance of
2 the Bonds based on advice from the SFMTA's financial advisors, upon consultation with the
3 Controller and the City Attorney.

4 Section 11. CEQA. This Board makes the following finding in compliance with the
5 California Environmental Quality Act (CEQA), California Public Resources Code Sections
6 21000 et seq., the CEQA Guidelines, 15 Cal. Administrative Code Sections 15000 et seq.,
7 (CEQA Guidelines), and San Francisco Administrative Code Chapter 31 (Chapter 31); based
8 upon Planning Commission Reports (each of which are identified on Table 5 of the April 4,
9 2012 Report of the Budget and Legislative Analyst, such Planning Commission Reports being
10 on file with the Clerk of the Board), the issuance of the Bonds by the SFMTA is not subject to
11 CEQA because toe proposed SFMTA projects involve existing Transit and Parking Facilities
12 which involve negligible expansions, and are thus categorically exempt from CEQA
13 guidelines, and the SFMTA shall consult with the City Attorney with respect to any project
14 prior to the expenditure of bond proceeds.

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1 Section 12. General Authority. The Director, Controller of the City, the City Attorney,
2 and all other appropriate officers, employees, representatives and agents of the City are
3 hereby authorized and directed to do everything necessary or desirable to provide for the
4 issuance of the SFMTA Revenue Bonds as provided for herein.

5
6
7 APPROVED AS TO FORM:

8 DENNIS J. HERRERA, City Attorney

9
10 By: 

11 MARK D. BLAKE
12 Deputy City Attorney
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Name of Supervisor/Committee/Department
BOARD OF SUPERVISORS



City and County of San Francisco
Tails
Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 111341

Date Passed: April 10, 2012

Resolution authorizing the issuance of not to exceed \$80,000,000 aggregate principal amount of San Francisco Municipal Transportation Agency Revenue Bonds for the purpose of financing certain capital improvements related to the Agency, including the refinancing of certain outstanding revenue bonds issued by various non-profit public benefit corporations and/or the Parking Authority of the City and County of San Francisco to finance certain improvements to garages owned by the Agency, the Authority or the City, and/or parking meters; approving the forms of documents relating thereto; approving the maximum interest thereon; finding that the authorization and issuance of revenue bonds by the Agency is not a project under California Environmental Quality Act (CEQA), CEQA Guidelines and San Francisco Administration Code Chapter 31; and related matters.

April 04, 2012 Budget and Finance Sub-Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

April 04, 2012 Budget and Finance Sub-Committee - RECOMMENDED AS AMENDED

April 10, 2012 Board of Supervisors - ADOPTED

Ayes: 11 - Avalos, Campos, Chiu, Chu, Cohen, Elsbernd, Farrell, Kim, Mar, Olague and Wiener

File No. 111341

I hereby certify that the foregoing
Resolution was ADOPTED on 4/10/2012 by
the Board of Supervisors of the City and
County of San Francisco.

Angela Calvillo
Clerk of the Board

Mayor

4/19/12
Date Approved

1 [Revenue Bonds - Municipal Transportation Agency - Not to Exceed \$165,000,000]

2
3 **Resolution authorizing the sale, issuance and execution of not to exceed \$165,000,000**
4 **aggregate principal amount of revenue bonds by the Municipal Transportation Agency**
5 **to finance certain transportation related projects, approving the form of certain**
6 **financing documents including the official statement, the bond purchase contract, the**
7 **second supplement to indenture of trust, and continuing disclosure certificate;**
8 **authorizing the taking of appropriate actions in connection therewith; and related**
9 **matters approving the forms of documents relating thereto; approving the maximum**
10 **interest thereon; finding that the authorization and issuance of revenue bonds by the**
11 **agency is not a project under CEQA, CEQA Guidelines and San Francisco**
12 **Administrative Code, Chapter 31; and related matters.**

