Board Members
Steve Vaus, Chair
Mayor, Poway
Catherine Blakespear, Vice Chair
Mayor, Encinitas
Cori Schumacher
Councilmember, Carlsbad
Mary Salas
Mayor, Chula Vista
Richard Bailey
Mayor, Coronado
Ellie Haviland
Mayor, Del Mar
Bill Wells
Mayor, El Cajon
Paul McNamara
Mayor, Escondido
Serge Dedina
Mayor, Imperial Beach
Kristine Alessio
Councilmember, La Mesa
Racquel Vasquez
Mayor, Lemon Grove
Alejandra Sotelo-Solis
Mayor, National City
Jack Feller
Deputy Mayor, Oceanside
Kevin Faulconer
Mayor, City of San Diego
Georgette Gomez
Council President, City of San Diego
Jim Desmond
Supervisor, County of San Diego
Kristin Gaspar
Supervisor, County of San Diego
Rebecca Jones
Mayor, San Marcos
John Minto
Mayor, Santee
David A. Zito
Mayor, Solana Beach
Judy Ritter
Mayor, Vista
Advisory Members
Hon. Jesus Escobar, Supervisor, District 1
Imperial County
Toks Omishakin, Executive Director
California Department of Transportation
Mona Rios, Vice Chair
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North County Transit District
Joe Stuyvesant, Navy Region Southwest
Executive Director
U.S. Department of Defense
Garry Bonelli, Chairman
Port of San Diego
Ron Morrison, Director
San Diego County Water Authority
Cody Martinez, Chairman
Southern California Tribal Chairmen's Association
April Boling, Chair
San Diego County Regional Airport Authority
Hon. Carlos González Gutiérrez
Consul General, Mexico
Hasan Ikhrata
Executive Director, SANDAG

Board of Directors
Agenda
Friday, January 10, 2020
9 a.m. to 12 noon
SANDAG Board Room
401 B Street, 7th Floor
San Diego

Agenda Highlights

- Regional Bikeway Plan Early Action Program
- TransNet Proposed 2020 Bond Issuance: New Debt to Support Completion of TransNet Regional Bikeway Program
- Regional Plan: Putting the Pieces Together

Please silence all electronic devices during the meeting

You can listen to the Board of Directors meeting by visiting our website at sandag.org

Message from the Clerk
In compliance with Government Code §54952.3, the Clerk hereby announces that the compensation for legislative body members attending the following simultaneous or serial meetings is: Executive Committee (EC) $100, Board of Directors (BOD) $150, and Regional Transportation Commission (RTC) $100. Compensation rates for the EC and BOD are set pursuant to the SANDAG Bylaws, and the compensation rate for the RTC is set pursuant to state law.

Mission Statement
The 18 cities and county government are SANDAG serving as the forum for regional decision-making. SANDAG builds consensus; makes strategic plans; obtains and allocates resources; plans, engineers, and builds public transit; and provides information on a broad range of topics pertinent to the region's quality of life.
Welcome to SANDAG. Members of the public may speak to the Board of Directors on any item at the time the Board is considering the item. Please complete a Request to Comment form located in the lobby. Members of the public may address the Board on any issue under the agenda item entitled Public Comments/Communications/Member Comments. Public speakers are limited to three minutes or less per person. The Board may take action on any item appearing on the agenda.

Both agenda and non-agenda comments should be sent to the Clerk of the Board via clerk@sandag.org. Please include the meeting date, agenda item, your name, and your organization. Any comments, handouts, presentations, or other materials from the public intended for distribution at the meeting should be received by the Clerk no later than 5 p.m. two working days prior to the meeting. All public comments and materials received by the deadline become part of the official public record and will be provided to the members for their review at the meeting.

In order to keep the public informed in an efficient manner and facilitate public participation, SANDAG also provides access to all agenda and meeting materials online at sandag.org/meetings. Additionally, interested persons can sign up for email notifications at sandag.org/subscribe.

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Approval of Meeting Minutes

1A. November 8, 2019, meeting minutes
1B. November 22, 2019, meeting minutes

Public Comments/Communications/Member Comments

Public comments under this agenda item will be limited to five public speakers. Members of the public shall have the opportunity to address the Board on any issue within the jurisdiction of SANDAG that is not on this agenda. Other public comments will be heard during the items under the heading “Reports.” Anyone desiring to speak shall reserve time by completing a “Request to Speak” form and giving it to the Clerk of the Board prior to speaking. Public speakers should notify the Clerk of the Board if they have a handout for distribution to Board members. Public speakers are limited to three minutes or less per person. Board members also may provide information and announcements under this agenda item.

Policy Advisory Committee Chairs' Report

Policy Advisory Committee Chairs will provide updates on key committee activities.

Executive Director’s Report

Hasan Ikhrata, SANDAG

An update on key programs, projects, and agency initiatives, including San Diego Forward: The 2021 Regional Plan, will be presented.

Consent

SB 1 State of Good Repair Program: North County Transit District FY 2019-2020 Claim

Michelle Smith, SANDAG

The Board of Directors is asked to adopt Resolution No. 2020-18, approving the claim for the FY 2019-2020 SB 1 State of Good Repair Program for the North County Transit District.

Policy Advisory Committee Actions

Tessa Lero, SANDAG

The Board of Directors is asked to ratify the actions taken by the Policy Advisory Committees.
+7. **TransNet Smart Growth Incentive Program: Amendment Request*\(^{\text{a}}\)**
   *Tracy Ferchaw, SANDAG*

   The Board of Directors is asked to approve a Smart Growth Incentive Program no-cost, time-only extension amendment for Civic San Diego’s 14th Street Pedestrian Promenade Demonstration Block.

+8. **2020 Transit and Intercity Rail Capital Program Project Submittal**
   *Linda Culp, SANDAG*

   The Board of Directors is asked to approve submission of the proposed SDConnect regional project to the 2020 Transit and Intercity Rail Capital Program.

+9. **Proposed FY 2020 Program Budget Amendment: Regional Housing Incentive Program**
   *Seth Litchney, SANDAG*

   The Board of Directors is asked to:
   1. Adopt Resolution No. 2020-17, authorizing staff to submit a request to the Department of Housing and Community Development for $1.7 million as an advance allocation under the Regional Early Action Planning program; and
   2. Contingent on award of the funding, approve an amendment to the FY 2020 Program Budget to accept $1.7 million and create a new Overall Work Program Project Element No. 3321900 for the Regional Housing Incentive Program.

+10. **Conflict of Interest Policy Amendment**
    *John Kirk and Tessa Lero, SANDAG*

    The Board of Directors is asked to approve proposed amendments to the Conflict of Interest Code.

+11. **Meetings and Events Attended on Behalf of SANDAG**
    *Tessa Lero, SANDAG*

    Board members will provide brief reports on external meetings and events attended on behalf of SANDAG.

### Reports

+12. **Del Mar Bluffs Project Update and Emergency Repair**
    *Bruce Smith, SANDAG*

    An update on an erosion event and subsequent stabilization effort on the Los Angeles-San Diego-San Luis Obispo rail corridor along the Del Mar Bluffs will be presented. The Board of Directors is asked to ratify the Executive Director’s action per Board Policy No. 017 authorizing emergency repairs, and to approve an amendment to the FY 2020 Program Budget to create the Del Mar Bluffs Emergency Project (Capital Improvement Program Project No. 1147300).
13. Regional Bikeway Plan Early Action Program*  
Coleen Clementson, Linda Culp, and John Haggerty; SANDAG  
An overview of the history, components, and benefits of the Regional Bikeway Plan Early Action Program will be presented.

14. TransNet Proposed 2020 Bond Issuance: New Debt to Support Completion of TransNet Regional Bikeway Early Action Program*  
André Douzdjian and Linda Culp, SANDAG  
Peter Schellenberger, Public Financial Management  
The Board of Directors, acting as the San Diego County Regional Transportation Commission (RTC), is asked to adopt Resolution No. RTC 2020-15, authorizing the issuance of up to $90 million of fixed-rate tax-exempt bonds to support completion of the TransNet Regional Bikeway Early Action Program.

15. 2021 Regional Plan: Putting the Pieces Together  
Coleen Clementson, SANDAG  
Staff is using a data-driven approach to help identify the appropriate transportation solutions to meet the region’s needs. An overview of the data and analysis that is driving development of the 2021 Regional Plan will be presented.  
This item is presented for informational purposes only; no votes will be taken.

16. Continued Public Comments  
If the five-speaker limit for public comments was exceeded at the beginning of this agenda, other public comments will be taken at this time. Subjects of previous agenda items may not again be addressed under public comment.

17. Upcoming Meetings  
Please note, a joint meeting of the Board of Directors, Transportation Committee, and Regional Planning Committee is scheduled for Friday, January 17, 2020, at 9 a.m. The next Board Business meeting is scheduled for Friday, January 24, 2020, at 9 a.m.

18. Adjournment

+ next to an agenda item indicates an attachment

* next to an agenda item indicates that the Board of Directors also is acting as the San Diego County Regional Transportation Commission for that item
November 8, 2019, Board of Directors Meeting Minutes

Chair Steve Vaus (Poway) called the meeting of the Board of Directors to order at 10:04 a.m.

1. Public Comments/Communications/Member Comments

None.

2. Policy Advisory Committee Chairs' Report (Information)

None.

Action: Information only.

3. Executive Director's Report (Discussion)

Hasan Ikhrata, Executive Director, presented an update on key programs, projects, and agency initiatives, including San Diego Forward: The 2021 Regional Plan.

Action: Discussion only.

Reports

4. TransNet Program Update (Information)

Ray Major, Chief Data Analytics Officer; André Douzdjian, Director of Finance; Linda Culp, Principal Regional Planner; and José Nuncio, TransNet Department Director, presented an overview of current capacity and projections for each of the TransNet funding programs and an update on implementation of the TransNet Bicycle, Pedestrian, and Neighborhood Safety Program.

Action: Information only.

5. Regional Transportation Improvement Program Amendment No. 8 Review (Information)

This item was continued to a future meeting.

Action: Information only.

6. Continued Public Comments

None.

7. Upcoming Meetings

The next Board Business meeting is scheduled for Friday, November 22, 2019, at 9 a.m.

8. Adjournment

Chair Vaus adjourned the meeting at 11:57 a.m.

Action: Approve

The Board of Directors is asked to approve the minutes from its November 8, 2019, meeting.
## Confirmed Attendance at SANDAG Board of Directors Meeting

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<td>Southern California Tribal Chairmen's Association</td>
<td>Cody Martinez (Primary)</td>
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November 22, 2019, Board of Directors Meeting Minutes

Chair Steve Vaus (Poway) called the meeting of the Board of Directors to order at 9:02 a.m.

1. Approval of Meeting Minutes

Action: Upon a motion by Mayor Alejandra Sotelo-Solis (National City), and a second by Mayor David Zito (Solana Beach), the Board approved the minutes from its October 25, 2019, Board Business meeting.

Yes: Chair Vaus, Vice Chair Catherine Blakespear (Encinitas), Councilmember Cori Schumacher (Carlsbad), Mayor Richard Bailey (Coronado), Deputy Mayor Ellie Haviland (Del Mar), Mayor Bill Wells (El Cajon), Mayor Paul McNamara (Escondido), Mayor Serge Dedina (Imperial Beach), Mayor Sotelo-Solis, Deputy Mayor Jack Feller (Oceanside), Councilmember Chris Cate (City of San Diego), Supervisor Jim Desmond (County of San Diego), Mayor Rebecca Jones (San Marcos), Mayor Zito, and Mayor Judy Ritter (Vista).

No: None. Abstain: None. Absent: Chula Vista, La Mesa, Lemon Grove, and Santee.

2. Public Comments/Communications/Member Comments

Dan Summers, Ramona Community Planning Group, spoke regarding safety issues in Ramona and along State Route 67.

Jack Shu, Cleveland National Forest Foundation, spoke in support of the Executive Director and his annual evaluation.

Jean Costa, member of the public, spoke regarding various transit issues in La Mesa.

Nicole Burgess, member of the public, spoke regarding support for bike programs and projects.

3. Policy Advisory Committee Chairs' Report (Information)

Policy Advisory Committee Chairs provided updates on key Committee activities.

Action: Information only.

4. Executive Director's Report (Discussion)

Executive Director Hasan Ikhrata presented an update on key programs, projects, and agency initiatives, including San Diego Forward: The 2021 Regional Plan.

Action: Discussion only.

Consent

6. Policy Advisory Committee Actions (Approve)

The Board was asked to ratify the delegated actions taken by the Policy Advisory Committees.
7. **Transportation Development Act Audit Extension Request: City of Chula Vista (Approve)**
The Board was asked to approve a Transportation Development Act audit extension request for the City of Chula Vista until March 27, 2020, as permitted by the California Public Utilities Code and the California Code of Regulations.

8. **2020 Board and Policy Advisory Committee Meeting Calendar (Approve)**
The Board was asked to approve the 2020 Board and Policy Advisory Committee meeting calendar.

9. **Review of Draft Board Agenda (Approve)**
The Board was asked to approve the draft agenda for the December 13, 2019, Board Policy meeting.

10. **Release of Cost Contribution Funds: UTC Transit Center (Approve)**
The Board was asked to approve amendments to both SANDAG’s Escrow Agreement with the Westfield Group, and SANDAG’s Contribution Agreement with the City of San Diego, to release SANDAG and the City’s cost contributions towards the construction of the UTC Transit Center.

11. **Executive Director Delegated Actions* (Information)**
In accordance with various SANDAG Board Policies, this report summarized delegated actions taken by the Executive Director since the last Board Business meeting.

12. **Meetings and Events Attended on Behalf of SANDAG (Information)**
Board members provided brief reports on external meetings and events attended on behalf of SANDAG since the last Board Business meeting.

This quarterly report provided an update on the status of major SANDAG and Caltrans projects and programs in the San Diego region.

**Action:** Upon a motion by Council President Georgette Gomez (City of San Diego), and a second by Mayor Zito, the Board approved Consent Items Nos. 6 through 13. Yes: Chair Vaus, Vice Chair Blakespear, Councilmember Schumacher, Councilmember John McCann (Chula Vista), Mayor Bailey, Deputy Mayor Haviland, Mayor Wells, Mayor McNamara, Mayor Dedina, Councilmember Kristine Alessio (La Mesa), Mayor Racquel Vasquez (Lemon Grove), Mayor Sotelo-Solis, Deputy Mayor Feller, Councilmember Cate, Mayor Jones, Mayor John Minto (Santee), Mayor Zito, Supervisor Desmond, and Mayor Ritter. No: None. Abstain: None. Absent: None.

5. **Approval of Construction Agreement (Approve)**
The Board was asked to authorize the Executive Director to award an agreement for the Uptown: Fourth & Fifth Avenue Bikeways project.

Principal Regional Planner Linda Culp presented the item.

**Action:** Upon a motion by Council President Gomez, and a second by Councilmember Schumacher, the Board approved Consent Item No. 5. Yes: Vice Chair Blakespear, Councilmember Schumacher, Councilmember McCann, Mayor Bailey, Deputy Mayor Haviland, Mayor Wells, Mayor Dedina, Councilmember Alessio, Mayor Vasquez, Mayor Sotelo-Solis, Deputy Mayor Feller, Councilmember Cate, Mayor Zito, and Mayor Ritter. No: Chair Vaus, Mayor McNamara, Mayor Jones, Supervisor Desmond, and Mayor Minto. Abstain: None. Absent: None.
14. Regional Housing Needs Assessment Methodology and Allocation (Adopt)

The Board was asked to adopt Resolution No. 2020-13, adopting the Final Regional Housing Needs Assessment Methodology.

Senior Regional Planner Seth Litchney presented the item.

Deputy Mayor Jewel Edson, City of Solana Beach, spoke in opposition to this item.

Laura Nunn, San Diego Housing Federation, spoke in support of this item.

Rebecca Lieberman, San Diego Regional Chamber of Commerce, spoke in support of this item.

**Action:** Upon a substitute motion by Mayor Zito, and a second by Mayor Bailey, the Board directed staff to adjust the Regional Housing Needs Assessment Methodology in accordance with the methodology submitted by Mayor Zito. Yes: Chair Vaus, Councilmember McCann, Mayor Bailey, Deputy Mayor Haviland, Mayor Dedina, Councilmember Alessio, Mayor Vasquez, Supervisor Desmond, Mayor Zito, and Mayor Ritter. No: Vice Chair Blakespear, Councilmember Schumacher, Mayor Wells, Mayor McNamara, Deputy Mayor Sotelo-Solis, Mayor Feller, Councilmember Cate, Mayor Jones, and Mayor Minto. Abstain: None. Absent: None.

Council President Gomez called for the weighted vote.

**Action:** Upon a motion by Council President Gomez, and a second by Councilmember Schumacher, the Board voted to direct staff to adjust the Regional Housing Needs Assessment Methodology in accordance with the methodology submitted by Mayor Zito. Yes: Chair Vaus, Councilmember McCann, Mayor Bailey, Deputy Mayor Haviland, Mayor Dedina, Councilmember Alessio, Mayor Vasquez, Supervisor Desmond, Mayor Zito, and Mayor Ritter (weighted vote: 26.5%). No: Vice Chair Blakespear, Councilmember Schumacher, Mayor Wells, Mayor McNamara, Deputy Mayor Sotelo-Solis, Mayor Feller, Councilmember Cate, Mayor Jones, and Mayor Minto (weighted vote: 66%). Absent: City of San Diego (B) (weighted vote: 7.5%). The motion failed.

**Action:** Upon a substitute motion by Mayor Bailey, and a second by Mayor Wells, the Board directed staff to adjust the Regional Housing Needs Assessment Methodology in accordance with the methodology as amended by Mayor Bailey. Yes: Chair Vaus, Councilmember McCann, Mayor Bailey, Mayor Wells, Mayor McNamara, Mayor Dedina, Councilmember Alessio, Mayor Vasquez, Deputy Mayor Feller, Supervisor Desmond, Mayor Jones, Mayor Minto, Mayor Zito, and Mayor Ritter (weighted vote: 42.5%). No: Vice Chair Blakespear, Councilmember Schumacher, Deputy Mayor Haviland, Mayor Sotelo-Solis, Councilmember Cate, and Council President Gomez (weighted vote: 50%). Absent: County of San Diego (B) (7.5%). The motion failed.

**Action:** Upon a motion by Council President Gomez, and a second by Mayor Sotelo-Solis, the Board voted to adopt Resolution No. 2020-13, adopting the Final Regional Housing Needs Assessment Methodology. Yes: Vice Chair Blakespear, Councilmember Schumacher, Deputy Mayor Haviland, Councilmember Alessio, Mayor Sotelo-Solis, and Councilmember Cate. No: Chair Vaus, Councilmember McCann, Mayor Bailey, Mayor Wells, Mayor McNamara, Mayor Dedina, Deputy Mayor Feller, Supervisor Desmond, Mayor Jones, Mayor Minto, Mayor Zito, and Mayor Ritter. Abstain: Mayor Vasquez. Absent: None. The motion failed.
Council President Gomez called for the weighted vote.

**Action:** Upon a motion by Council President Gomez, and a second by Councilmember Schumacher, the Board adopted Resolution No. 2020-13, adopting the Final Regional Housing Needs Assessment Methodology. Yes: Vice Chair Blakespear, Councilmember Schumacher, Deputy Mayor Haviland, Councilmember Alessio, Mayor Sotelo-Solis, Councilmember Cate, Council President Gomez, and Supervisor Desmond (weighted vote: 59.5%). No: Chair Vaus, Councilmember McCann, Mayor Bailey, Mayor Wells, Mayor McNamara, Mayor Dedina, Mayor Vasquez, Deputy Mayor Feller, Mayor Jones, Mayor Minto, Mayor Zito, and Mayor Ritter (weighted vote: 33%). Absent: None. Absent: County of San Diego (B) (7.5%).


The Board, acting as the San Diego County Regional Transportation Commission (RTC), was asked to adopt Resolution No. RTC-2020-14, authorizing the refunding of certain outstanding bonds and the execution and distribution of the related documents.

Chief Financial Officer André Douzdjian; Peter Schellenberger, Public Financial Management; and Victor Hsu, Norton Rose Fulbright US LLP, presented the item.

**Action:** Upon a motion by Supervisor Desmond, and a second by Councilmember Alessio, the Board adopted Resolution No. RTC-2020-14, authorizing the refunding of certain outstanding bonds and the execution and distribution of the related documents. Yes: Chair Vaus, Vice Chair Blakespear, Councilmember Schumacher, Councilmember McCann, Mayor Bailey, Deputy Mayor Haviland, Mayor McNamara, Mayor Dedina, Councilmember Alessio, Mayor Vasquez, Mayor Sotelo-Solis, Deputy Mayor Feller, Councilmember Cate, Mayor Jones, Mayor Minto, Mayor Zito, Supervisor Desmond, and Mayor Ritter. No: None. Abstain: None. Absent: El Cajon.


This item was continued to a future meeting.

17. **Regional Transportation Improvement Program Amendment No. 8 Review (Information)**

General Counsel John Kirk presented the findings on the impact of Regional Transportation Improvement Program Amendment No. 8 on SANDAG’s ability to comply with state law, including Regional Transportation Plan and Sustainable Communities Strategy requirements. John Kirk also reviewed how Executive Order N-19-19, issued by Governor Newsom on September 20, 2019, could impact future funding of Regional Transportation Improvement Program Amendment No. 8 activities.

Helen Bourne, member of the public, spoke in support of transit in the region and the 5 Big Moves.

Jack Shu, Cleveland National Forest Foundation, spoke regarding the need for legal review of the RTIP.

Bee Mittermiller, San Diego 350, spoke in support of this item.

**Action:** Information only.

18. **City of Coronado Request: TransNet Extension Ordinance (Discussion/Possible Action)**

The Board was asked to provide direction to staff regarding a request from the City of Coronado to repurpose $25 million included in the 2004 TransNet Extension Ordinance for the Coronado Tunnel Project to a project that will relieve congestion along the approaches to Naval Base Coronado.

**Action:** Upon a motion by Mayor Bailey, and a second by Councilmember McCann, the Board directed staff to prepare an analysis of a potential 2004 TransNet Extension Ordinance amendment to replace the Coronado Tunnel Project with a different Coronado related project to relieve congestion in Coronado and report its findings back to the Board. Yes: Chair Vaus, Vice Chair Blakespear, Councilmember Schumacher, Councilmember McCann, Mayor Bailey, Deputy Mayor Haviland, Mayor McNamara, Mayor Dedina,
Councilmember Alessio, Mayor Vasquez, Mayor Sotelo-Solis, Deputy Mayor Feller, Mayor Jones, Mayor Minto, Mayor Zito, Supervisor Desmond, and Mayor Ritter. No: None. Abstain: None. Absent: El Cajon and City of San Diego.

**Action**: Discussion only.

19. **Continued Public Comments**

Jennifer Hunt, San Diego County Bicycle Coalition, spoke regarding support to fund bike projects in the region.

Stephan Vance, member of the public, spoke regarding support to fund bike projects in the region.

20. **Upcoming Meetings**

The next Board Policy meeting is scheduled for Friday, December 13, 2019, at 9 a.m. The next Board Business meeting is scheduled for Friday, December 20, 2019, at 9 a.m. Please note, this meeting is scheduled for the third Friday of the month due to the holiday schedule.

21. **Adjournment**

Chair Vaus adjourned the meeting at 11:38 a.m.
## Confirmed Attendance at SANDAG Board of Directors Meeting

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<td>Caltrans</td>
<td>Ann Fox (2nd. Alt.)</td>
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<td>Sup. Jesus Escobar (Primary)</td>
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<td>Garry Bonelli (Primary)</td>
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<td>Ron Morrison (Primary)</td>
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<td>Cody Martinez (Primary)</td>
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SB 1 State of Good Repair Program: North County Transit District FY 2019-2020 Claim

Overview

On April 28, 2017, Governor Jerry Brown signed Senate Bill 1 (SB 1) (Beall) into law. SB 1 augmented State Transit Assistance (STA) funding and created the State of Good Repair (SGR) Program within the STA Account. Under the SGR guidelines, recipients must submit to Caltrans a list of projects proposed for SGR program funding to receive an allocation from the State Controller’s Office (SCO).

Key Considerations

Per the SGR Program guidelines, SANDAG is responsible for submitting claims on behalf of North County Transit District (NCTD), while Metropolitan Transit System may receive its funds directly.

At its meeting on July 26, 2019, the Board of Directors approved the use of SGR Program funds for the Locomotive Replacement project located in the cities of Carlsbad, Del Mar, Encinitas, Oceanside, San Diego, and Solana Beach, as well as at the Marine Corps Base at Camp Pendleton. This project will replace five Tier 0 and two Tier 2 COASTER locomotives with cleaner, more efficient Tier 4 locomotives. Project benefits include more efficient operations, decreased emissions, and fuel savings.

Next Steps

Pending Board action, NCTD would be able to claim funds when available from the State Controller’s Office for implementation of the Locomotive Replacement project.

Hasan Ikhrata, Executive Director

Key Staff Contact: Michelle Smith, (619) 595-5608, michelle.smith@sandag.org

Attachment: 1. SANDAG Board Resolution No. 2020-18 for FY 2020 SB 1 SGR Claim

Action: Adopt

The Board of Directors is asked to adopt Resolution No. 2020-18, approving the claim for the FY 2019-2020 SB 1 State of Good Repair Program for the North County Transit District.

Fiscal Impact:
The State of Good Repair Program includes $107.6 million in funding statewide in FY 2019-2020 on a formula basis to transit operators for eligible transit maintenance, rehabilitation, and capital projects. Of that amount, $6.2 million is expected to be available to the San Diego region—$1.6 million to North County Transit District and $4.5 million to Metropolitan Transit System.

Schedule/Scope Impact:
None.
Resolution No. 2020-18

Approving the Allocation of FY 2019-2020 State Transit Assistance, State of Good Repair Program Claim to the North County Transit District

WHEREAS, the North County Transit District (NCTD) has filed a claim for State Transit Assistance (STA) State of Good Repair (SGR) funds in the amount of $1,619,780 for FY 2020 pursuant to Section 6730(a) of Title 21 of the California Code of Regulations (CCR); and

WHEREAS, NCTD affirmed the certifications required for the allocation described below as reflected in Attachment 1 (NCTD Certifications); and;

WHEREAS, the Board of Directors finds that the claim is in substantial conformance with the provisions of the Transportation Development Act of 1971, as amended, and meets the specific requirements of Section 6754 of Title 21 of the CCR; NOW THEREFORE

BE IT RESOLVED by the Board of Directors of the San Diego Association of Governments as follows:

1. That the Board of Directors does hereby concur in the NCTD Certifications; and

2. That the Board of Directors does hereby approve the allocation of STA SGR to the following claimants for purposes listed below; and

<table>
<thead>
<tr>
<th>Claim No.</th>
<th>Claimant</th>
<th>Allocation</th>
</tr>
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<tbody>
<tr>
<td>20041004</td>
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<td>$1,619,780</td>
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</table>

3. That the Executive Director is hereby authorized to prepare and transmit allocation instructions to the San Diego County Auditor as are necessary and legal for payment of this claim.

PASSED AND ADOPTED this 20th day of December 2019.

Attest:

Chair

Secretary

Member Agencies: Cities of Carlsbad, Chula Vista, Coronado, Del Mar, El Cajon, Encinitas, Escondido, Imperial Beach, La Mesa, Lemon Grove, National City, Oceanside, Poway, San Diego, San Marcos, Santee, Solana Beach, Vista, and County of San Diego.

Advisory Members: California Department of Transportation, Metropolitan Transit System, North County Transit District, Imperial County, U.S. Department of Defense, San Diego Unified Port District, San Diego County Water Authority, Southern California Tribal Chairmen’s Association, and Mexico.
WHERAS, the North County Transit District ("Claimant") hereby affirms the certifications and required findings as part of the Transportation Development Act (TDA) and State Transit Assistance (STA) Claims for FY2020 as follows:

Finding #1: The Claimant's proposed expenditures are in conformance with the Regional Transportation Plan (RTP).

