

RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF HARBOR COMMISSIONERS OF THE CITY OF LOS ANGELES APPROVING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS IN CONNECTION WITH THE ISSUANCE BY THE ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY OF ONE OR MORE SERIES OF ITS ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY SENIOR LIEN REVENUE REFUNDING BONDS AND/OR SUBORDINATE LIEN REVENUE REFUNDING BONDS AND AUTHORIZING SUCH OTHER ACTIONS AS ARE NECESSARY TO ASSIST THE AUTHORITY IN THE ISSUANCE OF SUCH REFUNDING BONDS AND MAKING A DETERMINATION RELATING THERETO

WHEREAS, pursuant to the provisions of Chapter 5, Division 7, Title 1 of the Government Code of the State of California, as amended (the “*Joint Powers Act*”), the City of Los Angeles and the City of Long Beach (together, the “*Members*”) entered into that certain Amended and Restated Joint Exercise of Powers Agreement, dated as of December 18, 1996, as amended (the “*JPA Agreement*”), creating the Alameda Corridor Transportation Authority (previously known as the Consolidated Transportation Corridor Joint Powers Authority) (the “*Authority*”), a public entity separate and apart from the Members; and

WHEREAS, as of December 31, 2022, the Authority had outstanding approximately \$2.7 billion aggregate principal amount or accreted value of its senior lien bonds, subordinate lien bonds, and second subordinate lien bonds, (collectively, the “*ACTA Obligations*”); and

WHEREAS, the City of Los Angeles (the “*City*”), acting by and through its Board of Harbor Commissioners (the “*Board*”), entered into the Amended and Restated Alameda Corridor Use and Operating Agreement, dated as of December 15, 2016 (the “*Use and Operating Agreement*”), by and among the City, acting by and through the Board, the City of Long Beach, acting by and through its Board of Harbor Commissioners (the “*POLB*”), the Authority, BNSF Railway Company and Union Pacific Railroad Company; and

WHEREAS, the Use and Operating Agreement provides that if during any calendar year the debt service on the ACTA Obligations and certain other bond-related amounts are not paid in full (the “*Required Annual Payment*”), the City, acting by and through the Board, and POLB will advance to the Authority, from any legally available source, funds (“*Shortfall Advances*”) sufficient to pay a portion of the debt service on the ACTA Obligations and certain other bond-related amounts to the extent the Authority’s use fees and container charges are insufficient; and

WHEREAS, the contingent obligation of the City, acting by and through the Board, to pay the Shortfall Advances in any calendar year is limited to paying 20% of the Required Annual Payment due each year; and

WHEREAS, the Authority currently projects that the City, acting through the Board, will be required to pay Shortfall Advances in the future; and

WHEREAS, the Authority desires to make a cash tender offer and/or exchange offer (the

“*Senior Tender Offer*”) to holders of all or a portion of its outstanding senior lien bonds (the “*Tender Offer Senior Bonds*”); and

WHEREAS, the Authority desires to make a cash tender offer and/or exchange offer (the “*First Subordinate Tender Offer*” and together with the Senior Tender Offer, the “*Tender Offers*”) to holders of all or a portion of its outstanding subordinate lien bonds (the “*Tender Offer First Subordinate Bonds*” and together with the Tender Offer Senior Bonds, the “*Tender Offer Bonds*”); and

WHEREAS, the Authority is proposing to issue its senior lien revenue refunding bonds in one or more series (the “*Senior Lien Refunding Bonds*”) for the purposes of: (i) (A) purchasing or exchanging all or a portion of the Tender Offer Senior Bonds that the holders thereof elect to tender to or exchange with the Authority (such tendered or exchanged bonds, the “*Tendered Senior Bonds*”), and/or (B) refunding and defeasing to their redemption date or stated maturity date, as applicable, a portion of any or all maturities of the Authority’s outstanding senior lien bonds and (ii) paying costs of issuing the Senior Lien Refunding Bonds, including any premiums with respect to bond insurance and/or a debt service reserve surety policy, if any, for the Senior Lien Refunding Bonds; and