13
14 WHEREAS, The San Francisco Municipal Transportation Agency (the "SFMTA")
15 desires to finance the costs of certain transportation projects including, but not limited to the
16 following SFMTA capital improvement programs: Muni Transit Safety and Spot Improvements,
17 Complete Street Capital Improvements, Facility Improvements, Transit Fixed Guideway
18 Improvements, Pedestrian Safety and Traffic Signal Improvements and Muni Light Rail
19 Vehicle Procurement (collectively, the "Project"); and

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

1 and sold in accordance with state law, the Charter or any procedure provided for by
2 ordinance; and

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

6 WHEREAS, The SFMTA desires to issue revenue bonds to fund the Project; and

7 WHEREAS, The SFMTA desires to enter into a Bond Purchase Contract (the
8 "Purchase Contract") with J.P. Morgan Securities LLC, as representative of RBC Capital
9 Markets, LLC, Morgan Stanley & Co. LLC and Siebert Brandford Shank & Co., LLC, as the
10 underwriters, for the purpose of selling the revenue bonds; and

11 WHEREAS, The SFMTA has been presented with the form of certain documents
12 related to the revenue bonds, including the Second Supplement, the Purchase Contract, the
13 Preliminary Official Statement, and the Continuing Disclosure Certificate (all as defined below,
14 and collectively, the "Financing Documents"), and the SFMTA has examined each document
15 and desires to approve, authorize and direct the execution of such documents and the
16 consummation of such financing; and

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

19 RESOLVED, By the Board of Supervisors of the City and County of San Francisco, as
20 follows:

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

22 Section 2. Approval and Authorization of SFMTA Revenue Bonds. The issuance by
23 the Board of Directors of the SFMTA Revenue Bonds for the purposes of acquiring,
24 constructing, improving and developing facilities under the jurisdiction of the SFMTA funding a
25 reserve fund, paying costs of issuance and other incidental costs, is hereby approved as

1 required by Section 43.13.4 of the Code. The total principal amount of the SFMTA Revenue
2 Bonds shall not exceed \$165,000,000.

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

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

10 Section 5. Approval of the Second Supplement and Authorization of the Trustee. The
11 form of a second supplement to indenture of trust (the "Second Supplement") between the
12 SFMTA and The Bank of New York Mellon Trust Company, N.A., as trustee or such other
13 trustee selected by the Director of Transportation of the SFMTA or her/his designee
14 (collectively, the "Director"), copies of which are on file with the Clerk of the Board under File
15 No. 130866, is hereby approved, with such changes, additions, and modifications as the
16 Director may make or approve in accordance with Section 9 hereof.

17 Section 6. Approval of Bond Purchase Contract relating to the SFMTA Revenue
18 Bonds. The form of a bond purchase contract relating to the SFMTA Revenue Bonds (the
19 "Bond Purchase Contract"), a copy of which is on file with the Clerk of the Board under File
20 No. 130866, is hereby approved, with such changes, additions, and modifications as the
21 Director may make or approve in accordance with Section 9 hereof.

22 Section 7. Approval of the Official Statement in Preliminary and Final Form. The form
23 of an official statement relating to the SFMTA Revenue Bonds (the "Official Statement"), a
24 copy of which is on file in preliminary form with the Clerk of the Board under File No. 130866,
25

1 is hereby approved, with such changes, additions and modifications as the Director may make
2 or approve in accordance with Section 9 hereof.

3 Section 8. Approval of the Continuing Disclosure Certificate. The form of a continuing
4 disclosure certificate of the City (the "Continuing Disclosure Certificate"), a copy of which is on
5 file with the Clerk of the Board under File No. 130866, is hereby approved, with such changes,
6 additions, and modifications as the Director may make or approve in accordance with Section
7 9 hereof.

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

17 Section 10. Modification of Financial Covenants. Notwithstanding anything to the
18 contrary in this resolution, the Director, with the advice of the financial advisors to the SFMTA,
19 may modify the financial covenants set forth in the Financial Documents, including but not
20 limited to budget and revenue covenants, additional debt covenants and the definition of
21 "Pledged Revenues" to the extent such revisions are deemed necessary or desirable by the
22 Director for the issuance of the SFMTA Revenue Bonds based on advice from the SFMTA's
23 financial advisors.