Finding #2: The Claimant is proposing a level of fare revenue sufficient to meet the fare revenue operating cost ratio requirements of Public Utilities Code (PUC) 99268.2, 99268.3, 99268.5 and 99268.9, as applicable.

Finding #3: The Claimant is making full use of federal funds available under the Urban Mass Transportation Act of 1964, as amended.

Finding #4: The sum of the Claimant's allocations from the STA Fund and the Local Transportation Fund do not exceed the maximum for which the Claimant is eligible.

Finding #5: Priority consideration has been given to offsetting unanticipated increases in the cost of fuel, enhancing existing public transportation services, and meeting high-priority regional needs.

Finding #6: The Claimant has made a reasonable effort to implement the productivity improvements recommended pursuant to PUC 99244.

Finding #7: The Claimant is not prevented by a labor contract entered into after June 28, 1979, from employing part-time drivers or from contracting with common carriers.

Finding #8: The Claimant has on file a certification by the Department of the California Highway Patrol verifying compliance with section 1808.1 of the Vehicle Code, pursuant to PUC 99251.

Finding #9: The Claimant is in compliance with the requirements of PUC 99314.6.

Authorized Representative/Contact:

[Signature]
Matthew O. Tucker
(Print or type name)
Executive Director
(Title)
Policy Advisory Committee Actions

Overview

Board Policy No. 001 delegates certain responsibilities to the Policy Advisory Committees to allow SANDAG to effectively address key public policy and funding responsibilities. All items delegated to the Policy Advisory Committees are subject to Board ratification.

Below are the delegated actions taken or scheduled to be taken by the Policy Advisory Committees that are subject to ratification.

Public Safety Committee: December 20, 2019

Approved an amendment to the FY 2020 Program Budget to accept $90,000 from the San Diego-Imperial High Intensity Drug Trafficking Areas program to fund a study to evaluate the most important drug policy questions for local stakeholders and then compile data to answer these questions.

Executive Committee: January 10, 2020

Approved draft agendas for the January 17, 2020, Joint Board of Directors, Transportation Committee, and Regional Planning Committee meeting; the January 24, 2020, Board Business meeting; and the February 14, 2020, Joint Board of Directors, Transportation Committee, and Regional Planning Committee meeting.

Approved a waiver of the enforcement of the transportation model lifecycle policy as stated in Board Policy No. 012, until the 2021 Regional Plan is adopted by the Board of Directors.

Hasan Ikhrata, Executive Director

Key Staff Contact: Tessa Lero, (619) 595-5629, tessa.lero@sandag.org

Action: Approve
The Board of Directors is asked to ratify the delegated actions taken by the Policy Advisory Committees.

1 Any changes to the delegated actions will be reported to the Board of Directors following the Executive Committee meeting that day.
TransNet Smart Growth Incentive Program: Amendment Request

Overview
The TransNet Extension Ordinance and Expenditure Plan, approved by voters in November 2004, includes the Smart Growth Incentive Program (SGIP), which provides funding for projects that catalyze compact, mixed use development focused around public transit and increase housing and transportation choices around the region.

Civic San Diego received an SGIP grant award for the 14th Street Pedestrian Promenade Demonstration Block project and is requesting a 12-month schedule extension.

Key Considerations
The extension request will allow for additional time for construction drawing preparation and permitting. This is the third schedule extension for this project. Civic San Diego’s amendment request (Attachment 1) provides a detailed explanation of the reasons for the delay as well as a revised Scope, Schedule, and Budget sheet for the 14th Street Pedestrian Promenade Demonstration Block.

Due to the project’s upcoming contract expiration and lack of a December Regional Planning Committee or Transportation Committee meeting, this item is being presented to the Board of Directors for consideration. The Independent Taxpayer Oversight Committee reviewed the requested extension at its November 13, 2019, meeting and recommends approval.

Next Steps
Pending approval by the Board of Directors, staff will execute the proposed SGIP schedule amendment for the 14th street Pedestrian Promenade Demonstration Block.

Hasan Ikhrata, Executive Director

Key Staff Contact: Tracy Ferchaw, (619) 699-1977, tracy.ferchaw@sandag.org

Attachments: 1. Civic San Diego’s Amendment Request Letter and Revised Scope, Schedule, and Budget for the 14th Street Pedestrian Promenade Demonstration Block

Action: Approve
The Board of Directors is asked to approve a Smart Growth Incentive Program no-cost, time-only extension amendment for Civic San Diego’s 14th Street Pedestrian Promenade Demonstration Block.

Fiscal Impact:
Civic San Diego’s amendment request is for time only; there is no fiscal impact.

Schedule/Scope Impact:
If Civic San Diego’s 12-month schedule extension request is approved, the 14th Street Pedestrian Promenade Demonstration Block will be completed and open to the public in January 2021.
10/18/2019

Tracy Ferchaw
SANDAG
401 B Street, Suite 800
San Diego, CA 92101

Dear Ms. Ferchaw,

The City of San Diego is requesting an amendment to agreement No. 5004750 for the 14th Street Pedestrian Promenade Demonstration Block. The requested 12 month extension will allow for additional time for bidding and awarding the construction contract, and constructing the improvements.

Please address these three specific issues from Policy 35 of our grant program requirements for amendment justification. Please provide a paragraph(s) under each heading.

Previous efforts undertaken to maintain the project schedule.

The original expiration date of the Agreement was July 8, 2018. CivicSD requested, and was granted, an administrative extension of six months to provide for a new expiration date of January 8, 2019. The extension was required to allow for additional time for construction drawing preparation and permitting. CivicSD requested a second extension in August, 2018 for one year, due to the difficulty in permitting the drawings. We have now received permits for the proposed improvements and are preparing to go out to bid.

A detailed explanation on the reason for delay, and how it was unavoidable.

The 14th Street Promenade Demonstration Block is the first block of its kind constructed in the City. Many aspects of the design are nonstandard and needed additional coordination between City departments and Development Services Department (DSD) in order for the City to sign off on the permits. For example, the consultant team was required to relocated the water and sewer lines in the street in order to maintain separation distances to meet the State Water Board required minimum separation distances. The team worked with DSD to provide the minimum requirements for permeable surfaces per the Green Street requirements. CivicSD and the consultant team have been working with Transportation and Storm Water (TSW) to accept the industrial objects that are part of the design. These objects are donations from the Sinclair
Family. TSW does not have a track record of accepting donations. A thorough review of all of the maintenance entities for all of the proposed improvements was necessary for DSD reviewers to permit the drawings. This required coordination with TSW, Parks and Recreation, Downtown San Diego Partnership, and Economic Development.

Demonstrate the ability to succeed in the timeframe proposed.

With the construction permits, we are now in the process of going out to public bid. The project was scheduled to be constructed within a 12-month time period, therefore, we are requesting this extension. Attached is a revised Scope/Schedule and Budget sheet that reflects this request (note there is no fiscal impact from this extension request).

Sincerely

[Signature]

Kathleen Brand
Senior Planner/Landscape Architect
Civic San Diego
### PART II: SCOPE OF WORK, SCHEDULE, AND BUDGET

Proposed tasks, deliverables, a timeframe, and a budget for implementing the project. The project schedule must be based on "Notice to Proceed." Capital projects are also required to include $5,000 for baseline bicycle and pedestrian data collection. Also identify any seasonal constraints that may require the overall project, or specific tasks, to begin or be completed by a specific date.

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<th>TASK NO.</th>
<th>TASK DESCRIPTION</th>
<th>DURATION</th>
<th>Revised Completion Date</th>
<th>Revised Start Date</th>
<th>Revised Duration</th>
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<td>1</td>
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**TOTAL PROJECT COSTS**

$1,250,000.00

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### SEASONAL CONSTRAINTS, IF ANY:

None
2020 Transit and Intercity Rail Capital Program
Project Submittal

Overview
The Transit and Intercity Rail Capital Program (TIRCP) provides Senate Bill 1 (Beall, 2017) and Cap and Trade funding for transformative capital improvements that modernize California’s intercity rail, bus, select vanpool, ferry, and rail transit systems. The objectives of the program are to reduce greenhouse gas emissions, increase ridership, integrate rail services, and improve transit safety. There is $450-$500 million available statewide in this cycle, which covers the five-year period from FY 2021 through FY 2025. No matching funds are required but will enhance the application if included.

Key Considerations
SANDAG, Metropolitan Transit System, and North County Transit District plan to submit one integrated rail improvement application for the San Diego region that meets all four program objectives. SANDAG will coordinate all required elements and submit the application. Each of our agencies has been successful in this program in past cycles and believes that one application from the region will score well in the various evaluation criteria.

The proposed grant application, SDConnect, includes an integrated program of specific rail improvement projects on San Diego’s major light and heavy rail corridors (Attachment 1). These are high-priority rail improvement projects that best meet the program objectives. These include:

- Additional track capacity along the Blue, Orange, and Green Lines to facilitate additional connectivity and improved Trolley operational flexibility and reliability (This project complements previous Trolley investments made through the TransNet Early Action Program.)
- Batiquitos Lagoon Double Track project to add capacity along the COASTER coastal rail corridor to facilitate additional passenger and freight service (This project is included in the TransNet Early Action Program.)
- Del Mar Bluffs stabilization and state of good repair improvements (previous phases are part of the TransNet Early Action Program)

The estimated funding request is between $140 and $160 million over the five-year period.

Next Steps
Upon approval by the Board of Directors, staff from the three agencies will continue to develop the various documents and analysis required and will submit the entire application by the January 16, 2020, deadline.

Action: Approve
The Board of Directors is asked to approve submission of the proposed SDConnect regional project to the 2020 Transit and Intercity Rail Capital Program.

Fiscal Impact:
A successful grant award would bring additional funding to the region for high priority rail capital improvement projects along the COASTER, and/or San Diego Trolley rail corridors.

Schedule/Scope Impact:
If Transit and Intercity Rail Capital Program funding is secured, SANDAG will take the necessary steps to complete design and construction of the awarded projects in collaboration with the North County Transit District and the Metropolitan Transit System.
Award decisions are expected from the state by April 1, 2020. If funds are awarded, the Board of Directors will be asked to approve an amendment to the Program Budget for acceptance.

**Hasan Ikhrata, Executive Director**

Key Staff Contact: Linda Culp, (619) 699-6957, linda.culp@sandag.org

Attachment: 1. SDConnect Project Map – December 2019
Proposed FY 2020 Program Budget Amendment: Regional Housing Incentive Program

Overview
In July 2019, the state legislature passed Assembly Bill 101, establishing the Local Government Planning Support Grants Program to provide regional governments with one-time state funding for planning activities to enable jurisdictions to meet the sixth cycle of the Regional Housing Needs Assessment (RHNA). Grant funding is allocated using a population-based formula. SANDAG is eligible to receive $6.8 million through the program and the California Department of Housing and Community Development (HCD) is responsible for administering the program.

In October, HCD released an application allowing regions to request up to 25 percent of their allocation. The advance allocation is intended to help regions develop a program and accelerate preparation of the application requirements to request the remaining 75% of the grant funding allocation, anticipated to be available in early 2020.

Key Considerations
SANDAG intends to use the grant funds to develop a program that will assist local jurisdictions in meeting their RHNA goals. The advance allocation will allow SANDAG to procure consultant assistance and engage local jurisdictions and other stakeholders to develop a meaningful housing incentive program for the San Diego region. SANDAG will be required to show how the program meets specific objectives outlined in the legislation which include:

- Developing an education and outreach strategy
- Identifying current best practices for promoting affordable housing
- Developing a strategy for increasing adoption of practices at the regional level that accelerate housing production
- Assessing the availability of pass-through funding for jurisdictions

Once the program framework is developed and accepted by HCD, SANDAG will be eligible for the remaining $5.1 million.

Action: Approve
The Board of Directors is asked to:

(1) Adopt Resolution No. 2020-17, authorizing staff to submit a request to the Department of Housing and Community Development for $1.7 million as an advance allocation under the Regional Early Action Planning program; and

(2) Contingent on award of the funding, approve an amendment to the FY 2020 Program Budget to accept $1.7 million and create a new Overall Work Program Project Element No. 3321900 for the Regional Housing Incentive Program.

Fiscal Impact:
Adds $1.7 million of state funds into the FY 2020 Program Budget.

Schedule/Scope Impact:
This resolution and amendment would allow SANDAG to apply for and accept state funds to develop a housing incentive program.
Next Steps

Upon adoption of Resolution No. 2020-17, SANDAG will submit an application to HCD requesting $1.7 million to develop a regional housing incentive program. HCD has 30 days to review the application and award the funds to SANDAG. SANDAG will then procure consultant services to assist with the planning activities. Additional information regarding the program will be brought to the Board as it undergoes development.

Hasan Ikhrata, Executive Director

Key Staff Contact: Seth Litchney, (619) 699-1943, seth.litchney@sandag.org

Attachments:
1. Resolution No. 2020-17
2. Proposed FY 2020 Program Budget Amendment for Overall Work Program Project No. 3321900, Regional Housing Incentive Program
A Resolution Authorizing a Request for, and Acceptance of, an Advance Allocation for Regional Early Action Planning Grant Funds from the Department of Housing and Community Development

WHEREAS, the State of California (the “State”), Department of Housing and Community Development ("Department") issued a Notice and Request for Advance Allocation on October 1, 2019 for Regional Early Action Planning grants available to Councils of Government and Fiscal Agents of Multiagency Working Groups; and

WHEREAS, the Department is authorized to provide up to $125,000,000 to Councils of Governments such as the San Diego Association of Governments (SANDAG) under the Regional Early Action Planning grant program (REAP), the regional component of the Local Government Planning Support Grants Program (as described in Health and Safety Code section 50515.02); and

WHEREAS, SANDAG is eligible to submit a request for advance allocation pursuant to Health and Safety Code section 50515.02(d)(3) to develop and accelerate the implementation of the requirements contained in Health and Safety Code section 50515.02(d)(1), including the development of an education and outreach strategy related to the sixth cycle regional housing need allocation; and

WHEREAS, the Department shall approve the advance allocation request, subject to the terms and conditions of eligibility, the Guidelines, Notices of Funding Availability, and Program requirements, and the Standard Agreement by and between the Department and Local Government Planning Support Grant Recipients;

NOW THEREFORE BE IT RESOLVED THAT:

1. The Executive Director is hereby authorized and directed to request an advance allocation not to exceed $1,707,945.75 (up to 25% of the amount allocated pursuant to Health and Safety Code section 50515.02(b), consistent with the methodology described in 50515.03(a)).

2. The Executive Director is authorized to execute the Advance Allocation Request, on behalf of SANDAG as required by the Department for receipt of REAP funds.

3. When SANDAG receives an advance allocation of REAP funds in the authorized amount of $1,707,945.75 from the Department pursuant to the above referenced advanced allocation request, it represents and certifies that it will use all such funds only for eligible activities as set forth in Health and Safety Code section 50515.02(d)(1), as approved by the Department and in accordance with all REAP requirements, guidelines, all applicable state and federal statutes, rules, regulations, and the Standard Agreement executed by and between SANDAG and the Department.
4. The Executive Director is authorized to enter into, execute and deliver a State of California Standard Agreement for the amount of $1,707,945.75, and any and all other documents required or deemed necessary or appropriate to evidence and secure the REAP advance allocation, SANDAG’s obligations related thereto and all amendments the Department deems necessary and in accordance with REAP.

PASSED AND ADOPTED this 20th of December 2019.

Attest:

__________________________  ____________________________
Chair                        Secretary

**Member Agencies**: Cities of Carlsbad, Chula Vista, Coronado, Del Mar, El Cajon, Encinitas, Escondido, Imperial Beach, La Mesa, Lemon Grove, National City, Oceanside, Poway, San Diego, San Marcos, Santee, Solana Beach, Vista, and County of San Diego.

**Advisory Members**: California Department of Transportation, Metropolitan Transit System, North County Transit District, Imperial County, U.S. Department of Defense, Port of San Diego, San Diego County Water Authority, Southern California Tribal Chairmen’s Association, and Mexico.
WORK ELEMENT: 3321900 NEW - Regional Housing Incentive Program
FY 2020 BUDGET: $184,099
AREA OF EMPHASIS: Sustainable Mobility Programs and Services

Amendment Title: Development of the Regional Housing Incentive Program

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<tr>
<th>Funds Application</th>
<th>Prior</th>
<th>FY 2020</th>
<th>FY 2021 -</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries, Benefits, Indirect</td>
<td>$0</td>
<td>$94,099</td>
<td>$83,846</td>
<td>$177,946</td>
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<td>Contracted Services</td>
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<td>$210,000</td>
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<td>Pass Through to Other Agencies</td>
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<td>$0</td>
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<td>Employee Benefits</td>
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<td>$0</td>
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<td>TOTAL</td>
<td>$0</td>
<td>$184,099</td>
<td>$1,523,846</td>
<td>$1,707,946</td>
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</tbody>
</table>

OBJECTIVE
Develop a housing incentive program that assists local jurisdictions in meeting their regional housing needs assessment (RHNA) goals.

PREVIOUS ACCOMPLISHMENTS
SANDAG has developed and approved a RHNA methodology that furthers state objectives.

Project Manager: Litchney, Seth
Committee(s): Regional Planning Committee
Working Group(s): Regional Planning Technical Working Group
### PRODUCTS, TASKS, AND SCHEDULES FOR FY2020

<table>
<thead>
<tr>
<th>Task No.</th>
<th>% of Effort</th>
<th>Task Description / Product / Schedule</th>
</tr>
</thead>
</table>
| 1        | 30          | **Task Description:** Assess regional need for technical and financial assistance in planning for and building housing  
**Product:** Assessment report, policy and process improvement recommendations  
**Completion Date:** 6/30/2020 |
| 2        | 30          | **Task Description:** Develop a housing grant program  
**Product:** Grant program framework, education and outreach strategy  
**Completion Date:** 6/30/2020 |
| 3        | 25          | **Task Description:** Establish a funding clearinghouse  
**Product:** List of funding sources, clearinghouse framework  
**Completion Date:** 6/30/2020 |
| 4        | 15          | **Task Description:** Develop a regional housing policy  
**Product:** Regional housing policy  
**Completion Date:** 6/30/2020 |

### FUTURE ACTIVITIES

In future fiscal years, SANDAG staff will continue to refine the program and provide administrative oversight of pass-through funding.
Proposed Amendments to Conflict of Interest Code

Overview
Every two years, or as needed, staff reviews the Conflict of Interest Code to determine if updates are needed.

Key Considerations
The proposed amendments to the Code shown in Attachment 1 reflect updates to existing job titles and the addition of new positions to the list of designated positions. These are consistent with the adopted FY 2020 Program Budget, as amended in September 2019.

The Board of Directors last approved changes to the Conflict of Interest Code in July 2019.

Next Steps
The proposed amendments will implement updates to the list of designated employee and consultant positions subject to filing annual economic disclosure statements.

Hasan Ikhrata, Executive Director
Key Staff Contact: John Kirk, General Counsel, (619) 699-1997, john.kirk@sandag.org
Attachment: 1. Conflict of Interest Code with Proposed Amendments

Action: Approve
The Board of Directors is asked to approve proposed amendments to the Conflict of Interest Code.

Fiscal Impact: None.
Schedule/Scope Impact: None.
Conflict of Interest Code

The Political Reform Act, Government Code Sections 81000, et seq., requires SANDAG to adopt and promulgate a Conflict of Interest Code. The Fair Political Practices Commission has adopted a regulation, 2 Cal. Code of Regs. Section 18730, which contains the terms of a standard model Conflict of Interest Code, which can be incorporated by reference, and which may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act after public notice and hearings. Therefore, the terms of 2 Cal. Code of Regs. Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission along with the attached Appendices in which officials, consultants and employees are designated and disclosure categories are set forth, are hereby incorporated by reference and constitute the Conflict of Interest Code of SANDAG.

The persons holding positions listed in the Appendix are designated employees, consultants, or officials. It has been determined that these persons make or participate in the making of decisions that may foreseeably have a material effect on financial interests. Designated persons shall file statements of economic interests with SANDAG when assuming or leaving their position and annually while holding the position. SANDAG will make the statements available for public inspection and reproduction (Gov. Code Section 81008). Statements for all designated employees will be retained by SANDAG and provided to the Code Reviewing Body, the County of San Diego.
### Table 1

<table>
<thead>
<tr>
<th>Designated Positions</th>
<th>Disclosure Categories (see Appendix B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Members, alternates, and advisory members of the Board of Directors</td>
<td>1, 2, 4</td>
</tr>
<tr>
<td>Members, alternates, and advisory members of the Policy Advisory Committees</td>
<td>1, 2, 4</td>
</tr>
<tr>
<td>Members, alternates, and advisory members of committees or working groups making decisions influencing expenditure of public funds</td>
<td>1, 2, 4</td>
</tr>
<tr>
<td>Account Executive (I, II, Associate)</td>
<td>3, 4</td>
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<tr>
<td>Accountant (I, II, Associate, Senior)</td>
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<tr>
<td>Administrative Analyst (I, II, Associate, Senior)</td>
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<tr>
<td>Administrative Office Specialist</td>
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<tr>
<td>Borders Program Manager</td>
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<tr>
<td>Business Analyst (I, II, Associate, Senior, Principal)</td>
<td>3, 4</td>
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<tr>
<td>Business Services Supervisor</td>
<td>2, 4</td>
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<tr>
<td>Capital Development Project Analyst</td>
<td>1, 3, 4</td>
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<tr>
<td>Capital Development Project Manager</td>
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<tr>
<td>Chief Deputy Executive Director</td>
<td>1, 2, 4</td>
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<tr>
<td>Chief Operations Officer</td>
<td>1, 2, 4</td>
</tr>
<tr>
<td>Chief Data Analytics Officer/Chief Economist</td>
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<tr>
<td>Chief Financial Officer</td>
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<tr>
<td>Chief Capital Programs and Regional Services Officer</td>
<td>1, 2, 4</td>
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<tr>
<td>Chief Planning and Innovation Officer</td>
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<tr>
<td>Clerk of the Board</td>
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<tr>
<td>Communications Manager</td>
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<td>Contracts and Procurement Analyst (I, II, Associate, Senior)</td>
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<tr>
<td>Counsel (Legal I, II; Associate Legal; Senior Legal; Deputy General; Special; General)</td>
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<td>Creative Services Manager</td>
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<tr>
<td>Customer Service Manager</td>
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<td>Customer Service Supervisor</td>
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<tr>
<td>Position</td>
<td>Levels</td>
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<td>-------------------------------------------------------------------------</td>
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<tr>
<td>Department Director (I, II)</td>
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<td>Division Director</td>
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<td>Document Processing Specialist III</td>
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<td>Economic Research Analyst (I, II, Associate, Senior, Principal)</td>
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<td>Executive Assistant (I, II, Senior)</td>
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<tr>
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<td>Facilities/Maintenance Coordinator</td>
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<tr>
<td>Finance Manager</td>
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<tr>
<td>Financial Analyst (I, II, Associate)</td>
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<tr>
<td>Financial Programming Manager</td>
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<td>GIS Analyst (I, II, Associate, Senior)</td>
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<td>Goods Movement Policy Manager</td>
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<td>Government Relations Analyst (I, II, Associate, Senior, Principal)</td>
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<td>Human Resources Analyst (I, II, Associate, Senior)</td>
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<td>Independent Performance Auditor</td>
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<td>Information Systems Manager</td>
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<td>Information Systems Analyst (I, II, Associate, Senior)</td>
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<td>Information Systems Specialist (I, II, III)</td>
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<td>Landscape Maintenance Supervisor</td>
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<td>Maintenance and Facilities Supervisor</td>
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<td>Maintenance Field Technician (Senior)</td>
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<tr>
<td>Management Internal Auditor (Senior, Principal)</td>
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<tr>
<td>Manager of Business Administration and Operations</td>
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<tr>
<td>Manager of Contracts and Procurement</td>
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<tr>
<td>Manager of Financial Programming and Project Control</td>
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<tr>
<td>Manager of Human Resources</td>
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<tr>
<td>Manager of Regional Information Services</td>
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<td>Manager of Regional Models</td>
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<tr>
<td>Position</td>
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<td>Manager of Small Business Development</td>
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<td>Marketing Analyst (I, II, Associate, Senior)</td>
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<td>Office Administrator</td>
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<td>Office Services Specialist (II, III)</td>
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<td>Operations Manager</td>
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<td>Paralegal</td>
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<td>Principal Technology Program Manager</td>
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<td>Programmer Analyst (I, II, Associate, Senior)</td>
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<tr>
<td>Project Control Manager</td>
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<tr>
<td>Project Coordinator</td>
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<tr>
<td>Project Development Program Manager</td>
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<tr>
<td>Public Communications Officer (I, II, Associate, Senior)</td>
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<td>Regional Planner (I, II, Associate, Senior, Principal)</td>
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<td>Research Analyst (I, II, Associate, Senior, Principal)</td>
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<td>Researcher and Modeler (I, II, Associate, Senior, Principal)</td>
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<td>Senior Budget Program Analyst</td>
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<td>Senior Financial Programming and Project Control Analyst</td>
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<td>Senior Risk Program Analyst</td>
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<td>Systems Engineer (I, II, Associate Senior)</td>
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<tr>
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<tr>
<td>Toll Operations Supervisor</td>
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</tbody>
</table>

Pursuant to California Government Code Section 82019, SANDAG consultants who pursuant to a contract with SANDAG, perform the same functions that would otherwise be performed by the persons designated in Table 1 of this document; who manage public investments; who grant agency approval to a contract or to the specifications for such a contract; or who decide whether the policies, standards, or guidelines for SANDAG have been met, also are required to fill out and submit a disclosure of financial interests. Those consultants are required to report in accordance with the disclosure categories shown in Table 2. Consultants will be designated and informed of their obligation to file disclosures whenever any person who, in the opinion of SANDAG, may reasonably be expected to make, participate in making, or in any way attempt to use his/her position as a “consultant” to influence a governmental decision in which the person might reasonably be expected to have a financial interest or perform services that entail the making or participation in the making of decisions that may foreseeably have a material effect on any financial interest.
<table>
<thead>
<tr>
<th>Type of Consultant</th>
<th>Designated Position Title</th>
<th>Disclosure Categories (see Appendix B)</th>
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<tr>
<td>Bond Counsel</td>
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<td>Project Oversight</td>
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<td>Disadvantaged Business</td>
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<tr>
<td>Enterprise Advisor</td>
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<tr>
<td>Labor Compliance Advisor</td>
<td>Consultant</td>
<td>2, 4</td>
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<tr>
<td>Financial Management Advisor</td>
<td>Consultant</td>
<td>1, 2, 4</td>
</tr>
<tr>
<td>Auditor</td>
<td>Consultant</td>
<td>1, 2, 4</td>
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</tbody>
</table>
Public Officials Who Manage Public Investments

The following positions also are listed below because the individuals holding these positions must file under Government Code Section 87200 as they are involved in the investment of public funds. These positions are listed here for informational purposes only:

**Table 3**

<table>
<thead>
<tr>
<th>Public Official Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Members and alternate members of the Board of Directors</td>
</tr>
<tr>
<td>Members and alternate members of the Policy Advisory Committees</td>
</tr>
<tr>
<td>Members and alternate members of committees or working groups making decisions influencing expenditure of public funds</td>
</tr>
<tr>
<td>Executive Director</td>
</tr>
<tr>
<td>Chief Deputy Executive Director</td>
</tr>
<tr>
<td>Director of Finance</td>
</tr>
<tr>
<td>General Counsel</td>
</tr>
<tr>
<td>Financial Management Consultant, Project Managers</td>
</tr>
</tbody>
</table>
Appendix B

When a designated person is required to disclose investment and sources of income, he or she need to disclose investments in business entities and sources of income that do business in SANDAG’s jurisdiction, plan to do business in the jurisdiction, or have done business in the jurisdiction in the past two years. In addition to other activities, a business entity is doing business within the jurisdiction if it owns real property within the jurisdiction. Persons designated in Appendix A shall disclose their financial interests pursuant to the appropriate disclosure categories described in the table below.

