[Authorization for Loan from SFCTA]

Resolution authorizing the City and County of San Francisco, through its Municipal Transportation Agency, to borrow $22.57 million of Proposition K Sales Tax Funds from the San Francisco County Transportation Authority to allow the Third Street Light Rail Transit – Muni Metro East Maintenance and Operations Facility Project to proceed in advance of receiving anticipated state grant funds.

WHEREAS, Government Code section 14529.7(b) and the implementing guidelines issued by the California Transportation Commission ("CTC"), with the concurrence of the CTC, the State of California ("State"), and the regional transportation planning agency, the Metropolitan Transportation Commission ("MTC"), allow an agency to use local funds to advance a project in an earlier year than the date presently programmed in the State Transportation Improvement Program ("STIP"); and

WHEREAS, Government Code section 14529.7(b) and related guidelines further allow the State to subsequently reimburse the agency for eligible project expenditures at a later date with STIP funds on the condition that the CTC actually allocates STIP funds to that project, sufficient State budget authority exists to fund eligible project reimbursements, and the agency has satisfied other necessary project requirements; and

WHEREAS, Effective July 8, 2004, the State and the City, through the Municipal Transportation Agency (MTA), entered into an AB 3090 Project Reimbursement Agreement ("AB 3090 Agreement") under the authority of Government Code section 14529.7(b), under which MTA may utilize local funds for the Third Street Light Rail Transit – Muni Metro East Maintenance and Operations Facility Project ("Project") at an earlier date than the Project is programmed in the STIP; and
WHEREAS, On August 5, 2004, the CTC adopted the 2004 STIP, with an amendment approving the AB 3090 reimbursement transaction; and

WHEREAS, In the 2004 STIP, the State programmed a reimbursement in the amount of $22,570,000 for the Project in Fiscal Year 2007/2008 ("AB 3090 Reimbursement Funds"); and

WHEREAS, MTA has awarded a construction contract for the Project and desires to commence work on the Project in advance of the potential AB 3090 Reimbursement Funds being allocated by CTC, and appropriated by the State legislature; and

WHEREAS, The San Francisco County Transportation Authority ("SFCTA") is willing to make available $22,570,000 in Proposition K ("Prop K") Sales Tax funds for the Project in advance of the allocation of AB3090 Reimbursement Funds subject to a commitment that MTA reimburse the SFCTA; and

WHEREAS, MTA and the SFCTA have negotiated an Agreement for the loan of $22,570,000 in Prop K Sales Tax funds for the Project; and

WHEREAS, The Agreement provides that the loan will be paid back with the AB 3090 Reimbursement Funds in federal Fiscal Year 2007/2008; and

WHEREAS, If the State fails for any reason to allocate AB 3090 Reimbursement Funds, or if the State fails for any reason to allocate AB 3090 Reimbursement Funds for the Project by June 30, 2008, the Agreement requires that the MTA, no later than June 30, 2008, submit to the SFCTA a loan repayment plan to reimburse the loan with future AB 3090 Reimbursement Funds, Prop K funds allocated to MUNI and programmed for other project(s), or monies from other MUNI special funds; and

WHEREAS, Reimbursement of funds to the SFCTA shall not be an obligation of the City's general fund; now, therefore, be it
RESOLVED, That the City and County of San Francisco, through the MTA is authorized to borrow $22.57 million of Proposition K Sales Tax Funds from the San Francisco County Transportation Authority for the Third Street Light Rail Transit – Muni Metro East Maintenance and Operations Facility Project.

RECOMMENDED:

GAVIN NEWSOM
Mayor

EDWARD HARRINGTON
Controller
Resolution authorizing the City and County of San Francisco, through its Municipal Transportation Agency, to borrow $22.57 million of Proposition K Sales Tax Funds from the San Francisco County Transportation Authority to allow the Third Street Light Rail Transit – Muni Metro East Maintenance and Operations Facility Project to proceed in advance of receiving anticipated state grant funds.

January 10, 2006 Board of Supervisors — ADOPTED
Ayes: 10 - Ammiano, Daly, Dufty, Elsbernd, Ma, Maxwell, McGoldrick, Mirkarimi, Peskin, Sandoval
Excused: 1 - Alioto-Pier
I hereby certify that the foregoing Resolution was ADOPTED on January 10, 2006 by the Board of Supervisors of the City and County of San Francisco.

Gloria L. Young  
Clerk of the Board

Mayor Gavin Newsom