24 ///

1 Section 11. CEQA. This Board makes the following finding in compliance with the
2 California Environmental Quality Act (CEQA), California Public Resources Code Sections
3 21000 et seq., the CEQA Guidelines, 15 Cal. Administrative Code Sections 15000 et seq.,
4 (CEQA Guidelines), and San Francisco Administrative Code Chapter 31 (Chapter 31); that the
5 issuance of the SFMTA Revenue Bonds by the SFMTA is not subject to CEQA because as
6 the establishment of a government financing mechanism that does not identify individual
7 specific projects to be constructed with the funds, it is not a project as defined by CEQA and
8 the CEQA Guidelines and that the SFMTA shall consult with the City Attorney as to necessary
9 CEQA findings and determinations with respect to any project prior to the expenditure of bond
10 proceeds.

11 Section 12. General Authority. The Director, Controller of the City, the City Attorney,
12 and all other appropriate officers, employees, representatives and agents of the City are
13 hereby authorized and directed to do everything necessary or desirable to provide for the
14 issuance of the SFMTA Revenue Bonds.

15
16 APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

17
18 By 

MARK D. BLAKE
Deputy City Attorney

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20 n:\financ\as2013\1300512\00870951.doc



City and County of San Francisco
Tails
Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 130866

Date Passed: September 24, 2013

Resolution authorizing the sale, issuance, and execution of not to exceed \$165,000,000 aggregate principal amount of revenue bonds by the Municipal Transportation Agency to finance certain transportation related projects, approving the form of certain financing documents including the official statement, the bond purchase contract, the second supplement to indenture of trust, and continuing disclosure certificate; authorizing the taking of appropriate actions in connection therewith; and related matters approving the forms of documents relating thereto; approving the maximum interest thereon; finding that the authorization and issuance of revenue bonds by the agency is not a project under California Environmental Quality Act (CEQA), CEQA Guidelines, and Administrative Code, Chapter 31; and related matters.


September 18, 2013 Budget and Finance Committee - RECOMMENDED

September 24, 2013 Board of Supervisors - ADOPTED

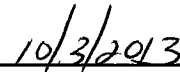
Ayes: 10 - Avalos, Breed, Campos, Chiu, Cohen, Farrell, Kim, Mar, Tang and Wiener
Absent: 1 - Yee

File No. 130866

I hereby certify that the foregoing Resolution was ADOPTED on 9/24/2013 by the Board of Supervisors of the City and County of San Francisco.


Angela Calvillo
Clerk of the Board


Mayor


Date Approved

Appendix 3.3

Reimbursement Resolutions

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. 11-127

WHEREAS, The Board of Directors of the San Francisco Municipal Transportation Agency (SFMTA) desires to finance and refinance the costs of certain projects including, but not limited to, streetcars, modern light rail vehicles, buses, alternative fuel vehicles, trolley coaches, cable cars; railway cars and trolleys and construction projects related thereto; roads and related improvements, bus stations and related improvements, traffic signs and related improvements, and parking meters, garages and lots and related improvement, all as more fully described in the SFMTA's Capital Investment Program (Project); and,

WHEREAS, The SFMTA intends to finance the Project or portions of the Project with the proceeds of the sale of obligations the interest upon which is excluded from gross income for federal income tax purposes (Obligations); and,

WHEREAS, Prior to the issuance of the Obligations, the SFMTA may pay for the costs of certain capital expenditures (Expenditures) with respect to the Project from available moneys of the SFMTA; and,

WHEREAS, The SFMTA Board of Directors has determined that the moneys to be advanced on and after the date hereof to pay such Expenditures are available only for a temporary period and it is necessary to reimburse the SFMTA for such Expenditures from the proceeds of the Obligations; now, therefore, be it