Table 4

<table>
<thead>
<tr>
<th>Disclosure Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Interests in real property located within the jurisdiction or within two miles of the boundaries of the jurisdiction or within two miles of any land owned or used by SANDAG.</td>
</tr>
<tr>
<td>2</td>
<td>Investments and business positions in business entities, and income, including loans, gifts,* and travel payments, from sources that provide services, supplies, materials, machinery, or equipment of the type utilized by SANDAG.</td>
</tr>
<tr>
<td>3</td>
<td>Investments and business positions in business entities, and income, including loans, gifts,* and travel payments, from sources that provide services, supplies, materials, machinery, or equipment of the type utilized by the department or division to which the filer is assigned duties.</td>
</tr>
<tr>
<td>4</td>
<td>Investments and business positions in business entities, and income, including loans, gifts,* and travel payments, from sources that have filed a claim against SANDAG in the previous two years, or have a claim pending.</td>
</tr>
</tbody>
</table>

* Gifts with a value of less than $50 aggregate per year are not reportable financial interests at SANDAG

Amended January 2010
Amended March 2012
Amended December 2013
Amended March 2015
Amended January 2016
Amended September 2016
Amended March 2018
Amended July 2019
Amended September 2019
Meetings and Events Attended on Behalf of SANDAG

Board members participated in the following meetings and events on behalf of SANDAG. Key topics of discussion also are summarized.

**November 18, 2019: Los Angeles-San Diego-San Luis Obispo Rail Corridor Agency Board Meeting**
*Orange, CA*

Del Mar Mayor Ellie Haviland participated in the Los Angeles-San Diego-San Luis Obispo Rail Corridor (LOSSAN) Agency Board meeting as the SANDAG representative. The Board discussed rail grant programs and potential funding, provided input on the LOSSAN Annual Business Plan goals, including additional Pacific Surfliner service to San Diego, and discussed the appointment of the LOSSAN Managing Director.

**December 12, 2019: Georgia-Meade/Landis Bikeway Groundbreaking Ceremony**
*San Diego, CA*

Vice Chair Catherine Blakespear participated in the Georgia-Meade/Landis Bikeway groundbreaking ceremony as the SANDAG representative. This ceremony celebrated the beginning of construction of the Georgia-Meade and Landis Bikeways, the first two urban bikeways that SANDAG is building as part of the North Park | Mid-City Bikeways program.

**December 19, 2019: Facilitating Access to Coordinated Transportation Board Meeting**
*San Diego, CA*

Solana Beach Mayor Jewel Edson participated in the Facilitating Access to Coordinated Transportation (FACT) Board meeting as the SANDAG representative. The FACT Board received its 2019 Annual Report and approved the FY 2019 Financial Audit.

**Hasan Ikhrata, Executive Director**

Key Staff Contact: Tessa Lero, (619) 595-5629, tessa.lero@sandag.org

**Action:** Information

Board members will provide brief reports on external meetings and events attended on behalf of SANDAG.
Del Mar Bluffs Project Update and Emergency Repair

Overview

The Los Angeles-San Diego-San Luis Obispo (LOSSAN) rail corridor connects San Diego with points north along the coastal rail corridor (Attachment 1). It is the second-busiest intercity passenger rail corridor in the nation, and San Diego’s only viable freight rail corridor.

Part of the LOSSAN rail corridor traverses along the Del Mar Bluffs, a coastal bluff area that is subject to erosion. Photos of recent storm-related erosion are shown in Attachment 2. Beginning in 1998, North County Transit District (NCTD) and SANDAG implemented a multi-phase approach to preserving the single track on the Del Mar Bluffs. Over the 2019 Thanksgiving holiday, heavy rain resulted in water flowing over the face of the bluffs at two locations, causing significant erosion.

The previous bluff stabilization projects functioned as intended, protecting the track and allowing restricted-speed rail operations to resume the next day after the first repair. The other eroded section required additional stabilization work during a track closure on December 14 and 15. SANDAG’s contractor, Mid-Coast Transit Constructors (MCTC), had equipment and personnel available to respond and construct the emergency repairs as requested by NCTD and authorized by the Executive Director as an emergency repair to prevent a shutdown of public services.

Key Considerations

Heavy rain caused debris and soil to overwhelm drainage facilities on the east side of the LOSSAN tracks on the bluffs at two locations southwest of Seagrove Park. The water flowed across the tracks and spilled over the bluff face, causing the bluff to erode and expose piles placed in bluff stabilization projects by NCTD in 1996 below 14th Street and by SANDAG in 2007 below 15th Street. The piles prevented the erosion from damaging the track bed. During the event, NCTD terminated rail operations and reached out to SANDAG for construction resources to immediately implement repairs. MCTC was able to mobilize workers and equipment on December 1, to place concrete between and behind several exposed piles to stabilize the track bed below 14th Street. Emergency action was also taken to clear the blocked drainage facilities. Additional work was completed on December 14 and 15, to place concrete between the remaining exposed piles below 15th Street. NCTD has provided continuous monitoring of the bluffs following the rain events and is

Action: Approve

An update on an erosion event and subsequent stabilization effort on the Los Angeles-San Diego-San Luis Obispo rail corridor along the Del Mar Bluffs will be presented. The Board of Directors is asked to ratify the Executive Director’s action per Board Policy No. 017 authorizing emergency repairs, and to approve an amendment to the FY 2020 Program Budget to create the Del Mar Bluffs Emergency Project (Capital Improvement Program Project No. 1147300).

Fiscal Impact:

SANDAG costs for staff, design, construction management, and construction to effect emergency repairs are to be reimbursed by the North County Transit District.

Future bluff stabilization (Del Mar Bluffs projects 5 and 6) could cost up to $100 million through construction.

Schedule/Scope Impact:

Emergency repairs were completed in December 2019. The Del Mar Bluffs Phase 4 project will start construction in January 2020. Del Mar Bluffs Phase 5 design and a track relocation study will start in early 2020.
evaluating drainage maintenance efforts in this area. NCTD proposed funding and is requesting SANDAG to expedite additional drainage improvements on the bluffs through the Del Mar Bluffs Emergency project. The Del Mar Bluffs are subject to natural retreat, which is influenced by weather, tides, surf, and sea level rise. The bluffs can naturally be expected to retreat at an annual average rate of up to six inches per year. However, bluff retreat occurs in episodes which may be significantly above or below the average rate of retreat at any specific location. Continued bluff retreat will occur and threatens the viability of rail service. SANDAG and NCTD have completed several projects to limit retreat in the most at-risk locations. If additional stabilization measures are not constructed in the near future, other areas at high risk will remain vulnerable to erosion and retreat.

The SANDAG Capital Program has completed construction of two bluff stabilization projects, Del Mar Bluffs Phase 2 and Del Mar Bluffs Phase 3. Del Mar Bluffs Phase 4 project will begin construction in January 2020. Two additional projects are proposed to support the track and improve drainage (Del Mar Bluffs Phase 5) and further stabilize the bluffs (Del Mar Bluffs Phase 6). The stabilization work completed to date includes an emergency repair in 2001, drainage improvements in 2003, and the installation of soldier piles in 2007/8 and 2011/12.

The future stabilization projects, Del Mar Bluffs Phases 5 and 6, are not fully funded or permitted through construction. A budget level estimate of $100 million is projected as the cost to complete the Del Mar Bluff Phases 5 and 6 projects.

SANDAG is also moving ahead to evaluate alternative alignments and costs for relocating the tracks off the bluff. In September 2019, the Board allocated $3 million for an engineering evaluation of alternatives. This conceptual planning study is scheduled to begin in early 2020.

**Next Steps**

Damage from the Thanksgiving weekend event was repaired as of December 15. However, NCTD is proposing to fund expedited drainage and stabilization work to minimize the risk of another similar event. With approval of the proposed budget action of $5 million (including the emergency repairs to date), SANDAG will begin implementing this work.

SANDAG has awarded a construction contract to implement Del Mar Bluffs Phase 4. Construction is anticipated to begin in January 2020, with completion expected by fall 2020, and currently does not include the work noted above.

Del Mar Bluffs Phase 5 is funded through design, which is expected to begin in January 2020. SANDAG and NCTD are currently seeking funding for construction of Del Mar Bluffs Phase 5, as well as design and construction funds for Del Mar Bluffs Phase 6. Since 2016 SANDAG has applied six times for federal grants for bluff stabilization. Most recently, SANDAG submitted applications for construction funding for Del Mar Bluffs Phase 5 through the Federal-State Partnership for State of Good Repair program administered by the Federal Railroad Administration (FRA), with award announcements expected in the spring and also for an FRA Consolidated Rail Infrastructure and Safety Improvement grant.

Work will start in early 2020 for a conceptual planning study and cost estimate for alternatives to relocate the track off the bluffs.

**Hasan Ikhrata, Executive Director**

Key Staff Contact: Bruce Smith, (619) 699-1907, bruce.smith@sandag.org

Attachments:
1. LOSSAN Corridor Map
2. Recent Storm Erosion Photos
3. Memo to Board on Del Mar Bluffs Erosion and Stabilization
4. Emergency Budget (Capital Improvement Program Project No. 1147300)
PROJECT LOCATION

Legend

- Rail Stations
- LOSSAN Rail Corridor - San Diego County
- SPRINT Line

SOURCE: North County Transit District.
RECENT EROSION PHOTOS on Del Mar Bluffs

Aerial view from CBS 8 News at MP 244.3 South of Seagrove Park at 14th Street.

Erosion Damage at 14th Street. Repairs complete on 11/30/2019.
Erosion Damage at 15th Street, lagging installed between exposed piles on 12/15/2019.

Erosion Damage looking up at piles installed on Del Mar Bluffs Phase 2 Project
Date: December 5, 2019

To: Key Stakeholders
NCTD Board of Directors
SANDAG Board of Directors

From: Hasan Ikhrata, SANDAG, Executive Director
Matthew O. Tucker, NCTD, Executive Director

Re: Del Mar Bluffs Erosion and Stabilization

We are writing to provide you with an update on the Del Mar Bluffs. The recent severe rainstorms resulted in some erosion southwest of Sea Grove Park on the Del Mar Bluffs. The first location at railway Mile Post (MP) 244.3, was repaired on November 30, 2019. The second location at MP 244.25 is located in a section of the bluffs where reinforced concrete piles had previously been installed to protect the track bed from sliding. This location now requires further repairs that are anticipated to be completed in January 2020. In the interim, NCTD has reduced train speeds on this section of the track and has increased on-site monitoring.

NCTD and SANDAG are recommending an expedited approach to implementing stabilization improvements given the importance of the coastal railroad to our economic, environmental, and national defense interests. Key recommendations include:

1. Immediately provide funding up to $5 million to support emergency repairs, including the repairs anticipated in January 2020 for MP 244.25.

2. Fully fund the Del Mar Bluffs Stabilization 5 Project in Fiscal Year (FY) 21 via Department of Natural Resources or State Transportation Improvement Program funding. This project includes the evaluation of seismic and static stabilization needs, drainage facilities, the addition of pilings and tie backs, replacement of old drainage structures, and localized lagging as bluff retreat accelerates. There is an estimated total cost of $24 to $30 million, of which $6 million was already provided from the Department of Natural Resources in FY20 to support project design work, resulting in a need for $18 to $24 million in FY21.

3. Fully fund the Del Mar Bluff Stabilization 6 Project over FY22 and FY23 which will support the design and construction of additional stabilization measures, including bluff toe protection, bluff face stabilization, and lagging installation, while taking into consideration local coastal access. The Del Mar Bluffs Stabilization 6 Project design and construction phases are estimated to cost between $70 and $80 million.

4. Ensure a streamlined regulatory approval process that recognizes that Projects 5 and 6 will secure the bluffs for the next 20 to 30 years and will
allow federal, state, and local stakeholders to determine and implement the long-term plan for the region. If the environmental process is not streamlined, then the project implementation timeline could increase by three to four years.

NCTD and SANDAG can proceed with development of these projects assuming that the State of California commits to providing $100 million to complete the necessary repairs for this critical transportation link.

The need to stabilize the Del Mar Bluffs has been well documented. Significant severe weather events have accelerated the need to advance the implementation of these improvements. SANDAG and NCTD need financial certainty to enter into contracts to support the required capital work. The time to advance funding is now before an event occurs that could result in an accident and/or the discontinuation of rail services. NCTD and SANDAG stand ready to provide supplemental information to assist our key stakeholders in understanding project needs to support the provision of the requested funding. Please contact Matthew Tucker at mtucker@nctd.org or (760) 967-2869 or Hasan Ikhrata at hasan.ikhrata@sandag.org or (619) 699-1900.

Site Photographs

MP 244.30: Wash Out Erosion SW of Seagrove Park
MP 244.30: Wash Out Erosion Repair SW of Seagrove Park

MP 244.25: Bluff Erosion west of Seagrove Park looking South
MP 244.25: Bluff Erosion west of Seagrove Park looking North

MP 244.25: Bluff Erosion west of Seagrove Park
A train crosses the bluffs in Del Mar in December. (Union-Tribune file photo by John Gibbins)
### Project Number: 1147300

**Corridor Director:** Bruce Smith

**PM Phone Number:** (619) 595-5613

### Project Scope

- Emergency repairs to stabilize bluffs and improve trackside drainage.

### Project Limits

City of Del Mar from Mile Post (MP) 244.1 near Coast Boulevard to MP 245.7 at Carmel Valley Road.

### Major Milestones

- Draft Environmental Document TBD
- Final Environmental Document TBD
- Ready to Advertise TBD
- Begin Construction TBD
- Open to Public TBD
- Construction Complete TBD

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Regional Bikeway Plan Early Action Program

Overview

The Riding to 2050: San Diego Regional Bicycle Plan (Bike Plan) was approved by the Board of Directors in 2010 (Attachment 1). The Bike Plan was developed to support implementation of the Regional Transportation Plan (RTP), which called for more transportation options and a regional transportation system that supports smart growth and a more sustainable region. These goals have also been carried forward in the current Regional Plan.

In 2011, the Board of Directors made a major commitment to Active Transportation with the adoption of the 2050 RTP/Sustainable Communities Strategy (SCS). The commitment called for beginning work on an Early Action Program (EAP) for the projects included in the Bike Plan within six months of the 2050 RTP/SCS adoption. The Transportation Committee approved the Bike Plan EAP framework and funding to initiate preliminary engineering and detailed cost estimates for the Bike EAP network in 2012.

In 2013, the Board of Directors approved $200 million from the Bicycle, Pedestrian and Neighborhood Safety (BPNS) Program in TransNet over ten years to implement the EAP. The EAP comprises 77 linear miles of new bikeways and pedestrian improvements designed to enhance neighborhood connections to schools, employment, shopping, recreational centers, and other everyday destinations. The EAP projects were approved by the Board of Directors using an overall EAP framework and specific criteria (Attachment 2).

Since 2013, SANDAG has completed public outreach, planning, and environmental, and advanced or finished design plans for most of the projects in the EAP. To date, 8.8 miles of EAP bike routes are open to the public, including sections of Class I routes on the Inland Rail Trail, Coastal Rail Trail, San Diego River Trail, and Bayshore Bikeway. Fifty-nine additional miles are in various phases of design or construction and scheduled to be open to the public between now and FY 2024.

Key Considerations

A central principle of the bike program is to make it safer for all users, whether riding a bike, walking, or driving. Because project areas have varying physical conditions, there are a number of features that may need to be included in any specific project based on best practices that include bikeways, pedestrian improvements, and traffic calming features (Attachment 3).

For many projects, the right of way may be constrained, the project area may be an older street in need of improvements to drainage, updates to current safety and Americans with Disabilities Act (ADA) standards, traffic signals may need to be upgraded, or there may be conflicts with utilities. Many projects also require structures such as retaining walls, bridges or underpasses or major street work including curb and sidewalks.
intersection reconfiguration, medians and separated bikeways, and new or modified traffic signals. In these cases, the additional infrastructure adds to the complexity, time and cost of delivering a project.

Another EAP principle is to implement a connected network of bikeway improvements (Attachment 4). EAP projects also work together with improvements completed or underway by local jurisdictions. For example, the Uptown Bikeways in the EAP will connect to the City of San Diego’s Downtown Mobility Plan, which will connect to the EAP projects along Imperial Avenue, Pershing Drive, and Harbor Drive.

The EAP is designed for riders of all ages and abilities and is not limited to just those people who bike anytime or anywhere.

There are currently 24 EAP projects in the FY 2020 Program Budget approved by the Board of Directors in June 2019. To date, $123 million has been expended on 70 of the 77 miles of bikeways and pedestrian improvements in the EAP.

Currently, five projects totaling 16 miles of the EAP are in construction in the County of San Diego, and cities of Oceanside, San Diego, and Vista.

Like other modal programs, the EAP has been a pay-as-you-go program since 2013 but has reached a point where financing is needed to complete the construction phases of the program.

Nineteen projects, or 44 miles, would be candidates for a financing program in order to complete their construction (Attachment 5).

Also similar to other modal programs, the intention has been to leverage the $200 million in TransNet BPNS funds by securing state, federal, and other active transportation grants. To date, $108 million in other active transportation funds have been secured for the EAP.

**Next Steps**

Staff will continue to finalize designs and complete construction for the EAP projects in the FY 2020 Program Budget pending the proposed funding and financing in Board of Directors on Agenda Item No. 14.

**Hasan Ikhrata, Executive Director**

Key Staff Contact: Linda Culp, (619) 699-6957, linda.culp@sandag.org

Attachments:
1. Riding to 2050: San Diego Regional Bicycle Plan Goals, Objectives, and Policy Actions
2. Regional Bike Plan Early Action Program Framework and Prioritization
3. Bikeway Best Practices
4. Bikeway EAP Maps
5. Regional Bike Plan Early Action Program - Status
Riding to 2050: San Diego Regional Bicycle Plan
Goals, Objectives, and Policy Actions

1. Goals

The goals of the Regional Bicycle Plan describe the guiding principles and long-range vision for the region’s bicycling environment.

**Goal 1: Significantly Increase Levels of Bicycling throughout the San Diego Region**
Increase bicycling by all types of bicycle riders for all trip purposes through consistent support of programs and infrastructure projects that address the five Es: Education, Encouragement, Enforcement, Engineering and Evaluation.

**Goal 2: Improve Bicycling Safety**
Improve bicycling safety by increasing education and training opportunities for cyclists, pedestrians, motorists and professionals whose work impacts the roadway environment, and by promoting enforcement of traffic laws to reduce bicycle related conflicts.

**Goal 3: Encourage the Development of Complete Streets**
Promote the integration of Complete Streets principles into roadway planning, design, and maintenance policies so that roadways safely accommodate all users, including bicyclists, pedestrians, transit riders, children, older people, and disabled people, as well as motorists.

**Goal 4: Support Reductions in Greenhouse Gas Emissions**
Support the integration of bicycle related policies and infrastructure improvements that lead to VMT reduction by converting a higher share of total intra and intercommunity trips to bicycle trips.

**Goal 5: Increase Community Support for Bicycling**
Increase community support for bicycling by supporting programs that raise public awareness about bicycling and encourage more people to bicycle.

2. Objectives and Policy Actions

These objectives are the intermediary steps toward attaining the goals of the Plan. The policy actions describe how policy makers and other decision makers will implement the stated objectives.

**Objective 1: Improve the connectivity and quality of the regional bicycle network.**

**Recommended Policy Actions:**

- Support bicycle improvement projects that close gaps in the regional bicycle network either by implementing specific projects recommended in the Plan or through other treatments.
- Encourage local government bicycle projects that connect local facilities to the regional bicycle corridors.
- Promote consistent signage that directs bicyclists to destinations and increases the visibility of the regional bicycle network.
Objective 2: Provide policy direction and funding to assist local jurisdictions with bicycle planning and project implementation.

*Recommended Policy Actions:*

- Update the Plan as needed and in coordination with Regional Transportation Plan updates to provide continued direction, chart progress, and to respond to changing circumstances.
- Through the SANDAG Bicycle-Pedestrian Working Group provide continued guidance on the use of bicycle-friendly designs and innovative treatments through updates to the bicycle design guidelines published in conjunction with the Plan and through other means of communication with local jurisdictions.
- Encourage reallocation of roadway rights-of-way where appropriate to accommodate bicycling and bicycle facilities.
- Promote the preservation of bicycle access within all roadway rights-of-way, as well as the development of innovative, safety-enhanced on-street facilities, such as bicycle boulevards.
- Continue the *TransNet* and Transportation Development Act (TDA) funding programs that direct funds to local governments to improve and expand bicycle facilities and programs throughout the San Diego region.
- In support of Board Policy No. 031, TransNet Ordinance and Expenditure Plan Rules, Rule #21: Accommodation of Bicyclists and Pedestrians, continue to mandate bicycle travel accommodations of all projects funded with TransNet revenue. Establish a monitoring program to measure the effectiveness and benefits of the Rule.
- Establish a program and implementation plan for local governments to conduct bicycle counts and assessments when any local land development requires a traffic impact study.

Objective 3: Support bicycle-transit integration to improve access to major employment and other activity centers and to encourage multimodal travel for longer trip distances.

*Policy Actions:*

- Develop regional on-demand bike lockers that are accessible using a fare payment card that allows users to access a variety of transit modes administered by multiple agencies.
- Support the development of bicycle facilities that provide access to regional and local public transit services wherever possible.
  - Coordinate with transit providers to ensure bicycles can be accommodated on all forms of transit vehicles and that adequate space is devoted to their storage on board whenever possible.
  - Coordinate with transit agencies to install and maintain convenient and secure short-term and long-term bike parking facilities – racks, on-demand bike lockers, in-station bike storage, and staffed bicycle parking facilities – at transit stops, stations, and terminals.
- Work with local jurisdictions to facilitate bicycle-friendly development activity and support facilities, such as bicycle rental and repair, around transit stations.
- Provide current and relevant information to cyclists regarding bike parking opportunities located at transit stations through a variety of formats, such as the SANDAG website and regional bicycle maps.
Objective 4: Ensure the provision of convenient and secure bicycle parking and support facilities region-wide.

Policy Actions:

- Prepare recommended bicycle parking standards that provide context sensitive solutions for the location and number of spaces that should be provided.
- Encourage local jurisdictions to install and support short-term, long-term and high capacity bicycle parking within the public right-of-way and on public property.
- Encourage local jurisdictions to adopt bicycle parking ordinances.
- Encourage local jurisdictions to create policies or programs that incentivize building owners and employers to provide showers and clothing lockers along with secure bike parking in areas where employment density warrants.
- Provide current and relevant information to cyclists regarding bike parking opportunities throughout the region through a variety of formats.
- Consider a bike sharing program with distribution stations located in major employment and other activity centers throughout the region.

Objective 5: Institutionalize Complete Streets principles in roadway planning, design, and maintenance policies.

Policy Actions:

- Provide Complete Streets training to transportation-related professionals.
- Consider development of a region-wide Complete Streets policy and guidelines manual.
- Encourage local jurisdictions to adopt a Complete Streets policy to be included in their General Plans.

Objective 6: Increase education, encouragement, enforcement, and performance monitoring and evaluation programs.

Policy Actions:

- Support programs that educate the bicycling and general public about bicycle operation, bicyclists’ rights and responsibilities, and lawful interactions between motorists and cyclists.
- Support marketing and public awareness campaigns aimed at promoting bicycling and/or improving safety.
- Support enhancements to Bike to Work Month promotional activities and events.
- Monitor and evaluate the San Diego region’s bicycling efforts by implementing a regional annual evaluation program that includes: collecting bicycle and pedestrian count data; conducting a regional non-motorized travel survey; and generating an annual report on the state of non-motorized transportation in the region.
- Support programs aimed at increasing bicycle trips by providing incentives, recognition or services that make bicycling a more convenient transportation mode.

- Encourage enforcement efforts that target unsafe bicyclist and motorist behaviors and enforce laws that reduce bicycle/motor vehicle collisions and conflicts.

- Encourage local jurisdictions to monitor and evaluate progress toward becoming bicycle-friendly by establishing advisory committees, staffing bicycle coordinator positions and by evaluating bicycle master plan implementation.
Regional Bike Plan Early Action Program

Framework Goals

The accepted framework goals used to develop the Bike Plan EAP and funding strategy are as follows:

• The overall goal is to implement the Regional Bicycle Network High Priority Projects within 10 years
• Execute Regional Bicycle Programs to support the Regional Bicycle Network as outlined in the Bike Plan
• Continue to fund local bicycle and pedestrian plans, programs, and projects through a competitive grant program

Prioritization For Proposed EAP Phasing

Urban Projects

1. Continue working on and finish projects started in the Initial Implementation phase

2. Base prioritization on existing results/criteria adopted by Transportation Committee when Initial Implementation was presented
   a. Demand Base Criteria
      i. Gravity model based on Smart Growth Opportunity Areas (SGOAs)
      ii. Higher land use intensities and shorter distances between SGOAs lead to greater estimated demand
   b. Facility Based Criteria
      i. Network gaps
      ii. Bicycle crashes
      iii. Public comments

3. Group similarly prioritized projects together geographically

Class I Projects

Finish projects started in the Initial Implementation phase and continue working on projects SANDAG is lead implementation agency

1. Project readiness

2. Group geographically with other Urban Projects where feasible/efficient

3. Capitalize on other regional project implementation efforts
BIKEWAY BEST PRACTICES

SHARED-USE PATHS
Off-street trails or shared-use paths are paved spaces designated for people riding bikes, skateboarding, walking, or rollerblading. Trails are physically separated from vehicle traffic.

SEPARATED BIKEWAYS
A separated bikeway is an exclusive bike facility that combines the user experience of a separated path with the on-street infrastructure of a conventional bike lane. A separated bikeway is physically separated from motor traffic and distinct from the sidewalk (National Association of City Transportation Officials). Separated bikeways can be either one or two-way bike facilities.

BUFFERED BIKE LANES
Buffered bike lanes are bike lanes combined with a designated buffer space creating a greater separation between people riding bikes and people driving cars.

BIKE LANES
A bike lane is a striped lane for exclusive use by people riding bikes. Bike lanes can be striped adjacent to the curb where no parking exists, or to the left side of on-street parking lanes and includes pavement stencils.

SHARED LANE MARKINGS (SHARROWS)
A signed Shared Roadway (also called a Bike Route) is a bikeway where people riding bikes share the travel lane with people driving cars. It can be designated with Bike Route signage, or supplemented with the use of the Shared Lane Marking (Sharrow). Sharrows are only recommended where there is a speed limit of 35 MPH or less to help position a bike rider at an intersection or bring awareness to people that ride bikes in conflict areas.

BIKE BOULEVARDS
Bike boulevards are streets with low car traffic volumes and speeds, designated and designed to give people riding bikes priority. Bike Boulevards use signs, pavement markings, and speed and volume management measures to discourage through trips by cars and create safe, convenient bike crossings of busy arterial streets (NACTO).

BIKE-FRIENDLY INTERSECTIONS
Intersection crossing markings indicate the intended path of people riding bikes. They guide those who bike on a safe and direct path through intersections, including driveways and ramps. These treatments provide a clear boundary between the paths of people riding bikes and people driving cars in the adjacent lane (NACTO). A bike box allows people riding bikes to queue in front of vehicles improving visibility. A protected intersection is a junction in which people walking and riding bikes are separated from cars.

