



**San Francisco
County Transportation
Authority**

BD100824

RESOLUTION NO. 25-17

AUTHORIZE THE EXECUTIVE DIRECTOR AND OTHER AUTHORIZED REPRESENTATIVES TO ENTER INTO AN AMENDED AND RESTATED REVOLVING CREDIT AGREEMENT FOR \$185 MILLION WITH U.S. BANK NATIONAL ASSOCIATION; TO BORROW CERTAIN AMOUNTS UNDER SUCH REVOLVING CREDIT AGREEMENT; TO EXECUTE AND DELIVER RELATED DOCUMENTS; 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, Ordinance No. 153-22 (the “Ordinance”) was passed on first reading by the Board of Supervisors of the City and County of San Francisco (the “Board of Supervisors”) on July 12, 2022, finally passed on July 19, 2022, and approved by the Mayor of the City and County of San Francisco on July 21, 2022; and

WHEREAS, Pursuant to the Ordinance, the Board of Supervisors adopted a new county transportation expenditure plan (the “2022 Transportation Expenditure Plan”) that superseded the prior transportation expenditure plan and provided for an election for the purpose of submitting to the voters a measure to enact the Ordinance (“Proposition L”) that would, among other things, authorize implementation of the 2022 Transportation Expenditure Plan, continue collection of the retail transactions and use tax applicable in the City and County of San Francisco at the existing level of one-half of one percent (1/2%) (the “Sales Tax”), continue in effect the Transportation Authority as the independent agency to administer the Sales Tax and the 2022 Transportation Expenditure Plan, and authorize the



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Transportation Authority to issue limited tax bonds from time to time, in a total aggregate amount not to exceed \$1,910,000,000 secured by and payable from the proceeds of the Sales Tax; and

WHEREAS, At the election held for such purpose on November 8, 2022, the Ordinance was approved by more than two-thirds of the electors voting on the measure; and

WHEREAS, Pursuant to Sections 131109, 131119 and 131120 of the Act and the Ordinance and other applicable law, 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 \$179,640,000 aggregate principal amount of Senior Bonds outstanding and may issue additional Senior Bonds in the future; and

WHEREAS, The Transportation Authority previously entered into a Revolving Credit Agreement, dated October 7, 2021, as amended September 10, 2024 (the "Existing Revolving Credit Agreement"), by and between U.S. Bank National Association ("U.S. Bank") and the Transportation Authority, pursuant to which the Transportation Authority is permitted to borrow and reborrow amounts from U.S. Bank from time to time in accordance with such Existing Revolving Credit Agreement in an amount up to \$125,000,000 outstanding at any one time; and

WHEREAS, The Transportation Authority's repayment obligations under the Existing Revolving Credit Agreement constitute limited tax bonds and are 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") and remitted to the Trustee (defined below) 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



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the Transportation Authority and U.S. Bank Trust Company, National Association, as successor trustee ("Trustee"), and by the Sales Tax Revenues Bank Note (Limited Tax Bond), dated October 7, 2021 ("Existing Bank Note"), issued pursuant to the Indenture; and

WHEREAS, Amounts may be borrowed under the Existing Revolving Credit Agreement and the Existing Bank Note prior to the expiration of the Existing Revolving Credit Agreement (as of October 4, 2024, there is \$0 outstanding under the Existing Revolving Credit Agreement); and

WHEREAS, The Existing Revolving Credit Agreement expires by its terms on November 1, 2024 as such date may be further extended by agreement of the Transportation Authority and U.S. Bank; and

WHEREAS, On May 23, 2024, 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 Existing Revolving Credit Agreement; and

WHEREAS, By the due date of June 24, 2024, the Transportation Authority received three proposals and one letter of interest from financial institutions in response to the RFP; and

WHEREAS, The review panel consisting of Transportation Authority staff and the Municipal Advisor to the Transportation Authority, KNN Public Finance, evaluated the responses 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 an amended and restated revolving credit agreement ("Amended and Restated Revolving Credit Agreement") with a commitment of \$185,000,000 with U.S. Bank, provided that the terms of such Amended and Restated Revolving Credit Agreement



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shall be within the parameters set forth in Exhibit A; and

WHEREAS, The Transportation Authority's obligations under the Amended and Restated Revolving Credit Agreement would constitute limited tax bonds and would be payable from and secured by the Sales Tax Revenues on a basis subordinate to the Transportation Authority's Senior Lien Bonds; and

WHEREAS, The proceeds of the advances and loans under the Amended and Restated 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 projects, programs and other improvements outlined in the 2022 Transportation Expenditure Plan (including, for the avoidance of doubt, the Proposition K Expenditure Plan as set forth in the 2022 Transportation Expenditure Plan)("Project"), including, without limitation, engineering, inspection, legal, fiscal agents, financial consultant and other fees, a debt service reserve fund, working capital, capitalized interest and expenses of all proceedings for the authorization and implementation of the Amended and Restated 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 Amended and Restated Revolving Credit Agreement; and

WHEREAS, In connection with the Amended and Restated 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 Indenture for purposes of providing the terms and conditions of the Note (defined below) and making other appropriate modifications to the Indenture, a form of which Supplemental Indenture is presented as Enclosure B; and

b) a note (the "Note) evidencing the obligations of the Transportation



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Authority under the Amended and Restated Revolving Credit Agreement, the form of which is attached to the Amended and Restated Revolving Credit Agreement provided as Enclosure A; and

WHEREAS, Any outstanding amount under the Existing Revolving Credit Agreement shall be repaid (or deemed to be repaid) by an advance under the Amended and Restated Revolving Credit Agreement; and