RESOLVED, The San Francisco Municipal Transportation Agency Board of Directors adopts this resolution related to upcoming debt issuances for the San Francisco Municipal Transportation Agency as official action of the Agency in order to comply with Treasury Regulation §1.150-2 and any other regulations of the Internal Revenue Service relating to the qualification for reimbursement of SFMTA expenditures incurred prior to the date of issue of the Obligations; and be it

FURTHER RESOLVED, That the SFMTA hereby states its intention and reasonably expects to reimburse certain capital costs of the Project paid from available moneys of the SFMTA prior to the issuance of the Obligations with proceeds of the Obligations; and be it

FURTHER RESOLVED, This resolution is being adopted no later than 60 days after the date on which the SFTMA will expend moneys for certain capital costs of the Project to be reimbursed from proceeds of the Obligations; and be it

FURTHER RESOLVED, The SFMTA will make a reimbursement allocation, which is a written allocation that evidences the SFMTA's use of proceeds of the Obligations to reimburse an Expenditure, no later than 18 months after the later of the date on which the Expenditure is paid or the Project is placed in service or abandoned, but in no event more than three years after the date on which the Expenditure is paid; and be it

FURTHER RESOLVED, The limitations described in the third and fourth Resolved clauses above do not apply to (a) costs of issuance of the Obligations, (b) an amount not in excess of the lesser of \$100,000 or five percent of the proceeds of the Obligations, or (c) any preliminary expenditures, such as architectural, engineering, surveying, soil testing, and similar costs other than land acquisition, site preparation, and similar costs incident to commencement of construction, not in excess of twenty percent of the aggregate issue price of the Obligations that finances the Project for which the preliminary expenditures were incurred; and be it

FURTHER RESOLVED, Each Expenditure will be either (a) of a type properly chargeable to a capital account under general federal income tax principles (determined in each case as of the date of the Expenditure), (b) a cost of issuance with respect to the Bonds, (c) a nonrecurring item that is not customarily payable from current revenues, or (d) a grant to a party that is not related to or an agent of the Agency so long as such grant does not impose any obligation or condition (directly or indirectly) to repay any amount to or for the benefit of the SFMTA; and be it

FURTHER RESOLVED, This resolution is consistent with the budgetary and financial circumstances of the SFMTA, as of the date hereof and no moneys from sources other than the Obligation issue are, or are reasonably expected to be reserved, allocated on a long-term basis, or otherwise set aside by the SFMTA (or any related party) pursuant to their budget or financial policies with respect to the Project costs.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of SEP 20 2011.



Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. 13-206

WHEREAS, The Board of Directors of the San Francisco Municipal Transportation Agency (SFMTA) desires to finance the costs of certain projects including, but not limited to, streetcars, modern light rail vehicles, buses, alternative fuel vehicles, trolley coaches, cable cars, railway cars and trolleys and construction projects related thereto; roads and related improvements, bus stations and related improvements, traffic signs and related improvements, and parking meters, garages and lots and related improvement, all as more fully described in the SFMTA's Capital Investment Program (Project); and,

WHEREAS, The SFMTA intends to finance the Project or portions of the Project with the proceeds of the sale of its revenue obligations in an approximate amount of \$150 million the interest upon which is excluded from gross income for federal income tax purposes (Obligations); and,

WHEREAS, Prior to the issuance of the Obligations, the SFMTA may pay for the costs of certain capital expenditures (Expenditures) with respect to the Project from available moneys of the SFMTA prior to the issuance of the Obligations; and,

WHEREAS, The SFMTA Board of Directors has determined that the moneys to be advanced on and after the date hereof to pay such Expenditures are available only for a temporary period and it is necessary to reimburse the SFMTA for such Expenditures from the proceeds of the Obligations; now, therefore, be it