PERSHING BIKEWAY
NORTH PARK TO DOWNTOWN

KeepSanDiegoMoving.com/PershingBikeway
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<tr>
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<td>✓</td>
<td>na</td>
<td>Cardiff</td>
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<td>Coastal Rail Trail: Oceanside</td>
<td>✓</td>
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<td>SR 15 Commuter Bike Facility</td>
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<tr>
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<tr>
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<td>County of San Diego, Vista, eastern Oceanside</td>
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<td>Uptown Bikeways: Fourth and Fifth Avenue Bikeways</td>
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<td>na</td>
<td>Downtown, Bankers Hill, Hillcrest</td>
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<td>A</td>
<td>$26</td>
<td>$3</td>
<td>Barrio Logan, Downtown, 32nd Street Naval Station</td>
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<td>Border to Bayshore Bikeway</td>
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<td>A</td>
<td>$29</td>
<td>$2</td>
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<tr>
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<td>$3</td>
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<td>$12</td>
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<td>North Park/Mid-City Bikeways: University Bikeway</td>
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<td>$17</td>
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<td>Pershing Drive Bikeway</td>
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<td>Central Avenue Bikeway</td>
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<td>$1</td>
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<tr>
<td>Inland Rail Trail: Vista (remaining gap segment)</td>
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<td>Uptown Bikeways: Washington Street and Mission Valley Bikeways</td>
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<td>San Diego River Trail: Stadium Segment</td>
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<td>Central Mobility Bikeway [Coastal Rail Trail: Pacific Highway]</td>
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<td>El Prado Cross Park (Balboa Park)</td>
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<td>$0</td>
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<td>North Park/Mid-City Bikeways: Monroe Bikeway</td>
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<td>$0.2</td>
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<tr>
<td>Park Blvd (Upas to Village Pk)</td>
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<td>C</td>
<td>$4</td>
<td>$0</td>
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1 Partial funding through the state Active Transportation and Transit and Intercity Rail Capital grant programs.
2 Partial funding from the City of San Diego for adjacent improvements.
3 Funds spent to date include preliminary engineering/environmental work on all North Park/Mid-City Bikeways.
4 No work initiated to date.
TransNet Proposed 2020 Bond Issuance: New Debt to Support Completion of TransNet Regional Bikeway Early Action Program

Overview
SANDAG staff works with PFM Financial Advisors LLC (PFM), as the financial advisor to SANDAG, to monitor the financial markets and identify opportunities based on market conditions. Interest rates, both tax-exempt and taxable rates, have declined dramatically over the past year and the current market provides a very favorable environment to issue new tax-exempt bonds.

At its October 25, 2019, meeting, the Board of Directors reviewed the strategy for the new debt. In addition, at its November 8, 2019, meeting, the Board of Directors reviewed an overview of current capacity and projections for each of the TransNet funding programs which included an update on implementation of the TransNet Bicycle, Pedestrian, and Neighborhood Safety Program.

Key Considerations
SANDAG has capital needs to support the TransNet Regional Bikeway Early Action Program (EAP), which is supported by the TransNet Bicycle, Pedestrian and Neighborhood Safety Program (per the Ordinance, 2% off the top supports the BPNS program). The Board established this Regional Bikeway EAP in 2013, with the goal of advancing completion of multiple bikeways across the region. Early expenditures, including environmental and preliminary engineering were planned to be paid for on a pay-go basis by TransNet and other funds, including grants and Transportation Development Act funds. Several projects are now nearly ready to begin and per the Bikeway EAP Plan of Finance, the construction phase is to be paid for through debt-financing and state and federal Active Transportation Program funds. Attachment 9 includes a list of projects that could be completed with the proposed bond revenues.

Attachment 1 is a memo from PFM that provides updates on the financial markets and details on the proposed Series 2020 Bonds issuance. Also attached to this report for review and approval are the draft bond documents for the proposed Series 2020 Bonds issuance, including drafts of the Authorizing Resolution, Ninth Supplemental Indenture, Preliminary Official Statement, Bond Purchase Agreement and Continuing Disclosure Agreement (as Attachments 2 through 6, respectively). Finally, there is a catalogue of outstanding (blank) items (Attachment 7) detailing when the missing information in each of the draft Bond documents would be filled in along with the responsible party and lastly, the estimated costs of issuance (Attachment 8).

Action: Adopt
The Board of Directors, acting as the San Diego County Regional Transportation Commission (RTC), is asked to adopt Resolution No. RTC 2020-15, authorizing the issuance of up to $90 million of fixed-rate tax-exempt bonds to support completion of the TransNet Regional Bikeway Early Action Program.

Fiscal Impact:
New revenue source of up to $90 million to be used for advancing the TransNet Regional Bikeway Early Action Program.

Schedule/Scope Impact:
Bonds are anticipated to be issued in early 2020.
Responsibilities for Review

The SANDAG Board of Directors has the ultimate responsibility for approving the proposed Series 2020 Bonds issuance. Before making a decision regarding the Bond issuance, Board members should review all the documents to become familiar with their contents. Board members should pay particular attention to the information contained in the Preliminary Official Statement (Attachment 4) to ensure there are no inaccuracies concerning SANDAG.

Board members also should ensure that to the best of their knowledge all the factual statements are true and correct in all material respects and that the information does not contain any untrue or misleading statement of a material fact or omit to state any material fact that would make the information in any of the documents regarding SANDAG misleading. When carrying out their fiduciary responsibilities, public officials may rely upon employees, bond counsel, disclosure counsel, and other professionals to assure that they are in compliance with the antifraud provisions of the federal securities laws, as long as the reliance is reasonable. In order for the reliance to be considered reasonable, the public official must: (1) make complete disclosure to the appropriate professional of any potentially material mistake or omission in the documents; (2) request the professional’s advice as to what disclosure is proper; (3) receive advice regarding the appropriate disclosure; and (4) rely in good faith on that advice.

SANDAG bond and disclosure counsel (Norton Rose Fulbright US LLP), and financial advisor (PFM) will be present at the December 13, 2019, Board of Directors meeting to provide information regarding proper disclosure. The Chief Financial Officer (André Douzdjian), TransNet Department Director (José Nuncio), and General Counsel (John Kirk) have all reviewed the draft Bond documents, and to the best of the staff’s knowledge, all of the statements are true and correct in all material respects, and the information does not contain any untrue or misleading statement of a material fact or omit to state any material fact that would make the information in those documents regarding SANDAG misleading.

Next Steps

The remaining schedule for the proposed Series 2020 Bond issuance is as follows:

- January 10: Board of Directors – final review and approval of Bond documents
- Week of January 613: Post Preliminary Official Statement and marketing of bonds
- Week of January 420: Anticipated investor presentations
- Week of January 2927: Anticipated pricing date
- Week of February 1017: Anticipated closing date

Hasan Ikhrata, Executive Director

Key Staff Contacts: André Douzdjian, (619) 699-6931, andre.douzdjian@sandag.org
José Nuncio, (619) 699-1908, jose.nuncio@sandag.org

Attachments:
1. PFM Bonds Memo
2. Draft Authorizing Resolution
3. Draft Ninth Supplemental Indenture
4. Draft Preliminary Official Statement
5. Draft Bond Purchase Agreement
6. Draft Continuing Disclosure Agreement
7. Catalogue of Outstanding Blanks and Bracketed Items by Document
8. Estimated Cost of Series 2020 Bonds Issuance
9. Regional Bike Plan Early Action Program - Status
Memorandum

To: SANDAG Board of Directors  
From: PFM Financial Advisors LLC  
RE: 2020 Borrowing Needs for Bicycle and Pedestrian Projects

INTRODUCTION

PFM Financial Advisors LLC (“PFM”), as the financial advisor to SANDAG, works with SANDAG to identify financing options to meet the TransNet program capital funding needs. Based upon SANDAG staff assessment, SANDAG needs approximately $90 million in bond proceeds to support bicycle and pedestrian improvements. With the recent refunding transaction (Sales Tax Revenue Bonds Series 2019 A Bonds or the “Series 2019A Refunding Bonds”) pricing and closing this December, there is an opportunity to execute an additional transaction to generate bond proceeds for the bicycle and pedestrian improvements (i.e., the Sales Tax Revenue Bonds Series 2020 A Bonds or the “Series 2020A New Money Bonds”) with limited additional effort and transaction cost. In conjunction with the refunding transaction, SANDAG and the financing team have already prepared disclosure documents and received ratings, which are typically the two most critical and time-consuming steps in a transaction. These can be easily refreshed for the proposed new money issuance in January 2020.

The proposed 2020 financing for new bond proceeds to support bicycle and pedestrian improvements will consist of traditional tax-exempt, long-term, fixed-rate bonds and will be issued in January 2020 amid what is anticipated to be a continued low interest rate environment. This memorandum provides an overview of current market conditions, SANDAG’s outstanding sales tax bond portfolio and the proposed borrowing strategy along with next steps.
MARKET UPDATE

For the purpose of tracking tax-exempt municipal interest rates over time, we use the AAA Municipal Market Data Index ("AAA MMD"), which serves as the benchmark against which most tax-exempt, fixed-rate transactions are priced. The chart below tracks the 30-year rate over the last decade.

Tax-exempt rates declined dramatically over the past year with record lows in August 2019. The rates have since ticked up from their lowest levels and have been somewhat volatile. That said, the current market still provides a very favorable environment for borrowing. Investors have been flocking to safe investment options such as municipal bonds in the wake of a lingering trade war, global growth concerns and new signs of a slowdown in US manufacturing. That coupled with a favorable supply-demand dynamics support continued municipal demand. As shown in the chart below the tax-exempt interest rates are low with the 30-year MMD rate at 2.10%, 1.94% lower than its twenty-year average. About 12 months ago, in December 2018, the 30-year rate was 3.22%.
SANDAG’S OUTSTANDING DEBT OVERVIEW

SANDAG, serving as the San Diego County Regional Transportation Commission, has $2.23 billion of outstanding long term debt, including the Series 2018A Short Term Notes (Notes) issued in April 2018. Of the total debt portfolio, 18 percent consists of synthetic, fixed-rate bonds (variable rate bonds hedged with fixed-payer interest rate swaps), and the remaining 82 percent are fixed-rate bonds. Currently, the Transportation Infrastructure Finance and Innovation Act (TIFIA) loan is undrawn and does not represent an obligation of SANDAG at this time. This debt overview does not include SANDAG's refunding of a portion of the Series 2012A and 2014A Bonds, which will close later in December 2019. A summary of the outstanding bonds is tabulated and graphically presented below.

SANDAG has debt obligations on three separate lien levels, providing different priority of sales tax payment to investors based on their respective lien level. The Series 2008A through 2016A Bonds are senior lien obligations and are paid first. The 2018A Notes and commercial paper obligations are paid second as subordinate lien obligations. SANDAG’s TIFIA loan is a third lien, junior subordinate lien obligation. SANDAG’s potential refunding candidates discussed herein are senior lien obligations (i.e., Series 2012A, 2014A and 2016A Bonds).

SANDAG’S senior lien debt service remains level in aggregate, at about $105.2 million annually through 2048. The 2018A Notes are short-term obligations, with a final maturity in 2021. Assuming SANDAG draws on the TIFIA loan as expected, to complete the Mid-Coast Corridor Transit Project, SANDAG’s aggregate debt service will peak at $163.4 million in FY 2045. Senior lien debt service coverage, using sales tax receipts of $312.3 million for the 12 months ending June 30, 2019, is 2.98 times. Meaning, for every $1.0 of senior lien debt service, SANDAG received $2.98 of sales tax revenue providing ample coverage, supporting SANDAG senior lien AAA ratings from rating agencies. Total coverage, when

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<th>Tax Status</th>
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*The TIFIA loan will be drawn upon in 2021 to retire the 2018A Notes. The simultaneous draw on the TIFIA loan and the retirement of the 2018A Notes will have an offsetting impact and will not increase the amount of total obligations outstanding.
comparing the annual revenues to peak debt service (including assumed debt service on the undrawn TIFIA loan) in FY 2045, is 1.91 times.

### Aggregate Debt Service schedule

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</tr>
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</table>

**OVERVIEW OF SERIES 2020A NEW MONEY BOND FINANCING**

SANDAG and the financing team assembled for the Series 2019A Refunding Bonds have simultaneously been analyzing the new money issuance alongside the refunding opportunity. In this section, we address the sizing and structuring components of the new money financing.

**Size and Structure:** As mentioned earlier, the Series 2020A Bonds are being undertaken in order to provide funding for certain projects and improvements in the bicycle and pedestrian program. The Bonds will be issued on the senior lien, on parity with SANDAG’s other senior lien sales tax bonds from Series 2008 though Series 2016A. The bonds are proposed to be sold as traditional tax-exempt, fixed-rate bonds, taking advantage of the low long-term fixed rates in the current market. The bonds will be structured with a final maturity of 2048 – consistent with the final maturity on SANDAG’s overall debt profile. The new debt service will be layered on top of the existing debt service in a “level” manner, to maintain overall level aggregate debt service on the senior lien through 2048. The bonds will be sold with a call feature, allowing SANDAG to call and restructure the bonds, at par, after a certain number of years (very likely a 10-year call option but the financing team may evaluate shorter call options). The bonds will be issued without a debt service reserve fund, which frees up more proceeds for capital projects and provides an economic benefit by reducing the needed borrowing amount.

The size of the transaction at this time is anticipated to be about $90 million (established as a not to exceed par amount). The financing team will continue to work with SANDAG as we approach pricing to refine the amount of proceeds required to be generated and evaluate any structural adjustments that would benefit SANDAG. The size and structure described above is what is currently anticipated, but is subject to change.
Financial Impact: As mentioned earlier SANDAG’s senior lien annual debt service is approximately $105.2 million through 2048. In the current interest rate environment, the annual debt service on the estimated $90 million bond issuance is expected to be about $4.7 million. This will have minimal impact on senior lien debt service coverage and total debt service coverage, which will continue to remain strong. Furthermore, the refunding is expected to generate about $1.5 million to $2.0 million in cash flow savings annually that will help offset a part of the new money debt service.

NEXT STEPS TO EXECUTE THE FINANCING

Team Selection: SANDAG already has a financing team, including the underwriting team as well as bond and disclosure counsel that is helping execute the refunding transaction. They were engaged through a competitive RFP process. The same team members will be engaged on the proposed new money financing for maximum efficiency and cost savings.

Rating Agency Strategy: Both Fitch and S&P recently reviewed SANDAG’s ratings in conjunction with the refunding transaction and assigned the “AAA” rating to both the Series 2019A Refunding Bonds planned to be priced and closed in December 2019, as well as the proposed Series 2020A New Money Bonds, if issued. In their opinion, the senior lien debt service coverage after accounting for the proposed new money issuance is still strong and consistent with their “AAA” ratings. The ratings once assigned, are valid for a period of about 90 days. Should the Series 2020A New Money Bonds be issued within that window SANDAG should not incur any additional rating fees.

Documents and Schedule: Staff and the financing team will prepare the documents for the Series 2020A New money Bonds for the Boards consideration at their December 13, 2019 Board meeting. With Board approval, documents will be distributed to potential investors with a targeted sale date in late January 2020 or early February 2020. If there are adverse changes in the market, SANDAG maintains the ability to delay the bond sale and monitor market conditions until they are more favorable.
Authorizing The Issuance Of Not To Exceed $90,000,000 Aggregate Principal Amount Of San Diego County Regional Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds) For The Purpose Of Financing Certain Transnet Projects, The Execution And Delivery Of A Ninth Supplemental Indenture, A Bond Purchase Agreement, An Official Statement And A Continuing Disclosure Agreement, And Delegating To The Chair And Secretary Of The Board And Executive Director Of The Commission And Other Authorized Representatives Power To Complete Said Documents, Authorizing Distribution Of Said Documents And Authorizing Taking Of All Necessary Actions

WHEREAS, the San Diego County Regional Transportation Commission (the “Commission”) adopted the San Diego Transportation Improvement Program Ordinance and Expenditure Plan on July 31, 1987 (as amended, the “1987 Ordinance”), pursuant to the provisions of Sections 132000 through 132314, inclusive of the Public Utilities Code of the State of California (the “San Diego County Regional Transportation Commission Act” or the “Act”), which 1987 Ordinance provided for the imposition of a retail transactions and use tax (the “retail transactions and use tax”) applicable in the incorporated and unincorporated territory of the County of San Diego (the “County”) in accordance with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code of the State of California at the rate of one-half of one percent (1/2%) for a period of not to exceed twenty (20) years;

WHEREAS, by its terms the 1987 Ordinance became effective at the close of the polls on November 3, 1987, the day of the election at which the proposition imposing the retail transactions and use tax was adopted by a majority vote of the electors voting on such proposition;

WHEREAS, in order to provide for the extension of the initial term of the retail transactions and use tax for a period of forty (40) years, the Commission adopted the San Diego Transportation Improvement Program Ordinance and Expenditure Plan on May 28, 2004 (the “Sales Tax Extension Ordinance,” and, together with any amendments thereto and the 1987 Ordinance, hereinafter collectively referred to as the “Ordinance”);

WHEREAS, by its terms the Sales Tax Extension Ordinance became effective on November 3, 2004, the day following the date of the election at which the proposition providing for the extension of the retail transactions and use tax was approved by at least two-thirds of the electors voting on such proposition;

WHEREAS, the Board of Directors (the “Board”) of the Commission, pursuant to the San Diego County Regional Transportation Commission Act (constituting Chapter 2 of Division 12.7 of the California Public Utilities Code) (“the Act”) and Chapter 6 of Part 1 of Division 2 of Title 5 of the California
WHEREAS, the Commission has heretofore issued $600,000,000 in aggregate principal amount of its Sales Tax Revenue Bonds (Limited Tax Bonds), 2008 Series A, 2008 Series B, 2008 Series C and 2008 Series D (the “2008 Bonds”), pursuant to an Indenture dated as of March 1, 2008 (the “Indenture”), as amended and supplemented, including as amended and supplemented by a First Supplemental Indenture and a Second Supplemental Indenture thereto, each entered into by the Commission and U.S. Bank National Association, as trustee (the “Trustee”);

WHEREAS, the Commission has heretofore issued $338,960,000 in aggregate principal amount of its Sales Tax Revenue Bonds (Limited Tax Bonds), 2010 Series A (Taxable Build America Bonds) (the “2010 Series A Bonds”) and $11,040,000 in aggregate principal amount of its Sales Tax Revenue Bonds (Limited Tax Bonds), 2010 Series B (Tax-Exempt Bonds) (the “2010 Series B Bonds” and together with the 2010 Series A Bonds, the “2010 Bonds”), pursuant to the Indenture, as amended and supplemented, including as amended and supplemented by a Third Supplemental Indenture thereto, entered into by the Commission and the Trustee;

WHEREAS, the Commission has heretofore issued $420,585,000 in aggregate principal amount of its Sales Tax Revenue Bonds (Limited Tax Bonds), 2012 Series A (the “2012 Bonds”), pursuant to the Indenture, as amended and supplemented, including as amended and supplemented by a Fourth Supplemental Indenture thereto, entered into by the Commission and the Trustee;

WHEREAS, the Commission has heretofore issued $350,000,000 in aggregate principal amount of its Sales Tax Revenue Bonds (Limited Tax Bonds), 2014 Series A (the “2014 Bonds”), pursuant to the Indenture, as amended and supplemented, including as amended and supplemented by a Fifth Supplemental Indenture thereto, entered into by the Commission and the Trustee;

WHEREAS, the Commission has heretofore issued $325,000,000 in aggregate principal amount of its Sales Tax Revenue Bonds (Limited Tax Bonds), 2016 Series A (the “2016 Bonds”), pursuant to the Indenture, as amended and supplemented, including as amended and supplemented by a Sixth Supplemental Indenture thereto, entered into by the Commission and the Trustee;

WHEREAS, the Commission hereby determines that the issuance of one or more new series or subseries of bonds in an aggregate principal amount of not to exceed Ninety Million Dollars ($90,000,000), to be secured by a lien on the Sales Tax Revenues on a parity with the lien on such revenues that secures the 2008 Bonds, the 2010 Bonds, the 2012 Bonds, the 2014 Bonds and the 2016 Bonds (collectively, the “Existing Bonds”), is necessary to provide funds for planned expenditures, or the reimbursement of the Commission for prior expenditures as permitted by the Act and the Ordinance and as further described in the Ordinance, including, but not limited to, the funding of certain transportation facility and public infrastructure improvements within the County, and the payment of costs of issuance incurred in connection with such bonds, and has determined that such bonds shall be issued and entitled, subject to additional series, subseries and other designations, “San Diego County Regional Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds) 2020 Series A” (the “Bonds”);

WHEREAS, the Commission hereby further determines that the Bonds may be issued in such series or subseries of such bonds as shall be issued pursuant to the Indenture and a Ninth Supplemental Indenture thereto (the “Ninth Supplemental Indenture), to be entered into between the Commission and the Trustee, a proposed form of which Ninth Supplemental Indenture has been prepared and presented to the Commission;

WHEREAS, in order to set forth the terms of sale of the Bonds, the Commission proposes to enter into a bond purchase agreement (the “Bond Purchase Agreement”) with Goldman Sachs & Co. LLC, as representative of itself and Citigroup Global Markets Inc., J.P. Morgan Securities LLC, Stifel, Nicolaus & Company, Incorporated and Wells Fargo Bank, N.A. (collectively, the “Underwriters”), and a proposed form of Bond Purchase Agreement has been prepared and submitted to the Commission;
WHEREAS, in order to provide information about the Bonds and related matters to purchasers and potential purchasers of the Bonds, the Commission proposes to execute and deliver an official statement, a proposed form of which has been prepared and presented to the Commission in preliminary form (the “Preliminary Official Statement”);

WHEREAS, there has been prepared and presented to the Commission a proposed form of Continuing Disclosure Agreement (the “Continuing Disclosure Agreement”) to be executed and delivered by the Commission to assist the Underwriters in satisfying their obligations under Rule 15c2-12 promulgated by the Securities and Exchange Commission;

WHEREAS, Norton Rose Fulbright US LLP is representing the Commission as bond counsel and disclosure counsel (“Bond Counsel”) and PFM Financial Advisors LLC is serving as municipal advisor to the Commission in connection with the Bonds;

WHEREAS, the Commission has been presented with the form of the Ninth Supplemental Indenture, the Bond Purchase Agreement, the Preliminary Official Statement and the Continuing Disclosure Agreement relating to the financing and refinancing described herein (collectively, the “Financing”) and the Commission has examined and approved each document and desires to authorize and direct the execution of such documents as are specified herein and such other documents as are necessary in connection with the Financing and to authorize and direct the consummation of the Financing; and

WHEREAS, all acts, conditions and things required by the Act and the Constitution and laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the Financing authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the Commission is now duly authorized and empowered, pursuant to each and every requirement of law, to authorize such Financing and to authorize the execution of the Ninth Supplemental Indenture, the Bond Purchase Agreement, the official statement in final form and the Continuing Disclosure Agreement for the purposes, in the manner and upon the terms provided;

NOW, THEREFORE, the SANDAG Board of Directors, ALSO ACTING AS THE SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The issuance by the Commission of not to exceed $90,000,000 aggregate principal amount of San Diego County Regional Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds) in accordance with the provisions of the Indenture, in one or more series or subseries, in order to provide funds to finance planned expenditures, or the reimbursement of the Commission for prior expenditures as permitted by the Act and the Ordinance and as further described in the Ordinance, including, but not limited to, the funding of certain transportation facility and public infrastructure improvements within the County, and to pay the costs of issuance incurred in connection with the Bonds, is hereby authorized and approved.

Section 2. The proposed form of Ninth Supplemental Indenture, between the Commission and the Trustee, submitted to the Commission, and the terms and conditions thereof, are hereby approved. The Secretary of the Board is directed to file a copy of said form of Ninth Supplemental Indenture with the minutes of this meeting, and any one of the Chair of the Board, the Executive Director of the Commission or the Chief Financial Officer of the Commission or a designee of any such official (each an “Authorized Representative”), and the Secretary of the Board are authorized and directed to execute and deliver the Ninth Supplemental Indenture to the Trustee, in substantially such form, and with such additions thereto or changes therein, as they, with the advice of Bond Counsel, shall approve, such approval to be conclusively evidenced by the execution and delivery of the Ninth Supplemental Indenture. The structure, date, maturity date or dates (not to exceed April 1, 2048), interest rate or rates (not to exceed six percent (6.00%) per annum, and with a not to exceed five and one-half percent (5.50%) per annum true interest cost), interest payment dates, forms, registration privileges, place or places of payment, terms of redemption,
additional series designation and number or letter thereof and other terms of the Bonds shall be (subject to
the foregoing limitations) as provided in the Ninth Supplemental Indenture as finally executed and delivered.

Section 3. The proposed form of the Preliminary Official Statement describing the
Bonds, the bond features that may be selected in connection with the issuance of the Bonds and related
matters, submitted to the Commission, is hereby approved. Each Authorized Representative is hereby
authorized and directed to execute and deliver an Official Statement in substantially such form, and with such
additions thereto or changes therein, as the Authorized Representative executing the same, with the advice
of Bond Counsel, shall approve, such approval to be conclusively evidenced by the execution and delivery of
the Official Statement; and each Authorized Representative is hereby authorized and directed to execute and
deliver a certificate confirming that the Preliminary Official Statement is “deemed final” by the Commission
for purposes of Securities and Exchange Commission Rule 15c2-12. The distribution by the Underwriters of
copies of the Official Statement in final form to all actual purchasers of the Bonds and the distribution by the
Underwriters of the Preliminary Official Statement to potential purchasers of the Bonds are hereby authorized
and approved.

Section 4. The proposed form of Bond Purchase Agreement providing for the sale of
the Bonds submitted to the Commission, and the terms and conditions thereof, is hereby approved. The
Secretary of the Board is directed to file a copy of said form of the Bond Purchase Agreement with the
minutes of this meeting. The sale of the Bonds to the Underwriters, on one or more sale dates, at par or at a
premium or discount to the principal amount thereof, less an underwriters' discount (or subject to an
underwriters' fee payable by the Commission to the Underwriters) of not to exceed one-half of one percent
(0.50%) of such principal amount (exclusive of any original issue discount) in accordance with said Bond
Purchase Agreement and the costs of issuance (exclusive of underwriters' discount) to be financed with
respect to any series of Bonds not to exceed one-half of one percent (0.50%) of the proceeds of the sale of
such series of Bonds, be and is hereby authorized and approved, and each Authorized Representative is
authorized and directed to complete, execute and deliver the Bond Purchase Agreement in substantially such
form, providing for the sale of the Bonds not to exceed $90,000,000 in aggregate principal amount, such
issue to be at such principal amounts, with such interest rates, maturities and discounts to be specified
therein, and with such additions thereto or changes therein, as the Authorized Representative executing the
same, with the advice of Bond Counsel, shall approve, such approval to be conclusively evidenced by the
execution and delivery of the Bond Purchase Agreement.

Section 5. The proposed form of Continuing Disclosure Agreement submitted to the
Commission is hereby approved. The Secretary of the Board is directed to file a copy of said form of
Continuing Disclosure Agreement with the minutes of this meeting. Each Authorized Representative is hereby
authorized and directed to execute and deliver the Continuing Disclosure Agreement in substantially the form
before the Commission with such changes and additions as such officer may approve, such approval to be
conclusively evidenced by the execution and delivery thereof.

Section 6. The Chair and the Secretary of the Board, the Executive Director and the
Chief Financial Officer of the Commission, and other appropriate officers of the Board or the Commission,
and all other employees and agents of the Commission, are hereby authorized and directed, jointly and
severally, for and in the name and on behalf of the Commission, to execute and deliver any and all
documents, certificates and representations, including, without limitation, swap terminations or
amendments, redemption or defeasance notices, credit documents, signature certificates, no-litigation
certificates, tax certificates, letters of representation relating to book-entry registration, insurance
agreements, reimbursement agreements, investment instructions, including without limitation bidding or
other escrow security purchase agreements the terms of which comply with the Indenture, certificates
concerning the contents of the Official Statement and the representations and warranties in the Bond
Purchase Agreement and related agreements, and certificates, agreements, and to do any and all things and
take any and all actions that may be necessary or advisable, in their discretion, to effectuate the actions that
the Commission has approved in this Resolution.
Section 7. All approvals, consents, directions, instructions, notices, orders, requests, indemnifications and other actions permitted or required by any of the documents authorized by this Resolution or executed in connection with the Existing Bonds, including, without limitation, any amendment or substitution of any of the documents authorized by this Resolution or relating to any of the foregoing obligations that may be necessary or desirable in connection with any liquidity or credit facility, any swaps, any reserve facility, any investment of proceeds of any series of bonds, or in connection with any disclosure document, any agreements with trustees, paying agents, credit providers, liquidity providers, counterparties, remarketing agents, escrow agents, calculation agents or verification agents, may be given or taken by an Authorized Representative, without further authorization or direction by the Commission, and any and all such actions heretofore taken by such officers are hereby ratified, confirmed, and approved, and the Authorized Representatives are each hereby authorized and directed to execute such documents and give any such approval, amendment, consent, direction, instruction, notice, order, request, indemnification or other action and to take any such action that such person, with the advice of Bond Counsel, may deem necessary or desirable to further the purposes of this Resolution.

