



AUTHORIZE THE EXECUTIVE DIRECTOR AND OTHER AUTHORIZED REPRESENTATIVES TO ENTER INTO A REVOLVING CREDIT AGREEMENT FOR \$125 MILLION WITH U.S. BANK NATIONAL ASSOCIATION; TO EXECUTE AND DELIVER LEGAL DOCUMENTS RELATING THERETO; AND TO TAKE ALL NECESSARY OR APPROPRIATE RELATED ACTIONS IN CONNECTION THEREWITH

WHEREAS, The San Francisco County Transportation Authority ("Transportation Authority") is a county transportation authority duly organized and existing pursuant to the Bay Area County Traffic and Transportation Funding Act, being Division 12.5 of the Public Utilities Code of the State of California (Sections 131000 et seq.) ("Act"); and

WHEREAS, On July 22, 2003, the Board of Commissioners of the Transportation Authority ("Board of Commissioners") adopted Resolution No. 04-05 to approve an expenditure plan and a proposal to extend the imposition and collection of the one-half of one percent (1/2%) sales tax throughout the City and County of San Francisco ("County"), and to recommend that such revised expenditure plan and tax extension be considered by the Board of Supervisors of the City and County of San Francisco ("Board of Supervisors"); and WHEREAS, On July 29, 2003, the Board of Supervisors adopted Resolution No. 485-03, to approve the "New Transportation Expenditure Plan for San Francisco" ("Expenditure Plan"), and to call and provide for an election for the purpose of submitting to the voters an ordinance ("Ordinance") that would, in part, authorize implementation of the Expenditure Plan, continue collection of the retail transactions and use tax applicable in the County at the existing level of one-half of one percent (1/2%) ("Sales Tax"), continue the Transportation Authority as the independent agency to administer the Sales Tax and oversee implementation of the projects identified in the Expenditure Plan, and authorize the Transportation Authority to issue limited tax bonds as needed, in a total outstanding aggregate amount not to exceed \$1,880,000,000, secured by and payable from the proceeds of the Sales Tax; and

WHEREAS, At the election held for such purpose on November 4, 2003, the Ordinance was approved by more than two-thirds of the electors voting on the measure; and

WHEREAS, Pursuant to Sections 131109 and 131120 of the Act and the Ordinance, the Transportation Authority is authorized to issue limited tax bonds or bond anticipation notes secured by and payable from the proceeds of the Sales Tax; and



WHEREAS, The Transportation Authority presently has approximately \$222,020,000 aggregate principal amount of Senior Bonds outstanding and may issue additional Senior Bonds in the future; and

WHEREAS, The Transportation Authority previously entered into an Amended and Restated Revolving Credit Agreement, dated June 1, 2018 (the "Prior Revolving Credit Agreement") by and among the State Street Public Lending Corporation and U.S. Bank National Association (collectively, the "Prior Lenders") and the Transportation Authority, pursuant to which the Transportation Authority was permitted to borrow and reborrow amounts from the Prior Lenders from time to time in accordance with such Prior Revolving Credit Agreement in an amount up to \$140,000,000 outstanding at any one time; and

WHEREAS, The Prior Revolving Credit Agreement expired by its terms on June 7, 2021; and

WHEREAS, On April 14, 2021, the Transportation Authority issued a Request for Proposals ("RFP") to various banks regarding credit facilities for the Transportation Authority's interim borrowing program to succeed the Prior Revolving Credit Agreement; and

WHEREAS, By the due date of May 14, 2021, the Transportation Authority received five (5) proposals from financial institutions in response to the RFP;

WHEREAS, The review panel consisting of Transportation Authority staff and KNN Public Finance, the Transportation Authority's Municipal Advisor, evaluated the proposals based on responsiveness to the RFP, as well as qualifications and other criteria identified in the RFP, with an emphasis on proposers' fees, resulting cost of funds, length of commitment, credit ratings and various proposed terms; and

WHEREAS, Based on this competitive selection process, the review panel recommended, and the Transportation Authority proposes, to enter into a revolving credit agreement ("Revolving Credit Agreement") with a commitment of \$125,000,000 with U.S. Bank National Association ("U.S. Bank"), provided that the terms of such Revolving Credit Agreement shall be within the parameters set forth in Exhibit A; and