RESOLVED, The San Francisco Municipal Transportation Agency Board of Directors hereby declares its official intent to reimburse the SFMTA with proceeds of the Obligations for capital project expenditures for certain projects funded by the proceeds of the sale of revenue obligations incurred prior to the date of issue of such Obligations to comply with Treasury Regulation §1.150-2 and any other regulations of the Internal Revenue Service relating thereto; and be it

FURTHER RESOLVED, That the SFMTA hereby states its intention and reasonably expects to reimburse certain capital costs of the Project paid from available moneys of the SFMTA prior to the issuance of the Obligations with proceeds of the Obligations; and be it

FURTHER RESOLVED, That this resolution is being adopted no later than 60 days after the date on which the SFTMA will expend moneys for certain capital costs of the Project to be reimbursed from proceeds of the Obligations; and be it

FURTHER RESOLVED, The SFMTA will make a reimbursement allocation, which is a written allocation that evidences the SFMTA's use of proceeds of the Obligations to reimburse an Expenditure, no later than 18 months after the later of the date on which the Expenditure is paid or the Project is placed in service or abandoned, but in no event more than three years after the date on which the Expenditure is paid; and be it

FURTHER RESOLVED, The limitations described in the third and fourth Resolved clauses above do not apply to (a) costs of issuance of the Obligations, (b) an amount not in excess of the lesser of \$100,000 or five percent of the proceeds of the Obligations, or (c) any preliminary expenditures, such as architectural, engineering, surveying, soil testing, and similar costs other than land acquisition, site preparation, and similar costs incident to commencement of construction, not in excess of twenty percent of the aggregate issue price of the Obligations that finances the Project for which the preliminary expenditures were incurred; and be it

FURTHER RESOLVED, Each Expenditure will be either (a) of a type properly chargeable to a capital account under general federal income tax principles (determined in each case as of the date of the Expenditure), (b) a cost of issuance with respect to the Bonds, (c) a nonrecurring item that is not customarily payable from current revenues, or (d) a grant to a party that is not related to or an agent of the Agency so long as such grant does not impose any obligation or condition (directly or indirectly) to repay any amount to or for the benefit of the SFMTA; and be it

FURTHER RESOLVED, This resolution is consistent with the budgetary and financial circumstances of the SFMTA, as of the date hereof and no moneys from sources other than the Obligation issue are, or are reasonably expected to be reserved, allocated on a long-term basis, or otherwise set aside by the SFMTA (or any related party) pursuant to their budget or financial policies with respect to the Project costs.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of September 3, 2013.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