WHEREAS, the Authority is proposing to issue its subordinate lien revenue refunding bonds in one or more series (the “*First Subordinate Lien Refunding Bonds*,” and together with the Senior Lien Refunding Bonds, the “*Refunding Bonds*”) for the purposes of: (i) (A) purchasing or exchanging all or a portion of the Tendered Senior Bonds or the Tender Offer First Subordinate Bonds that the holders thereof elect to tender to or exchange with the Authority (such tendered or exchanged bonds, the “*Tendered First Subordinate Bonds*”, and together with the Tendered Senior Bonds, the “*Tendered Bonds*”), and/or (B) refunding and defeasing to their redemption date or stated maturity date, as applicable, a portion of any or all maturities of the Authority’s outstanding senior lien bonds and/or subordinate lien bonds and (ii) paying costs of issuing the First Subordinate Lien Refunding Bonds, including any premiums with respect to bond insurance and/or a debt service reserve surety policy, if any, for the First Subordinate Lien Refunding Bonds; and

WHEREAS, the Authority’s plan of finance with respect to the Refunding Bonds includes the option of obtaining bond insurance on all or a portion of the Refunding Bonds, and the purchase of one or more debt service reserve surety policies, in lieu of using bond proceeds to fund a debt service reserve fund for the Refunding Bonds, from a surety provider with a credit rating of at least “A” or better from at least one nationally recognized rating agency, for the purpose of achieving present value debt service savings; and

WHEREAS, it is anticipated that the issuance of the Refunding Bonds and the related purchase or exchange of the Tendered Bonds and/or the refunding and defeasance of all or a portion of the outstanding bonds may reduce the Harbor Department of the City of Los Angeles’ exposure to paying Shortfall Advances in the future; and

WHEREAS, in order to assist the Authority with the issuance of the Refunding Bonds, there has been presented to this Board the following documents:

(a) a form of the Continuing Disclosure Certificate (the “**Continuing Disclosure Certificate**”) one or more of which will be executed and delivered by the City, acting by and through the Board, in connection with the issuance of the Refunding Bonds; and

(b) a form of the Letter of Representation (the “**Letter of Representation**”) one or more of which will be executed and delivered by the City, acting by and through the Board, which will set forth various representations of the City, acting by and through the Board, covering various matters requested by the underwriters of the Refunding Bonds; and

(c) a form of the disclosure concerning the finances and operations of the Port of Los Angeles and the Harbor Department of the City of Los Angeles (the “**Harbor Department**”) to be contained in the preliminary official statement(s) and the final official statement(s) of the Authority, that will be prepared and distributed by the Authority, from time to time, in connection with the issuance and sale of the Refunding Bonds;

WHEREAS, neither the payment of the principal of or the interest on the ACTA Obligations or the Refunding Bonds shall constitute a debt, liability, or obligation of the City, the Board or the Harbor Department, but shall constitute a limited contractual obligation of the City, acting by and through the Board, to pay Shortfall Advances;

NOW, THEREFORE, BE IT RESOLVED by the Board of Harbor Commissioners of the City of Los Angeles, as follows:

Section 1. Continuing Disclosure Certificate and Letter of Representation. The form, terms and provisions of the Continuing Disclosure Certificate and the Letter of Representation are in all respects approved, and the Executive Director of the Harbor Department (including any person serving in an acting or interim capacity) and/or the Chief Financial Officer of the Harbor Department (including any person serving in an acting or interim capacity), or their respective designees, any one or more thereof (each an “**Authorized Officer**”), are hereby authorized, empowered and directed to execute, acknowledge and deliver one or more Continuing Disclosure Certificates and one or more Letters of Representation, including counterparts thereof, in the name and on behalf of the City, acting by and through the Board. The Continuing Disclosure Certificates and the Letters of Representation, as executed and delivered, shall be in substantially the forms now before this Board and hereby approved, with such changes and revisions therein as shall be approved by the Authorized Officer or Officers executing the same and the City Attorney of the City (the “**City Attorney**”); the execution thereof by an Authorized Officer shall constitute conclusive evidence of the Board’s approval of any and all changes or revisions therein from the forms of the Continuing Disclosure Certificate and the Letter of Representation now before this Board; and from and after the execution and delivery of each Continuing Disclosure Certificate, the officers, agents and employees of the Harbor Department are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary or advisable to carry out and comply with the provisions of each such Continuing Disclosure Certificate.