WHEREAS, The Transportation Authority's obligations under the Revolving Credit Agreement would constitute limited tax bonds and would be payable from and secured by the Sales Tax Revenues (which constitute the proceeds of the Sales Tax collected by the California Department of Tax and Fee Administration ("CDTFA"), as successor to the State



Board of Equalization, less the administrative fee deducted by CDTFA) on a basis subordinate to the Transportation Authority's Senior Lien Bonds as provided in the Third Amended and Restated Indenture, dated as of November 1, 2017, as amended and supplemented ("Indenture"), by and between the Transportation Authority and U.S. Bank National Association, as trustee ("Trustee"); and

WHEREAS, The proceeds of the advances and loans under the Revolving Credit Agreement shall be used to finance and refinance a portion of the costs and estimated costs of and incidental to, or connected with, the transportation improvements outlined in the Expenditure Plan ("Project"), including, without limitation, engineering, inspection, legal, fiscal agents, financial consultants and other fees, a debt service reserve fund, working capital and expenses of all proceedings for the authorization and implementation of the Revolving Credit Agreement; and

WHEREAS, The Board of Commissioners finds that the Sales Tax Revenues are expected to be sufficient to meet debt service on the Transportation Authority's outstanding Senior Lien Bonds and amounts expected to be outstanding under the Revolving Credit Agreement; and

WHEREAS, In connection with the Revolving Credit Agreement, a form of which is presented as Enclosure A, the Transportation Authority also anticipates entering into:

(a) a Supplemental Indenture (the "Supplemental Indenture") between the Transportation Authority and the Trustee, which would amend and supplement the Amended and Restated Indenture for purposes of providing the terms and conditions of the Note (defined below), a form of which is presented as Enclosure B; and

(b) a note (the "Note") evidencing the obligations of the Transportation Authority under the Revolving Credit Agreement, the form of which is attached to the Revolving Credit Agreement provided as Enclosure A.

WHEREAS, California Government Code Section 5852.1 requires that the Board of Commissioners obtain and disclose good faith estimates from a financial advisor, underwriter or private lender, prior to the authorization of bonds, of certain specified information regarding the bonds in a meeting open to the public, and such information has been disclosed prior to the adoption of this resolution; and

WHEREAS, The Board of Commissioners desires to authorize (i) the Revolving Credit



Agreement, and (ii) the execution and delivery of all documents, instruments and agreements necessary or appropriate in connection with the Revolving Credit Agreement, including the Supplemental Indenture, the Note and other documents related thereto as deemed appropriate by an Authorized Representative (defined below) (together with the Revolving Credit Agreement, the "Transaction Documents"); and

WHEREAS, At its September 1, 2021 meeting, the Community Advisory Committee considered and adopted a motion of support for the staff recommendation; and

WHEREAS, the Board of Commissioners has reviewed the staff recommendation and desires to approve the Revolving Credit Agreement, the Transaction Documents, and related actions as provided in this resolution; now, therefore, be it

RESOLVED, That the Board of Commissioners hereby finds and declares that the statements, findings and determinations set forth above are true and correct; and be it further

RESOLVED, That the Board of Commissioners hereby authorizes the Revolving Credit Agreement. The Executive Director of the Transportation Authority and the Chief Deputy Director of the Transportation Authority, and any such officer serving or acting in an interim capacity, and any authorized designee of either such officer (each, an "Authorized Representative") are, and each of them acting alone is, hereby authorized, for and in the name of and on behalf of the Transportation Authority, to execute by manual or facsimile signature and deliver the Revolving Credit Agreement and the Supplemental Indenture in substantially the forms enclosed herewith and hereby approved, with such changes as any Authorized Representative determines are appropriate or necessary and in the best interests of the Transportation Authority, provided that the final terms of the Revolving Credit Agreement are within the parameters set forth in Exhibit A to the extent applicable, such approval to be conclusively evidenced by the execution and delivery thereof; and be it further