Appendix 3.4

Revenue Bond Tracking Tool

Series 2013A Bonds, issued on November 13, 2013

PROJECT	SERIES 2013A AUTHORIZED AMOUNT	SERIES 2013A ALLOCATED AMOUNT (as of 4/22/14)	Revision 1 (4/23/14)	Revision 2 (5/6/14)	Revision 3 (5/27/14)	Current Revision	SERIES 2013A AVAILABLE REMAINING BALANCE AFTER TRANSACTION	Notes
H. Pedestrian Safety/Traffic Signal Improvements	5,000,000	(200,000)				(1,511,200)	3,288,800	
Ped Traffic Signal Improvements (5N)	1,000,000	(200,000)					800,000	
1. Pedestrian Countdown Signals No 3 Design - CPKG54 - 686D26	500,000	(200,000)						
Ped Safety Capital Improvements (5N)	4,000,000	-				(1,511,200)	2,488,800	
1. Traffic Calming Spot Improvement Application Based	236,400					(236,400)		
2. Backlog of Area Wide Traffic Calming Projects	777,700					(777,700)		
3. Backlog of Site Specific Traffic Calming Projects	497,100					(497,100)		
I. Muni Transit System Safety and Spot Improvements	11,000,000	(9,000,000)					2,000,000	
Radio Replacement - CPT535 (5M)	2,000,000	-					2,000,000	
Blue Light Phone - CPT630 (5M)	6,000,000	(6,000,000)					-	
Transit Spot Improvements (5M)	3,000,000	(3,000,000)					-	
1. McAllister TTRP - CPKG43 - 686D20		(800,000)						
3. 24th Street and Castro Spot Improvement		(295,000)						
2. 5-Fulton TEP - CPKG49 - 686D22		(1,905,000)						
J. Complete Street Capital Improvements	9,000,000	(510,275)	(2,037,661)	(1,910,000)		(151,000)	4,542,064	
Masonic Streetscape - (5N)	6,000,000	-	(2,037,661)			(151,000)	3,811,339	
1. Masonic Streetscape Design - CPKE63 - 686D23	6,000,000		(2,037,661)			(151,000)		
Bicycle Strategy Capital Projects (5N)	3,000,000	(510,275)		(1,910,000)			579,725	
1. Fell and Oak Repaving - CPKE51 - 686D19	345,000	(345,000)						
2. Polk Northbound Contraflow Bike Lane - CPKF84	165,275	(165,275)						
3. Broadway Chinatown Streetscape	1,910,000			(1,910,000)				
K. Facility Improvements	7,000,000	(2,572,431)					4,427,569	
Operator Restrooms - CPT303 (5M)	2,000,000	(850,000)					1,150,000	
Parking Facility Rehab & Improvements (5X)	1,000,000	(1,000,000)					-	
1. Waterproofing - CPX002	1,000,000	(1,000,000)						
Transit Facility Rehab & Improvements (5M)	4,000,000	(722,431)					3,277,569	
1. Seismic Strengthening Parking - CPX005	722,431	(722,431)						
L. Transit Fixed Guideway Improvements	30,500,000	(9,786,000)					20,714,000	
Sunset Tunnel Rehab - CPT658 (5M)	7,500,000	(7,500,000)						
N Judah & L Taraval Transit Signal Upgrades (5M)	8,000,000							
Twin Peaks Tunnel - CPT686 (5M)	15,000,000	(2,286,000)						
M. MUNI Fleet	12,500,000	-					12,500,000	
LRV Procurement (5M)	12,500,000	-						
TOTALS	\$ 75,000,000	\$ (22,068,706)					47,472,433	

Appendix 3.5

Procedures to Issue and Transfer Revenue Bond Funds

Procedures to Issue, Transfer, and Close Out Revenue Bond Funds

a. Prior to Revenue Bond Issuance

Step	Action
1	Prior to a bond issuance, SFMTA staff will compile the following: 1) the Preliminary Official Statement 2) SFMTA Board Resolution 3) City Board of Supervisors Ordinance
2	Prior to a bond issuance, SFMTA staff will provide the City Treasurer with: 1) The amount and date for the expected wire transfer from the Trustee 2) a draw schedule for the expected spend down of proceeds
3	Prior to a bond issuance, a request will be submitted to set-up sub-funds and general ledger subsidiaries

b. Revenue Bond Issuance and Related Fiscal Activities

Step	Action
1	SFMTA Revenue Bond Fund Manager provides copies of the following documents from the bond issuance to the General Ledger and Analysis Manager: 1) Copy of Official Statement (OS) 2) Copy of Trust Indenture 3) Detailed schedule or list of costs paid or expected to be paid for the cost of issuance 4) The Bond Pricing report prepared by the Financial Advisor 5) Debt amortization schedule and periodic updates to it
2	SFMTA Revenue Bond Fund Manager provides details (i.e., amount and date) for the expected wire transfer to the General Ledger and Analysis Manager and the Accountant IV with the Cash Receipts Group
3	Accounting and the General Ledger and Analysis Group prepare journal entries to record the cash receipt from proceeds. The cash receipts journal entry is reviewed and approved in FAMIS by the General Ledger Cash Receipts Group and the Controller's Office.
4	General Ledger and Analysis Group review debt service payment schedules. Prepare amortization schedule for costs of issuance, bond discount or premium, and refunding gain or loss. Then prepare journal entries in FAMIS. These journal entries are reviewed and approved in FAMIS by the General Ledger and Analysis Manger and the Controller's Office
5	Accounting Operation process debt service payments: These journal entries are reviewed and approved in FAMIS by SFMTA Controller and the Controller's Office.
6	General Ledger and Analysis Group monitor actual debt repayment for accuracy and timeliness.
7	General Ledger and Analysis Group prepare reconciliation of trustee statements to FAMIS and prepare journal entries for activities in trustee funds. These journal entries are reviewed and approved in FAMIS by SFMTA Controller and the Controller's Office.