The Board hereby covenants and agrees that it will comply with and carry out all of the

provisions of each Continuing Disclosure Certificate.

Section 2. Disclosure Relating to Port of Los Angeles and the Harbor Department.

The disclosure relating to the Port of Los Angeles and the Harbor Department to be contained in the preliminary official statement(s) and the final official statement(s) of the Authority with respect to the Refunding Bonds in substantially the form now before this Board is hereby approved, with such changes thereto, including through any supplements or amendments thereto, as the City Attorney and an Authorized Officer may require or approve, and the execution of each Letter of Representation by an Authorized Officer shall constitute conclusive evidence of the Board's approval of any all changes or revisions therein from the form of the disclosure now before this Board.

Section 3. Additional Authorizations.

Each Authorized Officer and all officers, agents and employees of the Harbor Department, for and on behalf of the Board, are hereby authorized and directed to do any and all things necessary or advisable to assist the Authority with the issuance of the Refunding Bonds or in connection with the Tender Offers and/or the refunding and defeasance of the Authority's outstanding bonds. Each Authorized Officer and all other officers, agents and employees of the Harbor Department are further authorized and directed, for and on behalf of the Board, to execute all papers, documents and certificates that may be required in order to carry out the authority conferred by this Resolution, including, without limitation, entering into agreements and providing certificates which may be required by the provider of any bond insurance or debt service reserve surety policy for the Refunding Bonds (including, but not limited to, one or more non-assignment agreements, if one is required by the provider of any bond insurance or debt service reserve surety policy for the Refunding Bonds, provided any such agreement or certificate shall not impose any new financial obligations on the City, the Board or the Harbor Department). All actions heretofore taken by each Authorized Officer and by all officers, agents and employees of the Harbor Department, for and on behalf of the Board, in connection with or related to the issuance and sale of the Refunding Bonds or in connection with or related to the Tender Offers and/or the refunding and defeasance of the Authority's outstanding bonds, and in connection with the authorization, execution and delivery of, and performance of obligations under, the Use and Operating Agreement, and in connection with the authorization and performance of obligations under the JPA Agreement, are hereby approved, confirmed and ratified.

Section 4. Severability of Invalid Provisions.

If any one or more of the provisions contained in this Resolution shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Resolution and such invalidity, illegality or unenforceability shall not affect any other provision of this Resolution, and this Resolution shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein. The Board hereby declares that it would have adopted this Resolution and each and every other Section, paragraph, sentence, clause or phrase hereof irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses or phrases of this Resolution may be held illegal, invalid or unenforceable.

Section 5. Section Headings and References; Interpretation.

The headings or titles of the several Sections hereof, and any table of contents appended to copies hereof, shall be solely

for convenience of reference and shall not affect the meaning, construction or effect of this Resolution.

All references herein to “Sections” and other subdivisions are to the corresponding Sections or subdivisions of this Resolution; the words “herein,” “hereof,” “hereby,” “hereunder” and other words of similar import refer to this Resolution as a whole and not to any particular Section or subdivision hereof; and words of the masculine gender shall mean and include words of the feminine and neuter genders.

Section 6. Governing Law. This Resolution shall be construed and governed in accordance with the laws of the State of California.

Section 7. Effective Date. This Resolution shall take effect in the manner and at the time set forth in the Charter of the City, including Section 11.28.5 of the City Administrative Code.

APPROVED AS TO FORM AND LEGALITY

_____, 2023
HYDEE FELDSTEIN SOTO, City Attorney
Steven Y. Otera, General Counsel

By _____
_____, Deputy

CERTIFICATION

The undersigned, duly qualified and acting as Secretary of the Board of Harbor Commissioners of the City of Los Angeles, certifies that the foregoing is a true and correct copy of a Resolution adopted at a legally convened meeting of the Board of the Harbor Commissioners of the City of Los Angeles held on _____, 2023.

By _____
Secretary, Board of Harbor
Commissioners of the City of Los
Angeles

Dated: _____