Section 8. All actions heretofore taken by the officers of the Board or the Commission or the other employees and agents of the Commission with respect to the Financing are hereby ratified, confirmed and approved.

Section 9. In accordance with SB 450, good faith estimates of the following are set forth on Exhibit A attached hereto: (a) the true interest cost of the Bonds, (b) the sum of all fees and charges paid to third parties with respect to the Bonds, (c) the amount of proceeds of the Bonds expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the Bonds, and (d) the sum total of all debt service payments on the Bonds calculated to the final maturity of the Bonds plus the fees and charges paid to third parties not paid with the proceeds of the Bonds.

Section 10. This Resolution shall take effect immediately upon its adoption and approval.

Section 9. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this 13th day of December 2019.

Ayes

Noes

Absent

Chair of the Board of Directors
of the San Diego County Regional Transportation Commission

[Seal]

Attest

Secretary of the Board of Directors of the San Diego County Regional Transportation Commission
Exhibit A

Good Faith Estimates

The following information was obtained from the Underwriters with respect to the Bonds approved in the Resolution, and is provided in compliance with Senate Bill 450 (Chapter 625 of the 2017-2018 Session of the California Legislature) with respect to the Bonds:

1. **True Interest Cost of the Bonds.** Assuming an aggregate principal amount of $70,000,000 of the Bonds are sold and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the true interest cost of the Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Bonds, is 3.08%.

2. **Finance Charge of the Bonds.** Assuming an aggregate principal amount of $70,000,000 of the Bonds are sold and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the finance charge of the Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Bonds), is $62,455,501.

3. **Amount of Proceeds to be Received.** Assuming an aggregate principal amount of $70,000,000 of the Bonds are sold and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the amount of proceeds expected to be received by the Commission for sale of the Bonds less the finance charge of the Bonds described in 2 above and any reserves or capitalized interest paid or funded with proceeds of the Bonds, is $87,646,937.

4. **Total Payment Amount.** Assuming an aggregate principal amount of $70,000,000 of the Bonds are sold and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the total payment amount, which means the sum total of all payments the Commission will make to pay debt service on the Bonds plus the finance charge of the Bonds described in paragraph 2 above not paid with the proceeds of the Bonds, calculated to the final maturity of the Bonds, is $132,128,916.

Attention is directed to the fact that the foregoing information constitutes good faith estimates only. The actual interest cost, finance charges, amount of proceeds and total payment amount may vary from the estimates above due to variations from these estimates in the timing of Bond sales, the amount of Bonds sold, the amortization of the Bonds sold and market interest rates at the time of each sale. The date of sale and the amount of Bonds sold will be determined by the Commission based on market and other factors. The actual interest rates at which the Bonds will be sold will depend on the bond market at the time of sale. The actual amortization of the Bonds will also depend, in part, on market interest rates at the time of sale. Market interest rates are affected by economic and other factors beyond the Commission’s control.
NINTH SUPPLEMENTAL INDENTURE

between

SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION

and

U.S. BANK NATIONAL ASSOCIATION,

as Trustee

Dated as of ___________ 1, 2020

Relating to

SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION
SALES TAX REVENUE BONDS
(LIMITED TAX BONDS)
2020 SERIES A

(Supplementing the Indenture
dated as of March 1, 2008)
TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>ARTICLE</th>
<th>DEFINITIONS; AMENDMENT TO INDENTURE</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 50.01</td>
<td>Definitions</td>
<td>1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ARTICLE</th>
<th>FINDINGS, DETERMINATIONS AND DIRECTIONS</th>
<th>2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 51.01</td>
<td>Findings and Determinations</td>
<td>2</td>
</tr>
<tr>
<td>Section 51.02</td>
<td>Recital in Bonds</td>
<td>3</td>
</tr>
<tr>
<td>Section 51.03</td>
<td>Effect of Findings and Recital</td>
<td>3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ARTICLE</th>
<th>AUTHORIZATION AND REDEMPTION OF 2020 SERIES A BONDS</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 52.01</td>
<td>Principal Amount, Designation and Series</td>
<td>3</td>
</tr>
<tr>
<td>Section 52.02</td>
<td>Purpose and Application of Proceeds</td>
<td>3</td>
</tr>
<tr>
<td>Section 52.03</td>
<td>Form, Denomination, Numbers and Letters</td>
<td>4</td>
</tr>
<tr>
<td>Section 52.04</td>
<td>Execution of Bonds</td>
<td>4</td>
</tr>
<tr>
<td>Section 52.05</td>
<td>Date, Maturities and Interest Rates</td>
<td>4</td>
</tr>
<tr>
<td>Section 52.06</td>
<td>Optional Redemption of the 2020 Series A Bonds</td>
<td>5</td>
</tr>
<tr>
<td>Section 52.07</td>
<td>Mandatory Redemption of 2020 Series A Bonds From Mandatory Sinking Account Payments</td>
<td>6</td>
</tr>
<tr>
<td>Section 52.08</td>
<td>Notice of Redemption of 2020 Series A Bonds</td>
<td>6</td>
</tr>
<tr>
<td>Section 52.09</td>
<td>No Reserve Fund for 2020 Series A Bonds</td>
<td>7</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ARTICLE</th>
<th>ESTABLISHMENT OF FUNDS AND ACCOUNTS AND APPLICATION THEREOF</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 53.01</td>
<td>Funds and Accounts</td>
<td>7</td>
</tr>
<tr>
<td>Section 53.02</td>
<td>2020 Series A Project Fund</td>
<td>7</td>
</tr>
<tr>
<td>Section 53.03</td>
<td>2020 Series A Costs of Issuance Account</td>
<td>8</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ARTICLE</th>
<th>MISCELLANEOUS</th>
<th>8</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 54.01</td>
<td>Continuing Disclosure</td>
<td>8</td>
</tr>
<tr>
<td>Section 54.02</td>
<td>Tax Certificate</td>
<td>9</td>
</tr>
<tr>
<td>Section 54.03</td>
<td>Severability</td>
<td>9</td>
</tr>
<tr>
<td>Section 54.04</td>
<td>Parties Interested Herein</td>
<td>9</td>
</tr>
<tr>
<td>Section 54.05</td>
<td>Headings Not Binding</td>
<td>9</td>
</tr>
<tr>
<td>Section 54.06</td>
<td>Notice Addresses</td>
<td>9</td>
</tr>
<tr>
<td>Section 54.07</td>
<td>Notices to Rating Agencies</td>
<td>9</td>
</tr>
<tr>
<td>Section 54.08</td>
<td>Indenture to Remain in Effect</td>
<td>9</td>
</tr>
</tbody>
</table>
TABLE OF CONTENTS
(continued)

Section 54.09  Effective Date of Ninth Supplemental Indenture............................... 10
Section 54.10  Execution in Counterparts.................................................................. 10

EXHIBIT A  FORM OF 2020 SERIES A BOND
EXHIBIT B  NOTICE ADDRESSES
NINTH SUPPLEMENTAL INDENTURE

THIS NINTH SUPPLEMENTAL INDENTURE, dated as of ____________ 1, 2020 (this “Ninth Supplemental Indenture”), between the SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION, a public entity duly established and existing under the laws of the State of California (the “Commission”), and U.S. BANK NATIONAL ASSOCIATION, a national banking association duly organized and existing under and by virtue of the laws of the United States of America, as trustee (the “Trustee”):

WITNESSETH:

WHEREAS, this Ninth Supplemental Indenture is supplemental to the Indenture, dated as of March 1, 2008 (as supplemented and amended from time to time pursuant to its terms, the “Indenture”), between the Commission and the Trustee;

WHEREAS, the Indenture provides that the Commission may issue Bonds from time to time as authorized by a Supplemental Indenture, which Bonds are to be payable from Revenues and from such other sources as may be specified with respect to a particular Series of Bonds in the Supplemental Indenture authorizing such Series; and

WHEREAS, the Commission desires to provide at this time for the issuance of a Series of Bonds to be designated “San Diego County Regional Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds), 2020 Series A” (the “2020 Series A Bonds”) for the purpose of providing funds to pay for the Costs of the Project, to refund certain maturities of Bonds previously issued under the Indenture and to pay Costs of Issuance, all as provided in this Ninth Supplemental Indenture;

NOW, THEREFORE, the parties hereto hereby agree as follows:

ARTICLE L
DEFINITIONS; AMENDMENT TO INDENTURE

Section 50.01 Definitions.

(a) Definitions. Unless the context otherwise requires, or as otherwise provided in subsection (b) of this Section, all terms that are defined in Section 1.02 of the Indenture shall have the same meanings in this Ninth Supplemental Indenture.

(b) Additional Definitions. Unless the context otherwise requires, the following terms shall, for all purposes of this Ninth Supplemental Indenture, have the following meanings:

“Authorized Denominations” means, with respect to the 2020 Series A Bonds, $5,000 and any integral multiple thereof.

“Continuing Disclosure Agreement” means the Continuing Disclosure Agreement of the Commission relating to the 2020 Series A Bonds.
“Escrow Agent” means U.S. Bank National Association, as escrow agent under the Escrow Agreement.

“Escrow Agreement” means the Escrow Agreement, dated as of December 1, 2019, between the Commission and the Escrow Agent, providing for the refunding of the 2010 Series B Bonds.

“Escrow Fund” means the fund by that name established under the Escrow Agreement.

“Interest Payment Date” means for the 2020 Series A Bonds each April 1 and October 1, commencing _______ 1, 2020 and, in any event, the final maturity date or redemption date of each 2020 Series A Bond.

“Issue Date” means, with respect to the 2020 Series A Bonds, the date on which such 2020 Series A Bonds are first delivered to the purchasers thereof.

“Ninth Supplemental Indenture” means this Ninth Supplemental Indenture, between the Commission and the Trustee, as amended and supplemented from time to time.

“Record Date” means, with respect to the 2020 Series A Bonds, the fifteenth (15th) day (whether or not a Business Day) of the month preceding the month in which such Interest Payment Date occurs.

“Redemption Price” means, with respect to any 2020 Series A Bond or a portion thereof, 100% of the principal amount thereof to be redeemed, plus the applicable premium, if any, payable upon redemption thereof pursuant to such Bond or this Ninth Supplemental Indenture.

“2020 Series A Costs of Issuance Account” means the 2020 Series A Costs of Issuance Account established pursuant to Section 53.01(b).

“2020 Series A Project Fund” means the 2020 Series A Project Fund established pursuant to Section 53.01(a).

“2020 Series A Bonds” shall mean the San Diego County Regional Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds), 2020 Series A, authorized by Article LII of the Indenture.


ARTICLE LI
FINDINGS, DETERMINATIONS AND DIRECTIONS

Section 51.01 Findings and Determinations. The Commission hereby finds and determines that the 2020 Series A Bonds shall be issued pursuant to Article III and upon the issuance of the 2020 Series A Bonds, any and all acts, conditions and things required to exist, to happen and to be performed, precedent to and in the issuance thereof, will exist, will have
happened and will have been performed, in due time, form and manner, as required by the Constitution and statutes of the State.

Section 51.02 Recital in Bonds. There shall be included in each of the definitive 2020 Series A Bonds, and also in each of the temporary 2020 Series A Bonds, if any are issued, a certification and recital that any and all acts, conditions and things required to exist, to happen and to be performed, precedent to and in the incurring of the indebtedness evidenced by that 2020 Series A Bond, and in the issuing of that 2020 Series A Bond, exist, have happened and have been performed in due time, form and manner, as required by the Constitution and statutes of the State and the Act, and that said 2020 Series A Bond, together with all other indebtedness of the Commission payable out of Revenues, is within every debt and other limit prescribed by the Constitution and statutes of the State and the Act, and that such certification and recital shall be in such form as is set forth in the form of the 2020 Series A Bond attached hereto as Exhibit A.

Section 51.03 Effect of Findings and Recital. From and after the issuance of the 2020 Series A Bonds, the findings and determinations herein shall be conclusive evidence of the existence of the facts so found and determined in any action or proceeding in any court in which the validity of the 2020 Series A Bonds is at issue.

ARTICLE LII
AUTHORIZATION AND REDEMPTION OF 2020 SERIES A BONDS

Section 52.01 Principal Amount, Designation and Series. Pursuant to the provisions of the Indenture and the provisions of the Act, a Series of Bonds entitled to the benefit, protection and security of such provisions is hereby authorized in the aggregate principal amount of $_____________. Such Bonds shall be designated as, and shall be distinguished from the Bonds of all other Series by the title, “San Diego County Regional Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds), 2020 Series A.”

Section 52.02 Purpose and Application of Proceeds.

The 2020 Series A Bonds are issued for the purpose of financing, refinancing and/or reimbursing the Commission for its prior payment of the Costs of the Project and for the refunding of a portion of the Commission’s outstanding Bonds issued for such purpose. In addition, a portion of the proceeds will be applied to pay Costs of Issuance of the 2020 Series A Bonds. The net proceeds from the sale of the 2020 Series A Bonds in the amount of $_____________ shall be received by the Trustee, and the Trustee shall deposit such funds as follows:

(i) $_____________ of the proceeds of the 2020 Series A Bonds shall be deposited in the 2020 Series A Project Fund;

(ii) $_____________ of the proceeds of the 2020 Series A Bonds shall be transferred to the Escrow Agent for deposit into the Escrow Fund; and
Section 52.03 Form, Denomination, Numbers and Letters. The 2020 Series A Bonds shall be issued as fully registered bonds without coupons in book-entry form and in Authorized Denominations and shall be numbered from one upward in consecutive numerical order preceded by the letter “R” prefixed to the number. Each maturity of the 2020 Series A Bonds and the certificate of authentication shall be substantially in the form attached hereto as Exhibit A, which form is hereby approved and adopted as the form of the 2020 Series A Bonds and as the form of the certificate of authentication as such form shall be completed based on the terms of each 2020 Series A Bond set forth herein.

Section 52.04 Execution of Bonds. The 2020 Series A Bonds shall be executed in the name and on behalf of the Commission by the facsimile or manual signature of the Chair of the Board of Directors of the Commission and attested by the facsimile or manual signature of the Executive Director of the Commission, the Chief Financial Officer of the Commission or any designee thereof. The 2020 Series A Bonds shall be authenticated by the Trustee by the manual signature of an authorized officer.

If any of the officers who shall have signed any of the 2020 Series A Bonds or whose facsimile signature shall be upon the 2020 Series A Bonds shall cease to be such officer of the Commission before the 2020 Series A Bond so signed shall have been authenticated by the Trustee or delivered, such 2020 Series A Bonds nevertheless may be authenticated, issued and delivered with the same force and effect and shall be as binding on the Commission as though the person or persons who signed such 2020 Series A Bonds or whose facsimile signature shall be upon the 2020 Series A Bonds had not ceased to be such officer of the Commission; and any such 2020 Series A Bond may be signed on behalf of the Commission by those persons who, at the actual date of the execution of such 2020 Series A Bonds, shall be the proper officers of the Commission, although at the date of such 2020 Series A Bond any such person shall not have been such officer of the Commission.

Section 52.05 Date, Maturities and Interest Rates.

The 2020 Series A Series A Bonds shall be dated their Issue Date and shall bear interest from that date payable on each Interest Payment Date. The 2020 Series A Bonds shall be issued in the aggregate principal amount of $_____________ and shall mature on the following dates and in the following amounts (subject to the right of prior redemption set forth in Section 52.06(a) and the requirement of mandatory sinking fund redemption set forth in Section 52.07(a)) and shall bear interest at the following rate per annum:

<table>
<thead>
<tr>
<th>Maturity Date (April 1)</th>
<th>Principal Amount</th>
<th>Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$_______________</td>
<td>___%</td>
</tr>
</tbody>
</table>

Interest on the 2020 Series A Bonds shall be computed on the basis of a 360-day year composed of twelve 30 day months.
(a) **Payment Provisions.** Each 2020 Series A Bond shall be payable as provided in Section 2.10, including Section 2.10(E), or, in the event the use of the Securities Depository is discontinued, the principal of each 2020 Series A Bond shall be payable in lawful money of the United States of America upon surrender thereof at the Corporate Trust Office of the Trustee, and the interest on each 2020 Series A Bond shall be payable on each Interest Payment Date in lawful money of the United States of America by the Trustee to the Holder thereof as of the close of business on the Record Date, such interest to be paid by the Trustee to such Holder in immediately available funds (by wire transfer or by deposit to the account of the Holder if such account is maintained with the Trustee), according to the instructions given by such Holder to the Trustee or, in the event no such instructions have been given, by check mailed by first class mail to the Holder at such Holder’s address as it appears as of the Record Date on the bond registration books kept by the Trustee.

Section 52.06 Optional Redemption of the 2020 Series A Bonds.

(a) **Optional Redemption of the 2020 Series A Bonds.** The 2020 Series A Bonds maturing on and after April 1, ____ are subject to redemption prior to their respective stated maturities, at the option of the Commission, from any source of available funds, on any date on or after April 1, ____, as a whole, or in part by such maturity or maturities as may be specified by Request of the Commission (and by lot within a maturity), at a Redemption Price equal to 100% of the aggregate principal amount thereof, plus interest accrued thereon to the date fixed for redemption, without premium.

(b) **Selection of 2020 Series A Bonds for Optional Redemption.** The Commission shall designate which maturities of any 2020 Series A Bonds are to be called for optional redemption pursuant to Section 52.06(a). If less than all 2020 Series A Bonds maturing by their terms on any one date and bearing the same rate of interest are to be redeemed at any one time, the Trustee shall select the 2020 Series A Bonds of such maturity date and rate to be redeemed by lot and shall promptly notify the Commission in writing of the numbers of the 2020 Series A Bonds so selected for redemption. For purposes of such selection, 2020 Series A Bonds shall be deemed to be composed of multiples of minimum Authorized Denominations and any such multiple may be separately redeemed. In the event 2020 Series A Bonds that are Term Bonds are designated for redemption, the Commission may designate the Mandatory Sinking Account Payments under Section 52.07(a) or portions thereof, that are to be reduced as allocated to such redemption.

(c) **Sufficient Funds Required for Optional Redemption.** Any optional redemption of 2019 Bonds and notice thereof may be conditional and rescinded and cancelled pursuant to the provisions of Section 4.02 if for any reason on the date fixed for redemption moneys are not available in the Redemption Fund or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the principal of, interest, and any premium due on the 2020 Series A Bonds called for redemption.
Section 52.07 Mandatory Redemption of 2020 Series A Bonds From Mandatory Sinking Account Payments.

(a) Mandatory Redemption of 2020 Series A Bonds. The 2020 Series A Bonds maturing on April 1, ____ are Term Bonds and are subject to mandatory redemption from Mandatory Sinking Account Payments for such 2020 Series A Bonds, on each April 1 on and after April 1, ____ , and in the principal amount equal to the Mandatory Sinking Account Payment due on such date at a Redemption Price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium.

Mandatory Sinking Account Payments for 2020 Series A Bonds maturing on April 1, ____ shall be due in such amounts and on such dates as follows:

<table>
<thead>
<tr>
<th>Redemption Date (April 1)</th>
<th>Mandatory Sinking Account Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>*</td>
<td></td>
</tr>
</tbody>
</table>

* Final Maturity

(b) Selection of 2020 Series A Bonds for Mandatory Sinking Account Redemption. If less than all 2020 Series A Bonds maturing by their terms on any one date are to be redeemed at any one time with Mandatory Sinking Account Payments, the Trustee shall select the 2020 Series A Bonds to be redeemed by lot, and the Trustee shall promptly notify the Commission in writing of the numbers of the 2020 Series A Bonds so selected for redemption. For purposes of such selection, 2020 Series A Bonds shall be deemed to be composed of multiples of minimum Authorized Denominations and any such multiple may be separately redeemed.

Section 52.08 Notice of Redemption of 2020 Series A Bonds. Each notice of redemption of 2020 Series A Bonds shall be mailed by the Trustee, not less than twenty (20) nor more than ninety (90) days prior to the redemption date, to each Holder of 2020 Series A Bonds and each of the Repositories. A copy of such notice shall also be provided to each of the Notice Parties with respect to the 2020 Series A Bonds. Notice of redemption to the Holders of 2020 Series A Bonds, the Repositories and the applicable Notice Parties shall be given by first class mail. Each notice of redemption shall state the date of such notice, the date of issue of the 2020 Series A Bonds, the redemption date, the Redemption Price, the place or places of redemption (including the name and appropriate address or addresses of the Trustee), the CUSIP number (if any) of the maturity or maturities, and, if less than all of any such maturity, the distinctive certificate numbers of the 2020 Series A Bonds of such maturity, if any, to be redeemed and, in the case of 2020 Series A Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that on said date there will become due and payable on each of said 2020 Series A Bonds the Redemption Price thereof or of said specified portion of the principal amount thereof in the case of a 2020 Series A Bond to be redeemed in part only, together with interest accrued thereon to the date fixed for redemption, and that from and after such redemption date interest thereon shall cease to accrue, and shall require that such 2020 Series A Bonds be then surrendered at the address or addresses of the Trustee specified in the redemption notice. Neither the Commission nor the Trustee shall
have any responsibility for any defect in the CUSIP number that appears on any 2020 Series A Bond or in any redemption notice with respect thereto, and any such redemption notice may contain a statement to the effect that CUSIP numbers have been assigned by an independent service for convenience of reference and that neither the Commission nor the Trustee shall be liable for any inaccuracy in such CUSIP numbers.

Section 52.09 **No Reserve Fund for 2020 Series A Bonds.** No reserve is established with respect to the 2020 Series A Bonds and the 2020 Series A Bonds are not 2008 Reserve Fund Eligible Bonds.

**ARTICLE LIII**

**ESTABLISHMENT OF FUNDS AND ACCOUNTS AND APPLICATION THEREOF**

Section 53.01 **Funds and Accounts.** The following funds and accounts are hereby established in connection with the 2020 Series A Bonds:

(a) To ensure the proper application of such portion of proceeds from the sale of the 2020 Series A Bonds to be applied to pay Costs of the Project, there is hereby established the 2020 Series A Project Fund, such fund to be held by the Trustee.

(b) To ensure the proper application of such portion of proceeds from the sale of the 2020 Series A Bonds to be applied to pay Costs of Issuance of the 2020 Series A Bonds, there is hereby established the 2020 Series A Costs of Issuance Account, such account to be established within the 2020 Series A Project Fund and held by the Trustee.

Section 53.02 **2020 Series A Project Fund.** The Trustee shall establish the 2020 Series A Project Fund. The monies set aside and placed within the 2020 Series A Project Fund shall remain therein until from time to time expended for the purpose of paying the Costs of the Project with respect to the 2020 Series A Bonds and shall not be used for any other purpose whatsoever.

Before any payment from the 2020 Series A Project Fund shall be made by the Trustee, the Commission shall file or cause to be filed with the Trustee a Requisition of the Commission, such Requisition to be signed by an Authorized Representative and to include: (i) the item number of such payment; (ii) the name and address of the person to whom each such payment is due, which may be the Commission in the case of reimbursement for costs theretofore paid by the Commission; (iii) the respective amounts to be paid; (iv) the purpose by general classification for which each obligation to be paid was incurred; (v) that obligations in the stated amounts have been incurred by the Commission and are presently due and payable and that each item thereof is a proper charge against the 2020 Series A Project Fund and has not been previously paid from said fund; and (vi) that there has not been filed with or served upon the Commission notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the amounts payable to any of the persons named in such Requisition, which has not been released or will not be released simultaneously with the payment of such obligation, other than materialmen’s or mechanics’ liens accruing by mere operation of law.
When the Commission determines that the portion of the Project funded with the 2020 Series A Bonds has been completed, a Certificate of the Commission shall be delivered to the Trustee by the Commission stating: (vii) the fact and date of such completion; (viii) that all of the costs thereof have been determined and paid (or that all of such costs have been paid less specified claims that are subject to dispute and for which a retention in the 2020 Series A Project Fund is to be maintained in the full amount of such claims until such dispute is resolved); and (ix) that the Trustee is to transfer the remaining balance in the 2020 Series A Project Fund, less the amount of any such retention, to the Revenue Fund or, if so directed by the Commission, to the Rebate Fund.

Section 53.03 2020 Series A Costs of Issuance Account. The Trustee shall establish the 2020 Series A Costs of Issuance Account. All money on deposit in the 2020 Series A Costs of Issuance Account shall be applied solely for the payment of authorized Costs of Issuance relating to the 2020 Series A Bonds. Before any payment from the 2020 Series A Costs of Issuance Account shall be made by the Trustee, the Commission shall file or cause to be filed with the Trustee a Requisition of the Commission, such Requisition to be signed by an Authorized Representative and to include: (i) the item number of such payment; (ii) the name and address of the person to whom each such payment is due, which may be the Commission in the case of reimbursement for costs theretofore paid by the Commission; (iii) the respective amounts to be paid; (iv) the purpose by general classification for which each obligation to be paid was incurred; (v) that obligations in the stated amounts have been incurred by the Commission and are presently due and payable and that each item thereof is a proper charge against the 2020 Series A Costs of Issuance Account and has not been previously paid from said account.

Any amounts remaining in the 2020 Series A Costs of Issuance Account or any subaccount therein one hundred eighty (180) days after the Issue Date of the 2020 Series A Bonds shall be transferred to the 2020 Series A Project Fund and the 2020 Series A Costs of Issuance Account shall be closed.

ARTICLE LIV
MISCELLANEOUS

Section 54.01 Continuing Disclosure. The Commission covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement, dated the date of issuance of the 2020 Series A Bonds, executed by the Commission. Notwithstanding any other provision of the Indenture, failure of the Commission to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default; however, the Trustee shall, at the written request of any Participating Underwriter (as defined in the Continuing Disclosure Agreement) or of the Holders of at least twenty-five (25%) aggregate principal amount of the 2020 Series A Bonds then Outstanding (but only to the extent funds in an amount satisfactory to the Trustee have been provided to it or it has been otherwise indemnified to its satisfaction from any cost, liability, expense or additional charges and fees of the Trustee whatsoever, including, without limitation, reasonable fees and expenses of its attorneys), or any Holder or Beneficial Owner may, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Commission to comply with its obligations under this Section.
Section 54.02 Tax Certificate. The Commission will comply with the provisions and procedures of the Tax Certificate.

Section 54.03 Severability. If any covenant, agreement or provision, or any portion thereof, contained in this Ninth Supplemental Indenture, or the application thereof to any person or circumstance, is held to be unconstitutional, invalid or unenforceable, the remainder of this Ninth Supplemental Indenture, and the application of any such covenant, agreement or provision, or portion thereof, to other Persons or circumstances, shall be deemed severable and shall not be affected thereby, and this Ninth Supplemental Indenture and the 2020 Series A Bonds issued pursuant hereto shall remain valid, and the Holders of the 2020 Series A Bonds shall retain all valid rights and benefits accorded to them under this Indenture, the Act, and the Constitution and statutes of the State.

Section 54.04 Parties Interested Herein. Nothing in this Ninth Supplemental Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the Commission, the Trustee and the Holders of the 2020 Series A Bonds, any right, remedy or claim under or by reason of this Ninth Supplemental Indenture or any covenant, condition or stipulation hereof; and all the covenants, stipulations, promises and agreements in this Ninth Supplemental Indenture contained by and on behalf of the Commission shall be for the sole and exclusive benefit of the Commission, the Trustee and the Holders of the 2020 Series A Bonds.

Section 54.05 Headings Not Binding. The headings in this Ninth Supplemental Indenture are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Ninth Supplemental Indenture.

Section 54.06 Notice Addresses. Except as otherwise provided herein, it shall be sufficient service or giving of notice, request, complaint, demand or other paper if the same shall be duly mailed by registered or certified mail, postage prepaid, addressed to the Notice Address for the appropriate party or parties as provided in Exhibit B hereto. Any such entity by notice given hereunder may designate any different addresses to which subsequent notices, certificates or other communications shall be sent, but no notice directed to any one such entity shall be thereby required to be sent to more than two addresses. Any such communication may also be sent by Electronic Means, receipt of which shall be confirmed.

