

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**

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**INTER-OFFICE COMMUNICATION**

**TO:** Board of Directors

**Date:** August 12, 2019

**FROM:** General Manager

**SUBJECT: REIMBURSEMENT RESOLUTION**

This Resolution addresses certain IRS regulations relating to tax-exempt bonds and preserves to the District the right to finance the new building acquisition on a tax-exempt basis. This document is required by the District in order to receive reimbursements for any down payments/deposits which were made prior to the purchase.

Please let me know if you have any questions or concerns.



Robert Powers

cc: Board Appointed Officers  
Deputy General Manager  
Executive Staff

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**

Resolution No.  
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**RESOLUTION OF THE SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
DECLARING OFFICIAL INTENT TO REIMBURSE CERTAIN EXPENDITURES FROM  
PROCEEDS OF INDEBTEDNESS.**

WHEREAS, the Board of Directors of the San Francisco Bay Area Rapid Transit District (the "District") intends to acquire and improve certain real property for use as the headquarters of the District (the Project");

WHEREAS, the District (and for purposes of this resolution and the Treasury Regulations referenced herein, the "Issuer") expects to pay certain expenditures (the "Reimbursement Expenditures") in connection with the Project prior to the issuance of indebtedness for the purpose of financing costs associated with the Project on a long-term basis;

WHEREAS, the Issuer reasonably expects that debt obligations in an amount not expected to exceed \$230 million will be issued in order to finance the Project, and that certain of the proceeds of such debt obligations will be used to reimburse the Reimbursement Expenditures;

WHEREAS, Section 1.150-2 of the regulations promulgated by the United States Department of the Treasury (the "Treasury Regulations") requires the Issuer to declare its reasonable official intent to reimburse prior expenditures for the Projects with proceeds of a subsequent borrowing, if such proceeds are to be deemed spent upon the reimbursement allocation, for purposes of federal tax law;

BE IT RESOLVED by the Board of Directors of the San Francisco Bay Area Rapid Transit District, as follows:

Section 1.     Recitals. All of the above recitals are true and correct and this Board of Directors so finds.

Section 2.     Compliance with the Requirements of Section 1.150-2 of the Treasury Regulations. For purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations, this Board of Directors hereby declares its official intent to use proceeds of indebtedness to reimburse itself for Reimbursement Expenditures. This declaration does not bind the Issuer to make any expenditure, incur any indebtedness, or proceed with the Project.

Section 3.     Effective Date. This resolution shall take effect immediately.

PASSED AND ADOPTED by the Board of Directors of the San Francisco Bay Area Rapid Transit District at a regular meeting held on September 12, 2019.

Adopted: \_\_\_\_\_

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT  
CERTIFIED A TRUE COPY

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Patricia K. Williams, District Secretary