c. Revenue Bond Fund Transfers to Projects

Prior to starting a new Revenue Bond transfer and after determination by the Revenue Bond Fund Manager of funding eligibility, the following documents are required:

1. Project Scope, Schedule, Budget
2. Approved Project Funding Request
3. Revenue Bond Fund Tracking Sheet
4. Asset Useful Life Calculation Sheet

Step	Action	Deliverable
1	Review the project's funding request and Scope, Schedule, Budget to determine project need and eligibility. Evaluate revenue bond as a viable funding source. Approve the funding request if it is determined that the project will be funded with revenue bonds.	Approved funding request
2	Update the average asset useful life sheet based on project scope.	Updated asset life tracking sheet
3	Develop a reprogramming letter detailing the reallocation of revenue bond funds. Include the updated Revenue Bond Fund Tracking Sheet along with letter (<i>only if reprogramming funds</i>).	Letter for MTAB and BOC
4	Submit the reprogramming letter and tracking sheet to the SFMTA Board and BOC (<i>only if reprogramming funds</i>).	
5	Update the Revenue Bond tracking sheet with approved project information.	Updated fund tracking sheet
6	Inform staff of fund reallocation and send final reprogramming letter. Final reprogramming letter to be included in quarterly and annual reports to BOC.	
7	Submit the SFMTA Budget Revision Request/Index Code (BR/IC) Request and include the approved funding request and updated Revenue Bond Fund tracking sheet to Accounting.	Submitted BR/IC
8	Process BR/IC to setup project and budget in FAMIS. Prepare journal entries for capital project budget, including transfer of revenue.	
9	Inform SFMTA staff that funds are booked in project ready for use	Opened index code ready to charge

d. Timely Close Out of Revenue Bond Funds

Timely closeout is essential to effectively manage revenue bond funds. To achieve this goal, the SFMTA has established these closeout guidelines for revenue bonds.

Step	Action
1	Capital Finance monitors expenditures, project schedules and cash flows on a monthly basis for bond funded projects through use of the Capital Project Controls System, project progress reports, and keeping in regular communication with project managers in accordance with Section 2.11 of the Revenue Bond Policies and Procedures.
2	In certain instances, Capital Finance may determine that bond funds will not be spent within three years of the date of bond issuance, due to cost savings, scope reduction, or project schedule changes.
3	In other cases, Capital Finance may determine that a project will or has completed with a balance of bond funds remaining.
4	Within 5 business days of making the determination that a project will not spend its bond funds within 3 years of issuance OR that a project has or will be completed with a surplus of bond funds, Capital Finance will identify another bond eligible project to move the funds to in accordance with SFMTA's Capital Plan and Program Policies.
5	Within 20 business days, Capital Finance initiates the reprogramming of those funds to another project via a memo to the SFMTA Board of Directors following Section 2.11 of these Revenue Bond Policies and Procedures.
6	To reduce the number and frequency of reallocation memos to the SFMTA Board of Directors, reprogramming actions, particularly of small balances, will be bundled together to the extent possible. Consideration will also be made with regard to the urgency of the reprogramming action.
7	Within 2 business days of sending the reallocation memo to the SFMTA Board of Directors, Capital Finance will work with the projects' managers and submit budget revisions into SFMTA's electronic approval system to move the funds between projects.
8	Once the approval workflow is complete (typically 1-5 business days), Capital Project and Grants Accounting records the budget revision and places end dates on index codes and project details in FAMIS (accounting system) as needed and helps coordinate the closeout of open work orders and authorizations.