Section 54.07 Notices to Rating Agencies. The Trustee shall provide notice to the Rating Agencies of the following events with respect to the 2020 Series A Bonds:

1. Change in Trustee;
2. Amendments to the Indenture; and

Section 54.08 Indenture to Remain in Effect. Save and except as amended and supplemented by this Ninth Supplemental Indenture, the Indenture, as heretofore supplemented by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture,
the Sixth Supplemental Indenture, the Seventh Supplemental Indenture and the Eighth Supplemental Indenture shall remain in full force and effect.

Section 54.09 Effective Date of Ninth Supplemental Indenture. This Ninth Supplemental Indenture shall take effect upon its execution and delivery.

Section 54.10 Execution in Counterparts. This Ninth Supplemental Indenture may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.
IN WITNESS WHEREOF, the parties hereto have executed this Ninth Supplemental Indenture by their officers thereunto duly authorized as of the day and year first written above.

SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION

By: ____________________________
   Chair of the Board of Directors

ATTEST:

______________________________
   Clerk

APPROVED AS TO FORM:

______________________________
   General Counsel

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: ____________________________
   Authorized Officer
EXHIBIT A
FORM OF 2020 SERIES A BOND

Unless this Bond is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of transfer, exchange or payment, and any Bond issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered Owner hereof, Cede & Co., has an interest herein.

No. R--________ $___________

SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION
SALES TAX REVENUE BOND
(LIMITED TAX BOND)
2020 SERIES A

INTEREST RATE MATURITY ISSUE DATE CUSIP
_____% April 1, 20__ __________, 2020 797400 ___

REGISTERED OWNER: Cede & Co.
PRINCIPAL AMOUNT: ___________________________DOLLARS

SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION, a public entity duly organized and existing under the laws of the State of California (the “Commission”), for value received, hereby promises to pay (but solely from Revenues as hereinafter referred to) in lawful money of the United States of America, to the registered Holder or registered assigns, on the maturity date set forth above, unless redeemed prior thereto as hereinafter provided, the principal amount specified above, together with interest thereon from the Issue Date set forth above until the principal hereof shall have been paid, at the Interest Rate set forth above payable on each April 1 and October 1, commencing _______ 1, 2020 (each, an “Interest Payment Date”). The principal of and premium, if any, on this Bond are payable to the registered Holder hereof upon presentation and surrender of this Bond at the Corporate Trust Office, in St. Paul, Minnesota or at such other Corporate Trust Office hereinafter designated for the presentation place of Bonds for payment, of U.S. Bank National Association, as trustee (together with any successor as trustee under the hereinafter defined Indenture, the “Trustee”). Interest on this Bond shall be paid by check drawn upon the Trustee and mailed on the applicable Interest Payment Date to the registered Holder hereof as of the close of business on the Record Date at such registered Holder’s address as it appears on the Bond Register. As used herein, “Record Date” means the fifteenth (15th) day (whether or not a Business Day) of the month preceding the month in which such Interest Payment Date occurs.

This Bond is one of a duly authorized issue of bonds of the Commission, designated as “San Diego County Regional Transportation Commission Sales Tax Revenue Bonds (Limited
Tax Bonds) 2020 Series A” (the “Bonds”), of the series designated above, all of which are being issued pursuant to the provisions of the San Diego County Regional Transportation Commission Act constituting Chapter 2 of Division 12.7 of the California Public Utilities Code (the “Act”), and Chapter 6 of Part 1 of Division 2 of Title 5 of the California Government Code, as referenced in said Act, and Articles 10 and 11 of Chapter 3 of Division 2 of Title 5 of the California Government Code (collectively, and together with the Act, the “Law”), and an Indenture, dated as of March 1, 2008, as supplemented, including as supplemented by an Eighth Supplemental Indenture, dated as of __________ 1, 2020 (the “Ninth Supplemental Indenture”), each between the Commission and the Trustee, hereinafter referred to collectively as the “Indenture.” Said authorized issue of Bonds is not limited in aggregate principal amount and consists or may consist of one or more series of varying denominations, dates, maturities, interest rates and other provisions, as in the Indenture provided. Capitalized terms used herein and not otherwise defined shall have the meaning given such terms in the Indenture.


Reference is hereby made to the Indenture and the Law for a description of the terms on which the Bonds are issued and to be issued, the provisions with regard to the nature and extent of the pledge of Revenues and certain other funds and the rights of the registered Holders of the Bonds and all the terms of the Indenture are hereby incorporated herein and constitute a contract between the Commission and the registered Holder from time to time of this Bond, and to all the provisions thereof the registered Holder of this Bond, by its acceptance hereof, consents and agrees. Additional Bonds may be issued and other indebtedness may be incurred on a parity with the Series of Bonds of which this Bond is a part, but only subject to the conditions and limitations contained in the Indenture.

This Bond is payable as to both principal and interest, and any premium upon redemption hereof, exclusively from the Revenues and other funds pledged under the Indenture, which consist primarily of the amounts available for distribution to the Commission on and after July 1, 1988 on account of the retail transactions and use tax imposed in the County of San Diego pursuant to the Law, as extended, after deducting amounts payable by the Commission to the State Board of Equalization for costs and expenses for its services in connection with the retail
transactions and use taxes collected pursuant to the Law, all as provided in the Indenture, and the Commission is not obligated to pay the principal of and interest on this Bond except from Revenues and certain other funds pledged thereunder.

This Bond is deliverable in the form of a fully registered Bond in denominations of $5,000 and any multiple thereof (such denominations being referred to herein as “Authorized Denominations”).

Optional and Mandatory Redemption Provisions

The Bonds of the Series of which this Bond is a part shall be subject to optional and mandatory redemption as specified in the Indenture.

Amendments and Modifications

The rights and obligations of the Commission and of the Beneficial Owners and registered Holders of the Bonds may be modified or amended at any time in the manner, to the extent, and upon the terms provided in the Indenture, which provide, in certain circumstances, for modifications and amendments without the consent of or notice to the registered Holders of the Bonds.

Transfer and Exchange Provisions

This Bond is transferable or exchangeable as provided in the Indenture, only upon the bond registration books maintained by the Trustee, by the registered Holder hereof, or by his or her duly authorized attorney, upon surrender of this Bond at the Corporate Trust Office of the Trustee, together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered Holder or his or her duly authorized attorney, and thereupon a new Bond or Bonds of the same series, maturity and in the same aggregate principal amount, shall be issued to the transferee in exchange therefor as provided in the Indenture, upon payment of any charges therein prescribed.

Persons Deemed Holders

The person in whose name this Bond is registered shall be deemed and regarded as the absolute Holder hereof for all purposes, including receiving payment of, or on account of, the principal hereof and any redemption premium and interest due hereon.

It is hereby certified and recited that any and all acts, conditions and things required to exist, to happen and to be performed, precedent to and in the incurring of the indebtedness evidenced by this Bond, and in the issuing of this Bond, exist, have happened and have been performed in due time, form and manner, as required by the Constitution and statutes of the State of California and the Law, and that this Bond, together with all other indebtedness of the Commission payable out of Revenue, is within every debt and other limit prescribed by the Constitution and statutes of the State of California and the Act.
This Bond shall not be entitled to any benefit under the Indenture, or become valid or obligatory for any purpose, until the certificate of authentication hereon endorsed shall have been manually signed by the Trustee.
IN WITNESS WHEREOF the San Diego County Regional Transportation Commission has caused this Bond to be executed in its name and on its behalf by the manual or facsimile signature of its duly authorized representatives all as of the Issue Date set forth above.

SAN DIEGO COUNTY REGIONAL
TRANSPORTATION COMMISSION

By: __________________________
   Chair of the Board of Directors

(Seal)

Attest:

_______________________________
   Executive Director

[FORM OF CERTIFICATE OF AUTHENTICATION]

This Bond is one of the 2020 Series A Bonds described in the within mentioned Indenture and was authenticated on the date set forth below.

Date of Authentication: ________________

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: __________________________
   Authorized Officer
[FORM OF ASSIGNMENT]

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

(Please Print or Type Name and Address of Assignee)

PLEASE INSERT SOCIAL SECURITY OR OTHER TAX IDENTIFICATION NUMBER OF ASSIGNEE

the within bond and all rights thereunder, and hereby irrevocably constitutes and appoint

to transfer the within Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated:

Signature:

(Signature of Assignor)

Notice: The signature on this assignment must correspond with the name of the registered Holder as it appears upon the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

SIGNATURE GUARANTEED:

Notice: Signature must be guaranteed by an eligible guarantor firm.
EXHIBIT B

NOTICE ADDRESSES

To the Commission:
San Diego Association of Governments
401 B Street, Suite 800
San Diego, California 92101
Attention: Director of Finance
Telephone: (619) 699-6931
Facsimile: (619) 699-4890

To the Rating Agencies:
Standard & Poor’s Ratings Services
55 Water Street, 38th Floor
New York, New York 10041
Telephone: (212) 438-2000
Facsimile: (212) 438-2157

Fitch Ratings
33 Whitehall Street
New York, New York 10004
Attention: Public Finance Department

To the Trustee:
U.S. Bank National Association
633 West 5th Street, 24th Floor
Los Angeles, California 90071
Attention: Corporate Trust Division
Telephone: (213) 615-6023
Facsimile: (213) 615-6197
NEW ISSUE – BOOK ENTRY ONLY

In the opinion of Norton Rose Fullbright US LLP, Los Angeles, California, Bond Counsel, under existing statutes, regulations, rulings and court decisions, and assuming compliance with the tax covenants in the documents pertaining to the 2020 Series A Bonds and requirements of the Internal Revenue Code of 1986, as amended (the “Code”), as described herein, interest on the 2020 Series A Bonds is excluded from the gross income of the owners thereof for federal income tax purposes. In the further opinion of Bond Counsel, interest on the 2020 Series A Bonds is not an item of tax preference for purposes of the federal alternative minimum tax. Bond Counsel is also of the opinion that, under existing law, interest on the 2020 Series A Bonds is exempt from personal income taxes of the State of California. See “TAX MATTERS.”

S$______________________________*

SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION
SALES TAX REVENUE BONDS (LIMITED TAX BONDS)
2020 SERIES A

Dated:_________ Due as shown on inside cover

The $___________* San Diego County Regional Transportation Commission (the “Commission”) will issue its Sales Tax Revenue Bonds (Limited Tax Bonds), 2020 Series A (the “2020 Series A Bonds”) pursuant to an Indenture, dated as of March 1, 2008 (as amended and supplemented, the “Indenture”), between the Commission and U.S. Bank National Association, as trustee.

The 2020 Series A Bonds are limited obligations of the Commission payable from the receipts of a one-half of one percent (0.5%) retail transactions and use tax (the “Sales Tax”) imposed in the County of San Diego (the “County”) for transportation and related purposes. Collection of the Sales Tax commenced on April 1, 1988. The Sales Tax is scheduled to expire on March 31, 2048. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2020 SERIES A BONDS” herein.

The Commission will apply the proceeds of the 2020 Series A Bonds to: (i) finance, refinance and/or reimburse the Commission for its prior payment of the Costs of the Project, as defined herein, (ii) refund all or a portion of the outstanding San Diego County Regional Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds) 2010 Series B, currently outstanding in the aggregate principal amount of $5,515,000, and (iii) pay the costs of issuing the 2020 Series A Bonds. See “ESTIMATED SOURCES AND USES OF FUNDS” and “FINANCING PLAN.” No debt service reserve will be funded for the 2020 Series A Bonds.

The 2020 Series A Bonds will be dated their date of delivery. The principal amounts, interest rates, maturity dates, and other information relating to the 2020 Series A Bonds are summarized on the inside cover page hereof. The Commission will pay interest on the 2020 Series A Bonds on April 1 and October 1 of each year, commencing on [April 1, 2020]. Investors may purchase the 2020 Series A Bonds in book-entry form only. See APPENDIX E – “BOOK-ENTRY ONLY SYSTEM.”

The 2020 Series A Bonds are subject to optional and mandatory sinking fund redemption by the Commission prior to maturity as described herein. See “THE 2020 SERIES A BONDS – Redemption.”


This cover page contains general information only. Investors must read the entire Official Statement to obtain information essential to making an informed investment decision.

The 2020 Series A Bonds are offered when, as and if issued by the Commission and received by the Underwriters, subject to the approval of validity by Norton Rose Fullbright US LLP, Bond Counsel to the Commission, and certain other conditions. Certain legal matters will be passed on for the Commission by its General Counsel and by Norton Rose Fullbright US LLP, Disclosure Counsel to the Commission, and for the Underwriters by their counsel, Nixon Peabody LLP. It is expected that the 2020 Series A Bonds will be available for delivery through the book-entry facilities of The Depository Trust Company on or about __________, 2020.

Goldman Sachs & Co. LLC  Wells Fargo Securities
Citigroup J.P. Morgan Stifel
Dated:__ __ __ __, 2020

* Preliminary, subject to change.
$_________ Serial 2020 Series A Bonds

<table>
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<th>Maturity (April 1)</th>
<th>Principal Amount</th>
<th>Interest Rate</th>
<th>Yield</th>
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$_________* – ___% Term 2020 Series A Bonds due April 1, 20__ – Price ____% – Yield ____%;
CUSIP No.† __________

$_________* – ___% Term 2020 Series A Bonds due April 1, 20__ – Price ____%† – Yield ____%;
CUSIP No.† __________

* Preliminary, subject to change.
† CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein are provided by CUSIP Global Services, managed by Standard & Poor’s Financial Services LLC on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Global Services. None of the Underwriters, the Financial Advisor or the Commission is responsible for the selection or correctness of the CUSIP numbers set forth herein.
This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the 2020 Series A Bonds by any person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale. The information set forth herein has been provided by the San Diego County Regional Transportation Commission (the “Commission”) and other sources that are believed by the Commission to be reliable.

The Underwriters have provided the following sentence for inclusion in this Official Statement: The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

No dealer, broker, salesperson or other person has been authorized to give any information or to make any representations other than those contained in this Official Statement. If given or made, such other information or representations must not be relied upon as having been authorized by the Commission or the Underwriters.

This Official Statement is not to be construed as a contract with the purchasers of the 2020 Series A Bonds.

This Official Statement speaks only as of its date. The information and expressions of opinion herein are subject to change without notice and neither delivery of this Official Statement nor any sale made in conjunction herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Commission or other matters described herein since the date hereof. This Official Statement is submitted with respect to the sale of the 2020 Series A Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose, unless authorized in writing by the Commission.

All descriptions and summaries of documents and statutes hereinafter set forth do not purport to be comprehensive or definitive, and reference is made to each document and statute for complete details of all terms and conditions. All statements herein are qualified in their entirety by reference to each such document and statute. Certain capitalized terms used but not defined herein are defined in APPENDIX C-1 or C-2.

In connection with the offering of the 2020 Series A Bonds, the Underwriters may overallot or effect transactions which stabilize or maintain the market prices of such 2020 Series A Bonds at levels above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time. The Underwriters may offer and sell the 2020 Series A Bonds to certain dealers, institutional investors and others at prices lower than the public offering prices stated on the inside cover pages hereof and such public offering prices may be changed from time to time by the Underwriters.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader’s convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this offering document for purposes of, and as that term is defined in, United States Securities and Exchange Commission Rule 15c2-12, as amended (the “Rule”).
CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT

Certain statements included or incorporated by reference in this Official Statement constitute forward-looking statements. Such statements are generally identifiable by the terminology used such as “plan,” “expect,” “estimate,” “project,” “budget” or other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. No assurance is given that actual results will meet the forecasts of the Commission in any way, regardless of the level of optimism communicated in the information. The Commission is not obligated to issue nor does it plan to issue any updates or revisions to the forward-looking statements if or when its expectations change, or events, conditions or circumstances on which such statements are based occur.
TransNet Ordinance
Major Corridor Completed / In Progress Projects
January 2018

1. SR 76: Widen highway
2. SR 52: Widen and extend highway
3. Mid-Coast:
   - Transit: Old Town-UCSD
   - Transit: UTC SuperLoop Rapid
   - I-5/I-8 west to north connector
   - I-5/Genesee Ave interchange
4. I-15:
   - HOV/Express Lanes
   - Transit: Rapid 235
   - Escondido-Downtown San Diego
   - Transit: Rapid 237
     Rancho Bernardo-Sorrento Valley
5. I-805:
   - HOV/Express Lanes
   - Transit: Otay Mesa-Downtown San Diego
   - SR 94 HOV Lanes Alternative Analysis
6. North Coast:
   - I-5 HOV/Express Lanes
   - Coastal rail double-tracking
   - I-5/SR 56 interchange
7. SPRINTER: Oceanside-Escondido light rail
8. Blue and Orange Line Trolley:
   - Low-floor vehicles
   - Station upgrades
9. Mid-City Rapid:
   - Transit: Downtown San Diego-SDSU
10. Goods Movement:
    - South Line rail upgrades
    - SR 905
    - SR 905/SR 125/SR 11 connector
    - SR 11
11. SR 94/SR 125: South to east connector
12. SR 125: Toll Road Purchase
*TransNet Lock-box projects

Highway Projects
- Completed
- Under Construction
- Preliminary Engineering

Transit Projects
- Completed
- Under Construction
- Preliminary Engineering
- Light Rail Line
SAN DIEGO ASSOCIATION OF GOVERNMENTS
BOARD MEMBERS

<table>
<thead>
<tr>
<th>Chair</th>
<th>Vice Chair</th>
<th>Executive Director</th>
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<td>Hon. Steve Vaus</td>
<td>Hon. Catherine Blakespear</td>
<td>Hasan Ikhrata</td>
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City of Carlsbad
Hon. Cori Schumacher, Councilmember
(A) Vacant
(A) Hon. Priya Bhat-Patel, Mayor Pro Tem

City of Chula Vista
Hon. Mary Salas, Mayor
(A) Hon. Steve Padilla, Councilmember
(A) Hon. John McCann, Councilmember

City of Coronado
Hon. Richard Bailey, Mayor
(A) Hon. Bill Sandke, Councilmember
(A) Hon. Mike Donovan, Councilmember

City of Del Mar
Hon. Ellie Haviland, Deputy Mayor
(A) Hon. Dwight Worden, Councilmember
(A) Hon. Dave Druker, Mayor

City of El Cajon
Hon. Bill Wells, Mayor
(A) Hon. Steve Goble, Deputy Mayor

City of Encinitas
Hon. Catherine Blakespear, Mayor
(A) Hon. Tony Kranz, Councilmember
(A) Hon. Joe Mosca, Councilmember

City of Escondido
Hon. Paul McNamara, Mayor
(A) Hon. Olga Diaz, Councilmember
(A) Hon. Mike Morasco, Councilmember

City of Imperial Beach
Hon. Serge Dedina, Mayor
(A) Hon. Mark West, Councilmember
(A) Hon. Paloma Aguirre, Councilmember

City of La Mesa
Hon. Kristine Alessio, Councilmember
(A) Hon. Bill Baber, Councilmember
(A) Hon. Colin Parent, Vice Mayor

City of Lemon Grove
Hon. Racquel Vasquez, Mayor
(A) Hon. Jennifer Mendoza, Councilmember
(A) Hon. Jerry Jones, Councilmember

City of National City
Hon. Alejandra Sotelo-Solis, Mayor
(A) Hon. Mona Rios, Councilmember
(A) Hon. Ron Morrison, Vice Mayor

City of Oceanside
Hon. Jack Feller, Deputy Mayor
(A) Hon. Christopher Rodriguez, Councilmember
(A) Hon. Esther Sanchez, Councilmember

City of Poway
Hon. Steve Vaus, Mayor
(A) Hon. John Mullin, Councilmember
(A) Hon. Caylin Frank, Councilmember

City of San Diego
Hon. Kevin Faulconer, Mayor
(A) Hon. Mark Kersey, Councilmember
(A) Hon. Chris Cate, Councilmember
Hon. Georgette Gomez, Council President
(A) Hon. Barbara Bry, Council President Pro Tem
(A) Hon. Monica Montgomery, Councilmember

City of Santee
Hon. John Minto, Mayor
(A) Hon. Ronn Hall, Councilmember
(A) Hon. Rob McNelis, Councilmember

City of Solana Beach
Hon. David A. Zito, Mayor
(A) Hon. Jewel Edson, Deputy Mayor
(A) Hon. Kristi Becker, Councilmember

City of Vista
Hon. Judy Ritter, Mayor
(A) Hon. Amanda Rigby, Councilmember
(A) Hon. John Franklin, Deputy Mayor

County of San Diego
Hon. Jim Desmond, Supervisor
(A) Hon. Dianne Jacob, Chair
Hon. Kristin Gaspar, Supervisor
(A) Hon. Greg Cox, Vice Chair
(A) Hon. Nathan Fletcher, Supervisor

Advisory Members

Imperial County
Hon. Jesus Eduardo Escobar, Supervisor
(A) Mark Baza, Imperial County Transportation Commission

California Department of Transportation
Toks Omishakin, Executive Director
(A) Gustavo Dallarda, Acting District 11 Director
(A) Ann Fox, Deputy Director

Metropolitan Transit System
Hon. Mona Rios
(A) Hon. Nathan Fletcher

North County Transit District
Hon. Tony Kranz
(A) Hon. Priya Bhat-Patel
(A) Hon. Jewel Edson

U.S. Department of Defense
Joe Stuyvesant, Navy Region Southwest Executive Director
(A) Steve Chung, Navy Region Southwest

Port of San Diego
Hon. Garry Bonelli, Chairman
(A) Hon. Michael Zucchet, Commissioner

San Diego County Water Authority
Ron Morrison, Director
(A) Gary Croucher, Vice Chair
(A) Mel Katz, Director

San Diego County Regional Airport Authority
April Boling, Chair
(A) Vacant

Southern California Tribal Chairmen’s Association
Hon. Cody Martinez, Chairman,
Sycuan Band of the Kumeyaay Nation
Hon. Robert Smith, Chairman,
Pala Band of Mission Indians

Mexico
Hon. Carlos González Gutiérrez
Cónsul General of Mexico
(A) Hon. Mario Figueroa
Deputy Consul General of Mexico
(A) Hon. Natalia Figueroa, Vice Consul
SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION

MANAGEMENT

EXECUTIVE DIRECTOR
Hasan Ikhrata

GENERAL COUNSEL
John F. Kirk

CHIEF CAPITAL PROGRAMS AND REGIONAL SERVICES OFFICER
Jim Linthicum

CHIEF OPERATIONS OFFICER
Laura Coté

CHIEF PLANNING AND INNOVATION OFFICER
Ray Traynor

CHIEF ANALYTICS OFFICER AND CHIEF ECONOMIST
Ray Major

CHIEF FINANCIAL OFFICER
André Douzdjian

TransNet DEPARTMENT DIRECTOR
José Nuncio

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Bond Counsel and Disclosure Counsel
Norton Rose Fulbright US LLP
Los Angeles, California

Municipal Advisor
PFM Financial Advisors, LLC
San Francisco, California

Trustee
U.S. Bank National Association
San Francisco, California

Verification Agent
Causey Demgen & Moore P.C.
Denver, Colorado
INTRODUCTION ....................................................................................................................................... 1
General .................................................................................................................................................. 1
Authority for Issuance.................................................................................................................................. 1
Application of 2020 Series A Bond Proceeds .......................................................................................... 1
Security for the 2020 Series A Bonds ......................................................................................................... 2
Parity Obligations .................................................................................................................................... 2
The Commission and SANDAG .................................................................................................................. 2
DESCRIPTION OF THE 2020 SERIES A BONDS ............................................................................. 3
General .................................................................................................................................................. 3
Redemption ............................................................................................................................................ 4
General Redemption Provisions ............................................................................................................. 5
SECURITY AND SOURCES OF PAYMENT FOR THE 2020 SERIES A BONDS ...................... 6
Pledge of Sales Tax Revenues ................................................................................................................. 6
Revenue Fund; Allocation of Sales Tax Revenues ..................................................................................... 6
No Bond Reserve Fund for the 2020 Series A Bonds ............................................................................ 9
Issuance of Additional Series of Bonds .................................................................................................... 9
Parity Obligations .................................................................................................................................. 10
Refunding Bonds ................................................................................................................................... 10
FINANCING PLAN ................................................................................................................................. 10
General .................................................................................................................................................. 10
The Project .............................................................................................................................................. 11
The Refunding ......................................................................................................................................... 11
ESTIMATED SOURCES AND USES OF FUNDS ............................................................................. 11
OUTSTANDING OBLIGATIONS ............................................................................................................. 11
Senior Lien Debt .................................................................................................................................... 11
Interest Rate Swap Agreements .................................................................................................................. 13
Liquidity Facilities .................................................................................................................................... 14
Subordinate Obligations ............................................................................................................................ 15
Junior Subordinate TIFIA Loan .................................................................................................................. 16
PROJECTED DEBT SERVICE SCHEDULE .................................................................................. 16
SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION ..................................... 18
General .................................................................................................................................................. 18
The Expenditure Plan ............................................................................................................................... 18
Future Financings .................................................................................................................................... 20
Executive Staff ......................................................................................................................................... 21
THE SALES TAX ................................................................................................................................. 22
Authorization, Application and Collection of the Sales Tax .................................................................... 22
Historical Sales Tax Revenues .................................................................................................................. 23
Other Sales Taxes Imposed in the County .................................................................................................. 25
COMMISSION INVESTMENT PORTFOLIO .................................................................................. 25
RISK FACTORS ................................................................................................................................. 26
Economy of the County and the State ....................................................................................................... 26
Other Sales Taxes .................................................................................................................................... 26
No Acceleration of 2020 Series A Bonds ................................................................................................. 27
Acceleration of Liquidity Facility Bonds .................................................................................................. 27
Parity with Variable Rate Bonds ............................................................................................................... 27
Loss of Subsidy Payments ........................................................................................................................ 27
Availability of Funds to Pay the 2018 Short-Term Notes ....................................................................... 28
Bankruptcy Considerations ...................................................................................................................... 28
Proposition 218 ....................................................................................................................................... 29
Further Initiatives ..................................................................................................................................... 29
OFFICIAL STATEMENT

SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION
SALES TAX REVENUE BONDS (LIMITED TAX BONDS)
2020 SERIES A

INTRODUCTION

General

This Official Statement, including the cover page and all appendices hereto (the “Official Statement”), provides certain information concerning the issuance and sale by the San Diego County Regional Transportation Commission (the “Commission”) of its Sales Tax Revenue Bonds (Limited Tax Bonds), 2020 Series A (the “2020 Series A Bonds”) in the aggregate principal amount of $___________*.

All capitalized terms used and not otherwise defined herein shall have the meanings assigned to such terms in APPENDIX C-1 or APPENDIX C-2 or, if not defined therein, in the Indenture or Subordinate Indenture (each as defined herein).

Authority for Issuance

Pursuant to the San Diego County Regional Transportation Commission Act, Chapter 2 of Division 12.7 (Sections 132000 and following) of the Public Utilities Code of the State of California, (the “Act”), the Commission is authorized to issue indebtedness payable in whole or in part from Sales Tax Revenues (defined below). The 2020 Series A Bonds will be issued and secured pursuant to the Indenture, dated as of March 1, 2008, between the Commission and U.S. Bank National Association, as trustee (the “Trustee”), as supplemented by a First Supplemental Indenture, dated as of March 1, 2008, a Second Supplemental Indenture, dated as of July 1, 2008, a Third Supplemental Indenture, dated as of October 1, 2010, a Fourth Supplemental Indenture, dated as of June 1, 2012, a Fifth Supplemental Indenture, dated as of September 1, 2014, a Sixth Supplemental Indenture, dated as of August 1, 2016, a Seventh Supplemental Indenture, dated as of June 1, 2017, an Eighth Supplemental Indenture, dated as of December 1, 2019, and a Ninth Supplemental Indenture, dated as of [DATED DATE] and, as so supplemented and as further supplemented from time to time pursuant to its terms, is referred to herein as the “Indenture.”

The Commission is a separate legal entity from the City of San Diego, California (the “City”) and the County of San Diego, California (the “County”). See “SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION.”