WHEREAS, The Board of Commissioners previously adopted Resolution 25-05 on July 23, 2024, which, among other things, authorized the borrowing of up to \$65,000,000 under the Existing Revolving Credit Agreement in one or more draws (the "Draw(s)"); and

WHEREAS, In accordance with California Government Code Section 5852.1, the Board of Commissioners has obtained and disclosed the good faith estimates required thereby, as more fully set forth in the Staff Recommendation and such good faith estimates have been made available to the public at the meeting at which this Resolution is adopted; and

WHEREAS, The Board of Commissioners desires to authorize (i) the Amended and Restated Revolving Credit Agreement, and (ii) the execution and delivery of all documents, agreements, certificates and other instruments necessary, advisable or appropriate in connection with the Amended and Restated Revolving Credit Agreement, including the Supplemental Indenture, the Note and other documents, agreements, certificates and other instruments related thereto as deemed appropriate by an Authorized Representative (defined below) (all such documents, agreements, certificates and instruments, together with the Amended and Restated Revolving Credit Agreement, the "Transaction Documents"); and

WHEREAS, the Board of Commissioners desires to authorize (i) the Draw(s) to be made under the Amended and Restated Revolving Credit Agreement to the extent not made under the Existing Revolving Credit Agreement (provided that the total amount of Draw(s) shall not exceed \$65,000,000) and (ii) and the execution and



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delivery of all documents, agreements, certificates and other instruments necessary, advisable or appropriate in connection with the Draw(s) (the "Draw Documents"); and

WHEREAS, At its September 25, 2024 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 Amended and Restated Revolving Credit Agreement, the other Transaction Documents, the Draw(s), the Draw 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 Amended and Restated Revolving Credit Agreement and the other Transaction Documents and the performance by the Transportation Authority of its obligations thereunder. The Executive Director of the Transportation Authority and the Chief Deputy Director of the Transportation Authority, including 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 Amended and Restated Revolving Credit Agreement and the Supplemental Indenture in substantially the form enclosed herewith and hereby approved, with such changes as any Authorized Representative determines are appropriate, advisable or necessary and in the best interests of the Transportation Authority, provided that the final terms of the Amended and Restated 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



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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 advisable 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, advisable 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, advisable or necessary 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 Board of Commissioners hereby authorizes the Draw(s) under the Amended and Restated Revolving Credit Agreement as well as under the Existing Revolving Credit Agreement. The Authorized Representatives are, and each them acting along is, hereby authorized, for and in the name of and on behalf of the Transportation Authority, to determine the timing and amount of the Draw(s) up to a total aggregate principal amount of \$65,000,000, and to execute by manual or facsimile signature and deliver the Draw Documents in the form approved by the Authorized Representative executing the same as being in the best interests of the Transportation Authority, such determination to be conclusively evidenced by the execution and delivery thereof.



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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, agreements, certificates and other instruments as the Authorized Representative executing the same deems necessary, advisable or appropriate to carry out the purposes of this Resolution and the Ordinance and to consummate the Amended and Restated Revolving Credit Agreement, the other Transaction Documents and the Draw(s) and carry out the terms of the Amended and Restated Revolving Credit Agreement and the other Transaction Documents; the officers, employees and agents of the Transportation Authority are authorized to take all actions and execute and deliver such documents, agreements, certificates and other instruments as may be required or appropriate to carry out the purposes of this Resolution and the Ordinance and to consummate the Draw(s), the Amended and Restated Revolving Credit Agreement and the other Transaction Documents or to carry out the terms of the Amended and Restated Revolving Credit Agreement and the other Transaction Documents; and all actions heretofore taken by all officers, employees and agents of the Transportation Authority with respect to the Amended and Restated Revolving Credit Agreement, the other Transaction Documents and the Draw(s), 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 and Draw Documents, enter into new agreements, documents, certificates or other instruments with respect to the Amended and Restated Revolving Credit Agreement and the other Transaction Documents, and take any other actions, in each case, that the Authorized Representative entering into such amendment or modification, agreement, document, certificate or instrument or



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taking such action determines is necessary, advisable or appropriate with respect to the Amended and Restated Revolving Credit Agreement or the Draw(s); and be it further

RESOLVED, That Resolution 25-05 adopted by this Board of Commissioners on July 23, 2024 remains in full force and effect, as supplemented hereby; 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

Enclosure:

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



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The foregoing Resolution was approved and adopted by the San Francisco County Transportation Authority at a regularly scheduled meeting thereof, this this 22nd day of October 2024, by the following votes:

Ayes: Commissioners Chan, Dorsey, Engardio, Mandelman, Preston, Ronen, Stefani, and Walton (8)

Absent: Commissioners Melgar, Peskin, and Safai (3)

DocuSigned by:
Rafael Mandelman 10/24/2024
3236B3A067A3460...
Rafael Mandelman Date
Chair

ATTEST: DocuSigned by:
Tilly Chang 10/24/2024
FFD2628AB8BE40B...
Tilly Chang Date
Executive Director



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1455 Market Street, 22ND Floor, San Francisco, California 94103 415-522-4800 info@sfcta.org www.sfcta.org

EXHIBIT A

TRANSACTION PARAMETERS

Maximum Principal Amount:	\$185,000,000 outstanding at any time; Transportation Authority may borrow and reborrow under the facility
Maximum Interest Rate:	Maximum permitted by law (maximum interest rate may be lower)
Maximum Term:	3-year term of facility plus term out period not to exceed an additional 5 years thereafter
Minimum Denominations for Notes:	No less than \$5,000 and minimum integral multiples of \$1,000 in excess thereof (minimum denominations may be higher)
Form of Note:	Registered or Physical, in substantially the form attached to the Amended and Restated Revolving Credit Agreement provided as Enclosure A, with changes approved by an Authorized Representative