RESOLVED, That the Board of Commissioners hereby authorizes the execution and delivery of the Note on behalf of the Transportation Authority by an Authorized Representative and, to the extent determined by an Authorized Representative to be appropriate or to be necessary to comply with the terms of the Indenture (as it may be modified) or applicable law (such determination to be conclusively evidenced by the execution and delivery of such Note by such Authorized Representative), by any other officer, Board of Commissioners member, employee or agent. The Note shall be in substantially the



form enclosed herewith and hereby approved, with such changes as any Authorized Representative determines are appropriate or necessary, in each case, to the extent, and with the terms and provisions as the Authorized Representative executing the same shall determine are appropriate or necessary for the establishment of the Revolving Credit Agreement and in the best interests of the Transportation Authority, such determination to be conclusively evidenced by the execution and delivery thereof. Any such execution may be by manual or facsimile signature, and each Note shall be authenticated by the endorsement of the Trustee or an agent of the Trustee. Any facsimile signature of any person signing a Note shall have the same force and effect as if such person had manually signed such Note; and be it further

RESOLVED, That the Authorized Representatives are, and each of them acting alone is, hereby authorized to take any and all actions and execute and deliver such documents as the Authorized Representative executing the same deems necessary or advisable to carry out the purposes of this Resolution and the Ordinance and to consummate the Revolving Credit Agreement and carry out the terms of the Revolving Credit Agreement; the officers, employees and agents of the Transportation Authority are authorized to take all actions and execute and deliver such documents as may be required to carry out the purposes of this Resolution and the Ordinance and to consummate the Revolving Credit Agreement or to carry out the terms of the Revolving Credit Agreement; and all actions heretofore taken by all officers, employees and agents of the Transportation Authority with respect to the Revolving Credit Agreement, including but not limited to the issuance of the RFP, are hereby approved, confirmed and ratified; and be it further

RESOLVED, That in addition to the actions described elsewhere in this Resolution, the Authorized Representatives are, and each of them acting alone, are hereby continually authorized, from time to time, for and in the name of, and on behalf of the Transportation Authority, to amend and modify any and all Transaction Documents, enter into new agreements or documents with respect to the Revolving Credit Agreement, and take any other actions, in each case, that the Authorized Representative entering into such amendment or modification, agreement or document or taking such action determines is necessary or advisable with respect to the Revolving Credit Agreement; and be it further

RESOLVED, That this Resolution shall take effect immediately upon its adoption and



approval; and be it further

RESOLVED, That the Authorized Representatives are, and each of them hereby is, authorized to negotiate agreement terms and conditions; and be it further

RESOLVED; That notwithstanding any rule or policy of the Transportation Authority to the contrary, each of the Authorized Representatives is expressly authorized to execute agreements and amendments to agreements within the parameters established in this Resolution.

Attachment:

1. Exhibit A: Transaction Parameters

Enclosures:

1. Enclosure A: Form of Revolving Credit Agreement
2. Enclosure B: Form of Supplemental Indenture



**San Francisco  
County Transportation  
Authority**

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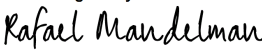
RESOLUTION NO. 22-08

The foregoing Resolution was approved and adopted by the San Francisco County Transportation Authority at a regularly scheduled meeting thereof, this 28th day of September 2021, by the following votes:

**Ayes:** Commissioners Chan, Haney, Mar, Melgar, Peskin, Preston, Ronen, Safai, Stefani, Walton (10)

**Nays:** (0)

**Absent:** Commissioner Mandelman (1)

DocuSigned by:  
  
 3235B3A057A3450... 10/5/2021

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Rafael Mandelman Date  
 Chair

ATTEST: DocuSigned by:  
  
 FFD2528AB8BE49B... 10/6/2021

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Tilly Chang Date  
 Executive Director



## **EXHIBIT A**

### **TRANSACTION PARAMETERS**

Maximum Principal Amount:	\$125,000,000 outstanding at any time; Transportation Authority may borrow and reborrow under the facility
Maximum Interest Rate:	Maximum permitted by law
Maximum Term:	3 year term of facility plus term out period not to exceed 5 years
Minimum Denominations for Notes:	No less than \$5,000 and minimum integral multiples of \$1,000 in excess thereof
Form of Note:	Registered or Physical, in substantially the form attached to the Revolving Credit Agreement provided as Enclosure A, with changes approved by an Authorized Representative