Application of 2020 Series A Bond Proceeds

The Commission will apply the proceeds of the 2020 Series A Bonds to: (i) finance, refinance and/or reimburse the Commission for its prior payment of the Costs of the Project, as defined herein, (ii) refund all or a portion of the outstanding San Diego County Regional Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds) 2010 Series B, currently outstanding in the aggregate principal amount of $5,515,000, and (iii) pay the costs of issuing the 2020 Series A Bonds. See “ESTIMATED SOURCES AND USES OF FUNDS” and “FINANCING PLAN.”

* Preliminary, subject to change.
No debt service reserve will be funded for the 2020 Series A Bonds.

Security for the 2020 Series A Bonds

The 2020 Series A Bonds are limited obligations of the Commission secured by a pledge of sales tax revenues (herein called the “Sales Tax Revenues”) derived from a one-half of one percent (0.5%) retail transactions and use tax (the “Sales Tax”), imposed in accordance with the Act and the California Transactions and Use Tax Law (Revenue and Taxation Code Section 7251 and following), net of an administrative fee paid to the California Department of Tax and Fee Administration (the “CDTFA”) in connection with the collection and disbursement of the Sales Tax. On November 3, 1987, a majority of County voters approved the San Diego County Transportation Improvement Program Ordinance and Expenditure Plan (as amended, the “1987 Ordinance”) which imposed the Sales Tax in the County for a 20-year period. The Taxpayer Transparency and Fairness Act of 2017 restructured the California State Board of Equalization (the “BOE”) into three separate entities: the State Board of Equalization, the CDTFA and the Office of Tax Appeals. The CDTFA handles most of the taxes and fees previously collected by the BOE, including, as of July 1, 2017, the Sales Tax.

Under the 1987 Ordinance, the Sales Tax was scheduled to expire on April 1, 2008. On November 2, 2004, more than two-thirds of County voters approved the San Diego County Transportation Improvement Program TransNet Ordinance and Expenditure Plan (the “Sales Tax Extension Ordinance” and, together with the 1987 Ordinance, the “Ordinance”) which provided for an extension of the Sales Tax through March 31, 2048. The 2020 Series A Bonds are further secured by a pledge of certain amounts held by the Trustee under the Indenture. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2020 SERIES A BONDS – Pledge of Sales Tax Revenues.”

The Sales Tax is scheduled to expire on March 31, 2048. The final maturity of the 2020 Series A Bonds is April 1, 2048. Under the Indenture, the Trustee is required to make monthly deposits of Sales Tax Revenues in the Interest Fund and Principal Fund in advance of the next semiannual or annual payment of debt service becoming due on the 2020 Series A Bonds, in amounts sufficient to pay such debt service, including the final amount becoming due on April 1, 2048. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2020 SERIES A BONDS – Revenue Fund; Allocation of Sales Tax Revenues” and “THE SALES TAX – Authorization, Application and Collection of the Sales Tax.”

Parity Obligations

The Commission may issue additional Bonds and may issue or incur other obligations secured in whole or in part by a pledge of Sales Tax Revenues on a parity with the Bonds and the regularly scheduled payments on the Initial Swaps (as defined herein), the Basis Swap Overlays (as defined herein) and any other Interest Rate Swap Agreements (as defined herein), subject to compliance with the terms and provisions set forth in the Indenture. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2020 SERIES A BONDS – Additional Bonds and Parity Obligations” and APPENDIX C-1 – “DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE – Issuance of Additional Bonds and Other Obligations.” The Commission has issued Subordinate Commercial Paper Notes secured on a basis subordinate to the Bonds and regularly scheduled payments on the Initial Swaps and the Basis Swap Overlays, as described herein. See “OUTSTANDING OBLIGATIONS.”

The Commission and SANDAG

The Board of Directors of the San Diego Association of Governments (“SANDAG”) is designated under State legislation to serve as the San Diego County Regional Transportation Commission (the “Commission”). The Commission is authorized, acting by motion, resolution or ordinance, to enter into
contracts and, by a two-thirds vote to authorize the issuance of bonds payable from proceeds of the Sales Tax.

The Commission is responsible for the implementation and administration of transportation improvement programs funded with the Sales Tax known as “TransNet.” The Commission is authorized to receive sales tax revenues after deduction of required CDTFA costs, approve programs and projects for funding, and adopt implementing ordinances, rules, policies, and take such other actions as may be necessary and appropriate to carry out its responsibilities. See “SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION.”

SANDAG is the statutorily created regional transportation planning agency. In 2003, State legislation required the consolidation of the planning, programming, project development, and construction functions of the agencies currently known as San Diego Metropolitan Transit System (“MTS”) and North County Transit District (“NCTD”) into SANDAG. SANDAG is now responsible for transit planning, programming, project implementation, and construction of transit projects in the region and assists in the financing of transit projects. Neither SANDAG nor the Commission operates public transit services. MTS and NCTD operate such services within the County.

On August 14, 2019 SANDAG issued its $335,000,000 Capital Grant Receipts Revenue Bonds (Mid-Coast Corridor Transit Project), to provide funds to finance a portion of the costs of the design and construction of a 10.92 mile extension of the Metropolitan Transit System’s San Diego Trolley Blue Line from the Santa Fe Depot in downtown San Diego to the University Town Center Transit Center in the University City community of San Diego, California, known as the Mid-Coast Corridor Transit Project. Additionally, SANDAG is the operator of certain express lanes on State Route 125 and has issued toll revenue debt to finance the acquisition of such toll road. The liabilities of SANDAG are not liabilities of the Commission.

DESCRIPTION OF THE 2020 SERIES A BONDS

General

The 2020 Series A Bonds are being issued by the Commission pursuant to the Indenture and the Act. The 2020 Series A Bonds will be dated their date of delivery and will mature on the dates and in the amounts, and will bear interest at the rates, shown on the inside cover page of this Official Statement. Interest on the 2020 Series A Bonds will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The Commission will issue the 2020 Series A Bonds as fully registered bonds in denominations of $1,000 or any integral multiple thereof (each an “Authorized Denomination”). The Commission will pay interest on the 2020 Series A Bonds on April 1 and October 1 of each year, commencing on [April 1, 2020] (each an “Interest Payment Date”).

The 2020 Series A Bonds will be issued in book-entry form only and will be registered in the name of a nominee of The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the 2020 Series A Bonds. Investors may purchase 2020 Series A Bonds in book-entry form only. Purchasers (“Beneficial Owners”) of the 2020 Series A Bonds will not receive physical certificates representing their ownership interest in the 2020 Series A Bonds purchased. Payments of principal of and interest on the 2020 Series A Bonds will be made to DTC, and DTC will distribute such payments to its Direct Participants. Disbursement of such payments to Beneficial Owners of the 2020 Series A Bonds is the responsibility of DTC’s Direct and Indirect Participants and not the Commission. See APPENDIX E – “BOOK-ENTRY ONLY SYSTEM.”
Redemption*

Optional Redemption. The 2020 Series A Bonds maturing on and after April 1, 20__, are subject to redemption prior to their respective stated maturities, at the option of the Commission, from any source of available funds, on any date on or after April 1, 20__, as a whole, or in part by such maturity or maturities as may be specified by Request of the Commission (and by lot within a maturity), at a Redemption Price equal to 100% of the aggregate principal amount thereof, plus interest accrued thereon to the date fixed for redemption, without premium.

Selection Bonds for Optional Redemption. The Commission shall designate which maturities of any 2020 Series A Bonds are to be called for optional redemption under the Indenture. If less than all 2020 Series A Bonds maturing by their terms on any one date and bearing the same rate of interest are to be redeemed at any one time, the Trustee shall select the 2020 Series A Bonds of such maturity date and rate to be redeemed by lot and shall promptly notify the Commission in writing of the numbers of the 2020 Series A Bonds so selected for redemption. For purposes of such selection, 2020 Series A Bonds shall be deemed to be composed of multiples of minimum Authorized Denominations and any such multiple may be separately redeemed. In the event 2020 Series A Bonds that are Term Bonds are designated for redemption, the Commission may designate the Mandatory Sinking Account Payments under the Indenture or portions thereof, that are to be reduced as allocated to such redemption.

Mandatory Redemption. The 2020 Series A Bonds maturing on April 1, 20__ are Term Bonds and are subject to mandatory redemption from Mandatory Sinking Account Payments for such 2020 Series A Bonds, on each date a Mandatory Sinking Account Payment for such 2020 Series A Bonds is due, and in the principal amount equal to the Mandatory Sinking Account Payment due on such date at a Redemption Price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium.

Mandatory Sinking Account Payments for 2020 Series A Bonds maturing on April 1, 20__ shall be due in such amounts and on such dates as follows:

<table>
<thead>
<tr>
<th>Redemption Date (April 1)</th>
<th>Mandatory Sinking Account Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
</tr>
</tbody>
</table>

* Preliminary, subject to change.

Selection of Bonds for Mandatory Sinking Account Redemption. If less than all 2020 Series A Bonds maturing by their terms on any one date are to be redeemed at any one time with Mandatory Sinking Account Payments, the Trustee shall select the 2020 Series A Bonds of such maturity date to be redeemed by lot, and the Trustee shall promptly notify the Commission in writing of the numbers of the 2020 Series A Bonds so selected for redemption. For purposes of such selection, 2020 Series A Bonds shall be deemed to be composed of multiples of minimum Authorized Denominations and any such multiple may be separately redeemed.

* Preliminary, subject to change.
General Redemption Provisions

Notice of Redemption. Each notice of redemption of 2020 Series A Bonds shall be mailed by the Trustee, not less than twenty (20) nor more than ninety (90) days prior to the redemption date, to each Holder of 2020 Series A Bonds and each of the Repositories. A copy of such notice shall also be provided to each of the Notice Parties with respect to the 2020 Series A Bonds. Notice of redemption to the Holders of 2020 Series A Bonds, the Repositories and the applicable Notice Parties shall be given by first class mail. Each notice of redemption shall state the date of such notice, the date of issue of the 2020 Series A Bonds, the redemption date, the Redemption Price, the place or places of redemption (including the name and appropriate address or addresses of the Trustee), the CUSIP number (if any) of the maturity or maturities, and, if less than all of any such maturity, the distinctive certificate numbers of the 2020 Series A Bonds of such maturity, if any, to be redeemed and, in the case of 2020 Series A Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that on said date there will become due and payable on each of said 2020 Series A Bonds the Redemption Price thereof or of said specified portion of the principal amount thereof in the case of a 2020 Series A Bond to be redeemed in part only, together with interest accrued thereon to the date fixed for redemption, and that from and after such redemption date interest thereon shall cease to accrue, and shall require that such 2020 Series A Bonds be then surrendered at the address or addresses of the Trustee specified in the redemption notice. Neither the Commission nor the Trustee shall have any responsibility for any defect in the CUSIP number that appears on any 2020 Series A Bond or in any redemption notice with respect thereto, and any such redemption notice may contain a statement to the effect that CUSIP numbers have been assigned by an independent service for convenience of reference and that neither the Commission nor the Trustee shall be liable for any inaccuracy in such CUSIP numbers.

Conditional Notice of Redemption; Rescission. With respect to any notice of optional redemption of 2020 Series A Bonds, unless, upon the giving of such notice, such 2020 Series A Bonds shall be deemed to have been paid pursuant to the terms of the Indenture, such notice is to state that such redemption will be conditional upon the receipt by the Trustee on or prior to the date fixed for such redemption of amounts sufficient to pay the principal of, and premium, if any, and interest on, such 2020 Series A Bonds to be redeemed, and that if such amounts shall not have been so received said notice will be of no force and effect and the Commission will not be required to redeem such 2020 Series A Bonds. In the event that such notice of redemption contains such a condition and such amounts are not so received, the redemption will not be made and the Trustee will within a reasonable time thereafter give notice to the Holders to the effect that such amounts were not so received and such redemption was not made, such notice to be given by the Trustee in the manner in which the notice of redemption was given. The Commission may, at its option, on or prior to the date fixed for redemption in any notice of redemption, rescind and cancel such notice of redemption by Written Request of the Commission to the Trustee, and the Trustee is to mail notice of such cancellation to the recipients of the notice of redemption.

Effect of Redemption. Notice of redemption having been duly given pursuant to the Indenture and moneys for payment of the Redemption Price of, together with interest accrued to the redemption date on, the 2020 Series A Bonds (or portions thereof) so called for redemption being held by the Trustee, on the redemption date designated in such notice the 2020 Series A Bonds (or portions thereof) so called for redemption shall become due and payable at the Redemption Price specified in such notice, together with interest accrued thereon to the date fixed for redemption. Interest on such 2020 Series A Bonds so called for redemption shall cease to accrue, and said 2020 Series A Bonds (or portions thereof) shall cease to be entitled to any benefit or security under the Indenture, and the Holders of such 2020 Series A Bonds will have no rights in respect thereof except to receive payment of the Redemption Price and interest accrued to the date fixed for redemption from funds held by the Trustee for such payment. All 2020 Series A Bonds redeemed pursuant to the provisions described herein shall be cancelled upon surrender.
SECURITY AND SOURCES OF PAYMENT FOR THE 2020 SERIES A BONDS

Pledge of Sales Tax Revenues

The Bonds are limited obligations of the Commission and are payable as to principal and interest exclusively from Revenues, consisting of Sales Tax Revenues and Swap Revenues, and from all amounts, including proceeds of the Bonds, held in the funds and accounts established under the Indenture (other than amounts held in the Rebate Fund, any Letter of Credit Account and any Purchase Fund established for Bonds subject to purchase), subject to certain provisions of the Indenture. “Sales Tax Revenues” means the amounts available for distribution to the Commission on and after July 1, 1988, on account of the Sales Tax after deducting amounts payable by the Commission to the BOE for costs and expenses for its services in connection with the Sales Tax. See “THE SALES TAX.”

The 2010 Series A Bonds were issued as “Build America Bonds,” of which $338,960,000 is currently outstanding. The Commission expects to pay a portion of the interest on the 2010 Series A Bonds from a cash subsidy from the United States Treasury (the “Subsidy Payments”) pledged thereto under the Indenture. The Commission covenants in the Indenture to comply with all of the conditions to the receipt of the Subsidy Payments and the Indenture provides that the Commission will cause the Subsidy Payments to be sent to the Trustee for deposit to the Interest Fund. See “OUTSTANDING OBLIGATIONS – Sales Tax Revenue Bonds – Series 2010 Bonds” and “RISK FACTORS – Loss of Subsidy Payments.”

The Indenture provides that the pledge of Revenues for the payment of the Bonds, and any debt or other obligations of the Commission payable from Sales Tax Revenues on a parity with the Bonds (such debt or other obligations being hereinafter referred to as “Parity Obligations”), will constitute a first lien on and security interest in the Revenues and such other amounts and will immediately attach thereto and will be effective, binding and enforceable from and after initial delivery by the Trustee of the Bonds or Parity Obligations, without the need for any physical delivery, recordation, filing or further act.


Revenue Fund; Allocation of Sales Tax Revenues

As long as any Bonds are Outstanding or any Parity Obligations remain unpaid, the Commission has assigned the Sales Tax Revenues to the Trustee and shall cause the BOE to transmit the same directly to the Trustee each month, net of the BOE administrative fee which is deducted quarterly. The Trustee is required to deposit all Sales Tax Revenues in the Revenue Fund, maintained and held in trust by the Trustee, when and as such Sales Tax Revenues are received by the Trustee. See APPENDIX C-1 – “DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE – Allocation of Sales Tax Revenues.” The Sales Tax Revenues are to be received and held in trust by the Trustee for the benefit of the Holders of the Bonds and Parity Obligations and will be disbursed, allocated and applied solely for the uses and purposes set forth in the Indenture. Investment income on amounts held by the Trustee (other than
amounts held in the Interest Fund, the Series 2008 Bonds Reserve Fund to the extent of any deficiency therein, the Rebate Fund, a Letter of Credit Account or any Purchase Fund or Project Fund or for which particular instructions are provided) will also be deposited in the Revenue Fund.

If five days prior to any principal payment date, Interest Payment Date or mandatory redemption date the amounts on deposit in the Revenue Fund, the Interest Fund, the Principal Fund, including the Sinking Accounts therein, and, as and to the extent applicable, any Bond Reserve Fund established in connection with a Series of Bonds with respect to the payments to be made on such upcoming date are insufficient to make such payments, the Indenture provides that the Trustee shall immediately notify the Commission, in writing, of such deficiency and direct that the Commission transfer the amount of such deficiency to the Trustee on or prior to such payment date. The Commission covenants and agrees in the Indenture to transfer to the Trustee from any Sales Tax Revenues in its possession the amount of such deficiency on or prior to the principal, interest or mandatory redemption date referenced in such notice.

So long as any Bonds remain Outstanding and Parity Obligations, Subordinate Obligations, and all other amounts payable under the Indenture remain unpaid, in each month following receipt and deposit of the Sales Tax Revenues in the Revenue Fund, the Trustee is required under the Indenture to set aside the moneys in the Revenue Fund in the following respective funds, amounts and order of priority (provided that deficiencies in any previously required deposit may be made up prior to the deposit to a fund subsequent in priority and further provided that set asides or transfers required with respect to outstanding Parity Obligations shall be made on a parity basis each month, as provided in the Indenture):

1. **Interest Fund.** The Indenture requires the Trustee to make monthly deposits in the Interest Fund in an amount equal to (a) one-sixth of the aggregate semiannual amount of interest becoming due and payable on Outstanding fixed interest rate bonds during the next ensuing six-months until the requisite semiannual amount of interest on all such bonds is on deposit, provided that the amounts set aside in such fund with respect to such Series of Bonds shall be sufficient on a monthly pro rata basis to pay the aggregate amount of interest becoming due and payable on the first Interest Payment Date with respect to such fixed interest rate Series of Bonds, plus (b) the aggregate amount of interest to accrue during that month on Outstanding Variable Rate Indebtedness calculated, if the actual rate of interest is not known, at the interest rate specified by the Commission, or if the Commission has not specified an interest rate, at the maximum interest rate borne by such Variable Rate Indebtedness during the month prior to the month of deposit plus one percent (1%); subject to such adjustments as are provided pursuant to the provisions of the Indenture. See APPENDIX C-1 – “DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE – Allocation of Sales Tax Revenues.” All Subsidy Payments received with respect to the 2010 Series A Bonds and all Swap Revenues received with respect to Interest Rate Swap Agreements that are Parity Obligations are to be deposited in the Interest Fund and credited toward the above-described deposits.

2. **Principal Fund; Sinking Accounts.** The Indenture also requires the Trustee to make monthly deposits in the Principal Fund in an amount equal to at least (a) one-sixth of the aggregate semiannual amount of Bond Obligation becoming due and payable on the Outstanding Serial Bonds of all Series having semiannual maturity dates within the next six (6) months, plus (b) one-twelfth of the aggregate yearly amount of Bond Obligation becoming due and payable on the Outstanding Serial Bonds of all Series having annual maturity dates within the next twelve (12) months, plus (c) one-sixth of the aggregate of the Mandatory Sinking Account Payments to be paid during the next six-month period into the respective Sinking Accounts for the Term Bonds of all Series for which Sinking Accounts have been created and for which semiannual mandatory redemption is required from said Sinking Accounts, plus (d) one-twelfth of the aggregate of the Mandatory Sinking Account Payments to be paid during the next 12-month period into the respective Sinking Accounts for the Term Bonds of all Series for which Sinking Accounts shall have been created and
for which annual mandatory redemption is required from such Sinking Accounts; provided, that if the Commission certifies to the Trustee that any principal payments are expected to be refunded on or prior to their respective due dates or paid from amounts on deposit in a Bond Reserve Fund that would be in excess of the Bond Reserve Requirement applicable to such Bond Reserve Fund upon such payment, no amounts need be set aside towards such principal to be so refunded or paid.

If the Sales Tax Revenues shall not be sufficient to pay in full all Mandatory Sinking Account Payments required to be paid at any one time into all such Sinking Accounts, then payments into all such Sinking Accounts will be made on a proportionate basis, in proportion that the respective Mandatory Sinking Account Payments required to be made into each Sinking Account during the then current 12-month period bear to the aggregate of all of the Mandatory Sinking Account Payments required to be made into all such Sinking Accounts during such 12-month period.

No deposit need be made into the Principal Fund so long as there is in such fund moneys sufficient to pay (i) the Bond Obligations of all Serial Bonds then Outstanding and maturing by their terms within the next twelve (12) months plus (ii) the aggregate of all Mandatory Sinking Account Payments required to be made in such 12-month period, but less any amounts deposited into the Principal Fund during such 12-month period and theretofore paid from the Principal Fund to redeem or purchase Term Bonds during such 12-month period; provided that if the Commission certifies to the Trustee that any principal payments are expected to be refunded on or prior to their respective due dates or paid from amounts on deposit in a Bond Reserve Fund that would be in excess of the Bond Reserve Requirement applicable to such Bond Reserve Fund upon such payment, no amounts need be on deposit with respect to such principal payments. See APPENDIX C-1 – “DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE – Allocation of Sales Tax Revenues.”

3. **Bond Reserve Funds.** The Indenture also requires the Trustee to make deposits to any of the Bond Reserve Funds established pursuant to the provisions of the Indenture as soon as possible in each month in which any deficiency in any Bond Reserve Fund occurs, until the balance in such Bond Reserve Fund is at least equal to the applicable Bond Reserve Requirement. See APPENDIX C-1 – “DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE – Allocation of Sales Tax Revenues.” The Series 2008 Bonds are currently the only Series of Bonds secured by a Bond Reserve Fund.

4. **Subordinate Obligations Fund.** The Indenture also requires the Trustee to establish a Subordinate Obligations Fund. The Trustee shall deposit in the Subordinate Obligations Fund any Sales Tax Revenues remaining in the Revenue Fund after the transfers described in (1), (2) and (3) above and will transfer such Sales Tax Revenues to the Subordinate Trustee. After the Subordinate Trustee has made the required deposit of Sales Tax Revenues under any Subordinate Indenture, the Subordinate Trustee will transfer any remaining Sales Tax Revenues in accordance with the Subordinate Indenture. See APPENDIX C-2 – “DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE SUBORDINATE INDENTURE – Allocation of Sales Tax Revenues.”

5. **Fees and Expenses Fund.** The Indenture also requires the Trustee to establish a Fees and Expenses Fund. At the direction of the Commission, after the transfers described above have been made, the Trustee will deposit as soon as practicable in each month in the Fees and Expenses Fund amounts necessary for payment of fees, expenses and similar charges owing in such month or the following month by the Commission in connection with the Bonds or any Parity Obligation and amounts necessary for payment of fees, expenses, and similar charges owing in such month or the following month by the Commission in connection with Subordinate Obligations.
See APPENDIX C-1 – “DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE” and APPENDIX C-2 – “DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE SUBORDINATE INDENTURE” for a more complete discussion of the flow of funds under the Indenture and the Subordinate Indenture.

After making the allocations required by the Indenture and the Subordinate Indenture, all Sales Tax Revenues are transferred to the Commission and may be applied by the Commission for all lawful purposes of the Commission.

No Bond Reserve Fund for the 2020 Series A Bonds

No Bond Reserve Fund will be established for the 2020 Series A Bonds under the Indenture. The Series 2008 Bonds Reserve Fund is not available to pay debt service on the 2020 Series A Bonds.

Issuance of Additional Series of Bonds

The Commission may by Supplemental Indenture establish one or more Series of Bonds payable from Sales Tax Revenues and secured by the pledge made under the Indenture equally and ratably with all other Bonds Outstanding under the Indenture, but only upon compliance by the Commission with certain provisions of the Indenture. Some applicable provisions of the Indenture are described below:

(a) No Event of Default shall have occurred and then be continuing.

(b) If the Supplemental Indenture providing for the issuance of such Series of additional Bonds requires either (i) the establishment of a Bond Reserve Fund to provide additional security for such Series of Bonds or (ii) that the balance on deposit in an existing Bond Reserve Fund be increased, forthwith upon the receipt of the proceeds of the sale of Bonds of such Series, to an amount at least equal to the Bond Reserve Requirement with respect to such Series of Bonds and all other Bonds secured by such Bond Reserve Fund to be considered Outstanding upon the issuance of such additional Series of Bonds, the supplemental indenture providing for the issuance of such additional Series of Bonds shall require deposit of the amount necessary. Said deposit may be made from the proceeds of the sale of Bonds of such Series or from other funds of the Commission or from both such sources or in the form of a Reserve Facility as described under APPENDIX C-1 – “DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE – Definitions” and “Establishment and Application of Funds and Accounts – Funding and Application of Bond Reserve Funds.”

(c) The Commission shall have placed on file with the Trustee a Certificate of the Commission, certifying that the amount of Sales Tax Revenues collected during the Fiscal Year for which auditor financial statements are available preceding the date on which such additional Series of Bonds will become outstanding was equal to at least 2.0 times Maximum Annual Debt Service on all Series of Bonds and Parity Obligations then Outstanding and the additional Series of Bonds then proposed to be issued. For purposes of calculating Maximum Annual Debt Service, principal and interest payments on Obligations are excluded to the extent such payments are to be paid from Revenues then held on deposit by the Trustee or from other amounts on deposit, including Investment Securities and interest to be payable thereon, with the Trustee or other fiduciary in escrow specifically therefor and interest payments are excluded to the extent that such interest payments are to be paid from the proceeds of Obligations, including Investment Securities and interest to be payable thereon, held by the Trustee or other fiduciary as capitalized interest specifically to pay such interest or from pledged Subsidy Payments the Commission expects to receive.
Nothing in the Indenture will prevent or be construed to prevent the Supplemental Indenture providing for the issuance of an additional Series of Bonds and pledging or otherwise providing, in addition to the security given or intended to be given by the Indenture, additional security for the benefit of such additional Series of Bonds or any portion thereof.

**Parity Obligations**

As defined in the Indenture, “Parity Obligations” means any indebtedness, installment sale obligation, lease obligation or other obligation of the Commission for borrowed money or the Initial Swaps, the Basis Rate Swap Overlays, or any other Interest Rate Swap Agreement (excluding, in each case, fees and expenses and termination payments on Interest Rate Swap Agreements which fees and expenses and termination payments shall be secured by a lien and charge on the Sales Tax Revenues subordinate to the lien and charge upon the Sales Tax Revenues which secures the Bonds, Parity Obligations and payment of principal and interest on Subordinate Obligations) entered into in connection with a Series of Bonds, in each case incurred in accordance with the provisions of the Indenture described herein and having an equal lien and charge upon the Sales Tax Revenues and therefore payable on a parity with the Bonds (whether or not any Bonds are Outstanding).

The Commission may issue or incur additional Parity Obligations which will have, when issued, an equal lien and charge upon the Sales Tax Revenues, provided that the conditions to the issuance of such Parity Obligations set forth in the Indenture are satisfied, including satisfaction of the coverage test described in paragraph (c) above under the caption “Issuance of Additional Series of Bonds,” unless such Parity Obligations are being issued for refunding purposes, in which case the coverage test shall not apply.

**Refunding Bonds**

Refunding Bonds may be authorized and issued by the Commission without compliance with the provisions of the Indenture summarized above under paragraph (c) of the caption “Issuance of Additional Series of Bonds,” provided that the Trustee shall have been provided with a Certificate of the Commission to the effect that the Commission has determined one of the following: (i) that Maximum Annual Debt Service on all Bonds Outstanding and all Parity Obligations outstanding following the issuance of such Refunding Bonds is less than or equal to Maximum Annual Debt Service on all Bonds Outstanding and all Parity Obligations outstanding prior to the issuance of such Refunding Bonds, or (ii) that the Commission expects a reduction in Debt Service on all Bonds Outstanding and all Parity Obligations outstanding to result from the refunding to be effected with the proceeds of such Refunding Bonds.

**FINANCING PLAN**

**General**

The Commission will apply the proceeds of the 2020 Series A Bonds to: (i) finance, refinance and/or reimburse the Commission for its prior payment of the Costs of the Project, as defined herein, (ii) refund all or a portion of the outstanding San Diego County Regional Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds) 2010 Series B, currently outstanding in the aggregate principal amount of $5,515,000, and (iii) pay the costs of issuing the 2020 Series A Bonds. See “ESTIMATED SOURCES AND USES OF FUNDS.”

**The Project**

The Project consists of the TransNet Early Action Program (the “TransNet EAP”) (depicted in the map on the inside of this Official Statement) and includes various highway and transit improvements in the Interstates 5, 15, 805 State Route 52 and 76 corridors; implementation of the Mid-Coast Light Rail and
Mid-City Rapid Transit projects; trolley vehicle and station upgrades along the Blue and Orange Lines; and double tracking improvements in the coastal rail corridor.

The Commission may use some or all of the 2020 Series A Bonds proceeds on other projects, as permitted by applicable law.

**The Refunding**

The Commission will apply a portion of the 2020 Series A Bonds to refund all or a portion of the outstanding San Diego County Regional Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds) 2010 Series B (the “Refunded Bonds”), on _______, 2020 (the “Redemption Date”).

Causey Demgen & Moore P.C., certified public accountants (the “Verification Agent”), will deliver a report stating that the firm has verified the accuracy of mathematical computations concerning the adequacy of the amounts deposited in the Escrow Account to refund the Refunded Bonds on the Redemption Date. See “VERIFICATION OF MATHEMATICAL COMPUTATIONS.”

**ESTIMATED SOURCES AND USES OF FUNDS**

The estimated sources and uses of proceeds of the 2020 Series A Bonds are shown below:

<table>
<thead>
<tr>
<th>Estimated Sources of Funds:</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal Amount</td>
<td>$</td>
</tr>
<tr>
<td>Premium (Discount)</td>
<td></td>
</tr>
<tr>
<td>Prior Bond Funds</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Estimated Uses of Funds:</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Fund Deposit</td>
<td>$</td>
</tr>
<tr>
<td>Refunding Deposit</td>
<td></td>
</tr>
<tr>
<td>Underwriters’ Discount</td>
<td></td>
</tr>
<tr>
<td>Costs of Issuance(1)</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$</td>
</tr>
</tbody>
</table>

(1) Includes rating agency, municipal advisory, verification, legal and Trustee fees, printing costs and other miscellaneous expenses.

**OUTSTANDING OBLIGATIONS**

[UPDATE SECTION BEFORE POSTING]

**Senior Lien Debt**

The Commission may issue additional Bonds (under this caption, the “Senior Bonds”) and may issue or incur other obligations secured in whole or in part by a pledge of Sales Tax Revenues on a parity with the Senior Bonds and the regularly scheduled payments on the Initial Swaps (as defined herein), the Basis Swap Overlays (as defined herein) and any other Interest Rate Swap Agreements (as defined herein), subject to compliance with the terms and provisions set forth in the Senior Indenture.

**Series 2008 Bonds.** On March 27, 2008, the Commission issued its $600,000,000 Sales Tax Revenue Bonds (Limited Tax Bonds), 2008 Series A, 2008 Series B, 2008 Series C and 2008 Series D (collectively, the “Series 2008 Bonds”) in the aggregate principal amount of $600,000,000. The Series 2008 Bonds have a final stated maturity of April 1, 2038. The Series 2008 Bonds are currently Outstanding in
the aggregate principal amount of $402,300,000. The Series 2008 Bonds are variable rate demand obligations and currently bear interest at a weekly interest rate. The Commission entered into certain Initial Swaps in connection with the Series 2008 Bonds, pursuant to which the Commission pays fixed rates and receives variable rates. See “OUTSTANDING OBLIGATIONS – Interest Rate Swap Agreements.” A portion of the proceeds of the Series 2012 Bonds described below refunded $151.5 million of the Series 2008 Bonds and a corresponding notional amount of the Initial Swaps were terminated. The Series 2008 Bonds are currently the only Series of Bonds secured by a Bond Reserve Fund.

**Series 2008 Bonds Reserve Fund.** Pursuant to the Indenture, there has been established the Series 2008 Bonds Reserve Fund to be maintained by the Trustee as a pooled reserve fund for the 2008 Reserve Fund Eligible Bonds. The Series 2008 Bonds Reserve Fund is currently funded in the amount of $17,274,540. The “2008 Reserve Fund Eligible Bonds” are the Series 2008 Bonds and any other Series of Additional Bonds or Refunding Bonds or portions thereof (in each case, payable on a parity with the Series 2008 Bonds from, and secured as to payment on a parity with the Series 2008 Bonds by the Revenues and other funds) issued and designated, by a Supplemental Indenture, to be secured by and entitled to the pledge and benefit of the Series 2008 Bonds Reserve Fund. The Commission has not designated any outstanding Bonds, other than the Series 2008 Bonds as 2008 Reserve Fund Eligible Bonds.

**Series 2010 Bonds.** On November 10, 2010, the Commission issued its $338,960,000 Sales Tax Revenue Bonds (Limited Tax Bonds), 2010 Series A (Taxable Build America Bonds) (the “2010 Series A Bonds”). The 2010 Series A Bonds are currently outstanding in the aggregate principal amount of $338,960,000. The 2010 Series A Bonds are fixed rate bonds and have a final stated maturity date of April 1, 2048.

On November 10, 2010, the Commission issued its $11,040,000 Sales Tax Revenue Bonds (Limited Tax Bonds), 2010 Series B (the “2010 Series B Bonds” and, together with the 2010 Series A Bonds, the “Series 2010 Bonds”). The 2010 Series B Bonds are currently outstanding in the aggregate principal amount of $5,515,000. The 2010 Series B Bonds are fixed rate bonds and have a final stated maturity date of April 1, 2030.

The 2010 Series A Bonds were issued as “Build America Bonds” bearing taxable interest rates that were expected to be offset by a cash subsidy from the United States Treasury (the “Subsidy Payments”) pledged thereto under the Senior Indenture. The amount of any Subsidy Payments to be received in connection with the 2010 Series A Bonds is subject to change by the federal government. On March 1, 2013, the federal government announced the implementation of certain automatic spending cuts known as “sequestration.” Future reductions in Subsidy Payments may occur due to the sequester, but the Commission is unable to predict the amount or duration of such reductions. Further, Subsidy Payments will only be paid if the 2010 Series A Bonds continue to qualify as Build America Bonds. The Commission does not believe that failure to receive the Subsidy Payments in whole or in part will materially and adversely impact the Commission’s ability to pay debt service on the 2010 Series A Bonds or other obligations, including the 2018 Short-Term Notes. See “RISK FACTORS – Loss of Subsidy Payments.”

**Series 2012 Bonds.** On June 14, 2012, the Commission issued its $420,585,000 Sales Tax Revenue Bonds (Limited Tax Bonds), 2012 Series A (the “Series 2012 Bonds”). The Series 2012 Bonds are currently Outstanding in the aggregate principal amount of $306,545,000. The Series 2012 Bonds are fixed rate bonds and have a final stated maturity date of April 1, 2048. Proceeds of the Series 2012 Bonds refunded a portion of the Series 2008 Bonds in the aggregate principal amount of $151,500,000. The Commission expects to refund all or a portion of the outstanding Series 2012 Bonds with a portion of the proceeds of the 2020 Series A Bonds. See “PLAN OF REFUNDING.”

**Series 2014 Bonds.** On September 10, 2014, the Commission issued its $350,000,000 Sales Tax Revenue Bonds (Limited Tax Bonds) 2014 Series A (the “Series 2014 Bonds”). The Series 2014 Bonds
are currently Outstanding in the aggregate principal amount of $331,070,000. The Series 2014 Bonds are fixed rate bonds and have a final stated maturity date of April 1, 2048. The Commission may refund all or a portion of the outstanding Series 2014 Bonds with a portion of the proceeds of the 2020 Series A Bonds. See “PLAN OF REFUNDING.”

**Series 2016 Bonds.** On August 17, 2016, the Commission issued its $325,000,000 Sales Tax Revenue Bonds (Limited Tax Bonds) 2016 Series A (the “Series 2016 Bonds”). The Series 2016 Bonds are currently Outstanding in the aggregate principal amount of $312,900,000. The Series 2016 Bonds are fixed rate bonds and have a final stated maturity date of April 1, 2048.

**2019 Series A Bonds.** On December 19, 2019, the Commission issued its $__________ Sales Tax Revenue Bonds (Limited Tax Bonds) 2019 Series A (Taxable) (the “2019 Series A Bonds”). The 2019 Series A Bonds are currently Outstanding in full. The 2019 Series A Bonds are fixed rate bonds and have a final stated maturity date of April 1, 2048.

### Interest Rate Swap Agreements

**Initial Swaps.** In November 2005, the Commission entered into three interest rate swap agreements (the “Initial Swaps”) in an initial aggregate notional amount of $600,000,000, or $200,000,000 each. The Initial Swaps became effective as of April 1, 2008, and the notional amounts amortize in tandem with the amortization of the Series 2008 Bonds. The Commission’s obligation to make regularly scheduled payments to the counterparties under the Initial Swaps is payable from and secured by Sales Tax Revenues on a parity basis with the Senior Bonds. None of the Initial Swaps obligates the Commission to post any collateral.

Pursuant to the terms of the Initial Swaps, the Commission agreed to pay to the counterparties a fixed rate of interest and the counterparties agreed to pay the Commission a floating rate of interest on the first day of each month, commencing May 1, 2008. Under certain conditions, the Initial Swaps may be terminated, at which time the Commission may be required to make a termination payment to the applicable counterparty. Termination payments payable in accordance with the provisions of the Initial Swaps are secured by a lien on the Sales Tax Revenues subordinate to the lien which secures the Senior Bonds, any parity obligations allowed pursuant to the Senior Indenture and other Subordinate Obligations, including the 2018 Short-Term Notes and the Subordinate Commercial Paper Notes. A portion of the proceeds of the Series 2012 Bonds refunded $151.5 million of the Series 2008 Bonds and a corresponding notional amount of the Initial Swaps were terminated. As of November 15, 2019, if the Initial Swaps were terminated in full, the Commission would owe a termination payment of approximately $101,014,358.21.

The swap counterparties under the Initial Swaps, the fixed rate of interest paid by the Commission, and the floating rate of interest paid by the swap counterparties are as follows:

<table>
<thead>
<tr>
<th>Name of Counterparty</th>
<th>Current Notional Amount</th>
<th>Rate</th>
<th>Floating Rate Received by Commission</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goldman Sachs Mitsui Marine Derivative Products, L.P.</td>
<td>$134,100,000</td>
<td>3.8165%</td>
<td>65% of USD One-Month LIBOR until April 1, 2018; USD SIFMA Swap Index thereafter</td>
</tr>
<tr>
<td>Bank of America, N.A.</td>
<td>$134,100,000</td>
<td>3.8165%</td>
<td>65% of USD One-Month LIBOR until April 1, 2018; USD SIFMA Swap Index thereafter</td>
</tr>
<tr>
<td>Bank of America, N.A.</td>
<td>$134,100,000</td>
<td>3.4100%</td>
<td>65% of USD One-Month LIBOR</td>
</tr>
</tbody>
</table>

13
**Basis Rate Swap Overlays.** In March 2009, the Commission entered into two SIFMA/LIBOR floating-to-floating swaps (the “Basis Rate Swap Overlays”), each with Barclays Bank PLC (“Barclays”) and each with the initial notional amount of $156,600,000. Pursuant to the terms of the Basis Rate Swap Overlays, the Commission agreed to pay to Barclays the SIFMA Swap Index and Barclays agreed to pay the Commission 107.4% of 3-month LIBOR on the first day of each month, commencing on May 1, 2018. The Commission’s obligation to make regularly scheduled swap payments to Barclays under the Basis Rate Swap Overlays is payable from and secured by Sales Tax Revenues on parity with the Senior Bonds. Under certain circumstances, the Basis Rate Swap Overlays may be terminated, at which time the Commission may be required to make a termination payment to the applicable counterparty. As of November 15, 2019, if the Basis Rate Swap Overlays were terminated in full, the Commission would be owed approximately $14,963,789.18. Under the terms of the Basis Rate Swap Overlays, the Commission may terminate the agreement and cash settle with prior written notice. Termination payments payable in accordance with the provisions of the Basis Rate Swap Overlays are secured by a lien on the Sales Tax Revenues subordinate to the lien that secures the Senior Bonds, any parity obligations and Subordinate Obligations, including the 2018 Short-Term Notes.

The Financial Conduct Authority (“FCA”) of the United Kingdom, which has regulated LIBOR since April of 2013, has announced its intention to retire the benchmark interest rate setting mechanism (“LIBOR Retirement”) by 2021. The FCA has suggested that there may be a transitional period following LIBOR Retirement during which LIBOR will be maintained as a shadow benchmark rate for use in current transactions. Certain agreements that rely on LIBOR without an alternative index upon LIBOR Retirement may need to be amended with the consent of the parties and/or bondholders. The Commission will review its agreements and take appropriate action as the situation with respect to LIBOR Retirement develops. The Commission cannot predict the financial implications, if any, from LIBOR Retirement.

**Liquidity Facilities**

The 2008 Series A Bonds and the 2008 Series B Bonds are supported by a Standby Bond Purchase Agreement by and among JPMorgan Chase Bank, National Association, the Commission and the Trustee, as amended, including by a Sixth Amendment to Standby Bond Purchase Agreement, dated March 1, 2017 (as amended, the “JPMorgan Liquidity Facility”). The JPMorgan Liquidity Facility will expire on March 24, 2021, prior to the final maturity of the 2008 Series A Bonds and the 2008 Series B Bonds, unless extended or terminated in accordance with its terms.

The 2008 Series C Bonds are supported by a Standby Bond Purchase Agreement dated as of November 1, 2017 (the “Bank of America Liquidity Facility”), by and among Bank of America, N.A., the Commission and the Trustee. The Bank of America Liquidity Facility will expire on November 2, 2020, prior to the final maturity of the 2008 Series C Bonds, unless extended or terminated in accordance with its terms.

The 2008 Series D Bonds are supported by a Standby Bond Purchase Agreement by and among State Street Bank and Trust Company, the Commission and the Trustee (the “State Street Liquidity Facility” and, together with the JPMorgan Liquidity Facility and the Bank of America Liquidity Facility, the “2008 Liquidity Facilities” and each a “2008 Liquidity Facility”). The State Street Liquidity Facility will expire on June 4, 2024, prior to the final maturity of the 2008 Series D Bonds, unless extended or terminated in accordance with its terms.

The Commission is unable to predict the cost or availability of alternate credit or liquidity arrangements to replace any of the 2008 Liquidity Facilities upon their expiration or termination. See “RISK FACTORS – Acceleration of Liquidity Facility Bonds.”
Subordinate Obligations

Except to the extent restricted by the Indenture, the Commission may issue or incur obligations (“Subordinate Obligations”) secured by Sales Tax Revenues on a basis junior and subordinate to the payment of the principal, interest and reserve fund requirements for the Bonds and Parity Obligations, as the same become due and payable and at the times and in the manner as required by the Indenture or as required by the instrument pursuant to which such Parity Obligations were issued or incurred, as applicable.

2018 Short-Term Notes (Limited Tax Bonds). On April 18, 2018, the Commission issued its $537,480,000 Subordinate Sales Tax Revenue Short-Term Notes (Limited Tax Bonds), 2018 Series A (the “2018 Short-Term Notes”) pursuant to a Subordinate Indenture, dated as of April 1, 2018 (amending and restating the Subordinate Indenture, dated as of August 1, 1991, as amended and restated by the Amended and Restated Subordinate Indenture, dated as of November 1, 2005, as further supplemented and amended), as supplemented and amended by the First Supplement to the Subordinate Indenture, dated as of April 1, 2018 (collectively, the “Subordinate Indenture”), between the Commission and U.S. Bank National Association, as trustee, to finance or refinance certain costs of the Commission’s Mid-Coast Corridor Transit Project. The 2018 Short-Term Notes are due on April 1, 2021 and are not subject to redemption prior to their maturity.

The proceeds of the Subordinate Indenture are expected to be fully drawn in a single disbursement no later than April 1, 2021, and such proceeds are expected to be applied to pay the 2018 Short-Term Notes on or prior to their maturity date. See “RISK FACTORS – Availability of Funds to Pay 2018 Short-Term Notes” herein.

Subordinate Commercial Paper Notes and CP Letter of Credit. In 2005, the Commission authorized the issuance from time to time of Subordinate Commercial Paper Notes secured by a lien on the Sales Tax Revenues that is subordinate to the lien of the Bonds and any Parity Obligations. The total principal amount of Subordinate Commercial Paper Notes that are authorized to be issued may not exceed $100,000,000. As of the date of this Official Statement, $29,406,000 in aggregate principal amount of Subordinate Commercial Paper Notes was outstanding. The payment of principal of and interest on the Subordinate Commercial Paper Notes up to $100,000,000 is supported by an irrevocable, transferable direct-pay letter of credit issued by Bank of America, N.A. (the “CP Letter of Credit”). The CP Letter of Credit is stated to expire on September 10, 2021. The Commission’s obligation to reimburse Bank of America, N.A. for draws under the CP Letter of Credit is secured by a lien on the Sales Tax Revenues on a parity with the lien securing the Subordinate Commercial Paper Notes and the 2018 Short-Term Notes.

Under a Memorandum of Understanding, dated as of June 1, 2008 (the “Certificate Purchase MOU”), by and between the Commission and NCTD, the Commission agreed to fund $34,000,000 in Subordinate Commercial Paper Notes to purchase outstanding Certificates of Participation evidencing payments by NCTD under a Lease Agreement, dated as of July 1, 2004 (the “NCTD Certificates”), the proceeds of which funded the NCTD “SPRINTER” rail line. Under the Certificate Purchase MOU, while the Commission holds the NCTD Certificates, they bear interest at a rate equal to the weighted average interest rate on the Subordinate Commercial Paper Notes and are subject to an amortization schedule of
approximately level debt service payments through September 1, 2034, corresponding to the amortization schedule of an interest rate swap agreement NCTD entered into in connection with the NCTD Certificates. The Commission is not obligated to make any payments under such interest rate swap agreement. The NCTD Certificates are currently outstanding in an aggregate principal amount of $23,050,000.

**Junior Subordinate TIFIA Loan**

*General.* On June 27, 2017, the Commission entered into the TIFIA Loan Agreement, pursuant to which the TIFIA Lender has agreed to make the Junior Subordinate TIFIA Loan to the Commission in an amount not to exceed $537,484,439. The proceeds of the Junior Subordinate TIFIA Loan are expected to be applied to the payment of federally eligible costs of the Project, including repayment of the 2018 Short-Term Notes. The Junior Subordinate TIFIA Loan will bear interest at a fixed rate of 2.72% and will mature no later than October 1, 2045. The Junior Subordinate TIFIA Loan will be secured by a lien and charge on Sales Tax Revenues that is subordinate to the liens and charges securing the Senior Lien Debt and the Subordinate Obligations. The Junior Subordinate TIFIA Loan is not secured by a springing lien. For a description of certain provisions of the TIFA Loan Agreement, see APPENDIX C-3.

A copy of the TIFIA Loan Agreement may be found at:

http://www.sandag.org/organization/about/investors/BondDocuments/BondOfficialStatements/2017Agreement.pdf.

**PROJECTED DEBT SERVICE SCHEDULE**

The following table shows the annual debt service requirements with respect to the Series 2008 Bonds, the Series 2010 Bonds, the Series 2012 Bonds, the Series 2014 Bonds, the Series 2016 Bonds, the 2019 Series A Bonds and the 2020 Series A Bonds.

[Remainder of page intentionally left blank.]
# PROJECTED DEBT SERVICE SCHEDULE
## SENIOR BONDS
[to be revised after 2019 refunding]

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<td>$14,412,644</td>
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<td>$21,763,450</td>
<td>$20,665,000</td>
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<td>Totals(5)</td>
<td>$582,218,080</td>
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</table>

(1) Interest on the Series 2008 Bonds is calculated based on the fixed interest rates payable by the Commission to the swap counterparties pursuant to the Initial Swaps; the fixed interest rates payable under the Initial Swaps range from 3.41% to 3.8165%.

(2) Series 2010-A Bonds projected debt service net of Subsidy Payments. See “RISK FACTORS – Loss of Subsidy Payments.”

(3) All or a portion of the Series 2012 Bonds may be refunded with a portion of the proceeds of the 2020 Series A Bonds. See “PLAN OF REFUNDING.”

(4) All or a portion of the Series 2014 Bonds may be refunded with a portion of the proceeds of the 2020 Series A Bonds. See “PLAN OF REFUNDING.”

(5) Rounded.
SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION

General

The Commission was organized pursuant to the Act and is responsible for providing improvements to the transportation system and other public infrastructure systems in the County funded with the Sales Tax. To carry out this responsibility, the Commission adopted in 1987 the initial San Diego County Transportation Improvement Program Ordinance (Commission Ordinance 87-1 – Proposition A, 1987) (referred to herein as the “1987 Ordinance”). In 2004, the Commission adopted the San Diego County Transportation Improvement Program TransNet Ordinance and Expenditure Plan (Commission Ordinance 04-01), referred to herein as the “2004 Sales Tax Extension Ordinance,” which provides for an extension of the retail transactions and use tax implemented by the initial 1987 Ordinance for a 40-year period commencing on April 1, 2008. See “– The Expenditure Plan” below. The Commission Board is composed of the SANDAG Board of Directors. However, the liabilities of SANDAG are not liabilities of the Commission. SANDAG employees carry out the work of the Commission. The Commission has no employees.

On January 1, 2003, Senate Bill 1703 took effect, changing the structure of SANDAG from a Joint Powers Authority to a State-created regional government agency. The effect of this legislation was to make SANDAG a permanent rather than voluntary association of local governments and to increase SANDAG’s responsibilities and powers. The SANDAG Board of Directors consists of voting representatives from the County and 18 incorporated cities within the County. Supplementing these voting members are advisory representatives from Imperial County, the U.S. Department of Defense, Caltrans, San Diego Unified Port District, MTS, NCTD, San Diego County Water Authority, Southern California Tribal Chairmen’s Association, and Mexico. Policy Advisory Committees assist the SANDAG Board of Directors in carrying out the agency’s work program. The SANDAG Board of Directors is also assisted by a professional staff of approximately 250 planners, engineers, research specialists, and supporting staff. Senate Bill 1703 also required the consolidation of the planning, programming, project development, and construction functions of MTS and NCTD into SANDAG. SANDAG is responsible for transit planning, project implementation, and construction of regional transit projects in the County. Neither the Commission nor SANDAG operates transit services. Transit operations in the County are the responsibility of MTS and NCTD.

On October 9, 2015, the SANDAG Board of Directors adopted the 2050 Regional Transportation Plan and its Sustainable Communities Strategy (“2050 RTP”), which describes a plan for investing local, State and federal transportation funds expected to come into the region over the next 40 years. Per California Assembly Bill 1730 (Gonzales-Fletcher, 2019) the 2050 RTP, as well as its sustainable communities strategy and environmental impact, will remain in effect for all purposes under State law until SANDAG adopts its next update to its regional transportation plan on or before December 31, 2021.

The Expenditure Plan

The 1987 Ordinance and the 2004 Sales Tax Extension Ordinance each outline a series of projects (together, the “Expenditure Plan”) to be completed during the term of the Sales Tax. The Expenditure Plan may be found at: http://www.sandag.org/index.asp?publicnoticeid=227&fuseaction =notices.detail. The Expenditure Plan is not incorporated herein by reference. The Ordinance specifies that Sales Tax Revenues are to be applied according to the following diagram.
Extension

Allocation of Funds—FY09 to FY48

Total Annual 1/2% Sales Tax Receipts
(Net of BOE Fees)

- 1 %
  Up to 1% to SANDAG for Administration

- $250,000
  ITOC Activities (with CPI adjustment)

- 2 %
  Bicycle, Pedestrian & Neighborhood Safety Program

Net Annual Revenues

- 38 %
  Major Corridor Capital Projects

- 4.4 %
  Major Corridor Project EMP

- 1.8 %
  Local Project EMP

- 2.1 %
  Smart Growth Incentive Program

- 29.1 %
  Local Street & Road Formula Funds**

- 16.5 %
  Transit Services

- 8.1 %
  New Major Corridor Transit Operations

- 75%*
  Major Project Mitigation

- 25%*
  Economic Benefit Fund

- 20%*
  Local Project Mitigation

- 80%*
  Local Project Mitigation

- 90.3%*
  50% Match for State/Fed Funds

- 9.7%*
  Financing Costs

- 2.5 %
  Specialized Services for Seniors & Disabled (ADA)

- 3.25 %
  Senior Grant Program

- 94.25 %
  Pass/Subsidies/Operations/Capital Per SRTP

Percentage/Dollar distribution specified in Ordinance

* Percentages based on 2002 dollar estimates in TransNet Extension Ordinance and Expenditures Plan

** Formula Distribution to local jurisdictions based 2/3 on population and 1/3 on maintained road miles with a $50,000 base per jurisdiction.
To implement the Expenditure Plan, the Commission annually adopts finance plan updates (each, a “TransNet Plan of Finance”) that describe major program revenue, cost and project budget and schedule assumptions. Each TransNet Plan of Finance adopted by the Commission sets forth projected cash flow and borrowing requirements during the term of the program covered by such plan. The TransNet Early Action Program (depicted in the map entitled “TransNet Early Action Program at the front of this Official Statement) includes various highway and transit improvements in the Interstates 5, 15, 805 corridors; State Route 52 and 76 corridors; implementation of the Mid-Coast Light Rail Project; trolley vehicle and station upgrades along the Blue and Orange Lines; and double tracking improvements in the coastal rail corridor to be financed by the proceeds of Bonds, Sales Tax Revenues, and eligible federal, state, and local revenues.

In response to changing conditions, the TransNet Plan of Finance is updated on an annual basis. The update includes the latest project cost estimates, actual revenues received, and estimated revenue projections. The update allows the Commission to assess the strength of the program and appropriate changes to the implementation of the Project. In response to economic conditions during which costs have decreased while sales tax collections have increased, the Board has accelerated projects to take advantage of a construction bid environment offering bids significantly below engineering estimates. During periods when costs were rising faster than revenues, the Commission has deferred the implementation of certain projects to allow the TransNet Plan of Finance to remain focused on the highest priority projects.

At its October 27, 2017 meeting, the SANDAG Board unanimously approved the 2016-17 TransNet Plan of Finance continuing the implementation of major transportation projects in the region. The SANDAG Board was presented with a TransNet Program update in February 2019.

As a guiding principle, the Commission’s primary borrowing is focused on capital programs: (1) Major Corridor Capital Projects; (2) Major Corridor Environmental Mitigation Program (“EMP”); and (3) Local Project EMP. The remaining Sales Tax Revenues are allocated to current expenses for the remaining programs. From time to time, at the request of member agencies (local jurisdictions), the Commission may borrow for local street and road capital improvements, bicycle and pedestrian related improvements, with the debt service for these improvements paid from each respective agency’s share of Local Street & Road Formula Funds.

Future Financings

The Commission manages the implementation of its capital program based on project readiness and the availability of federal and State funds, and may advance or slow down the delivery of projects in response to current conditions. No assurance can be given regarding the amount of additional Bonds that may be issued by the Commission in the future, subject to the limitations of the Indenture. However, the Commission anticipates issuing additional Bonds or other obligations from time to time in addition to the 2020 Series A Bonds and the other Outstanding Senior Bonds, to fund transportation projects authorized under the Expenditure Plan. The Commission currently expects to issue an aggregate amount of additional Bonds in the range of $200 to $250 million through calendar year 2025. The issuance of additional Bonds or other obligations is subject to the requirements of the Indenture.

The Commission is also authorized to issue up to $100,000,000 in the aggregate principal amount of Subordinate Commercial Paper Notes. See “OUTSTANDING OBLIGATIONS – Subordinate Commercial Paper Notes and CP Letter of Credit.”

Executive Staff

The SANDAG staff serves as staff to the Commission. Key staff members, the position held by each and a brief statement of the background of each staff member are set forth below.

Hasan Ikhrata, Executive Director. Hasan Ikhrata is the Executive Director of SANDAG appointed to such position in December 2018. Mr. Ikhrata has more than 30 years of experience in the arena of Transportation Planning in the Southern California Region, in both the public and private sector. As
Executive Director of SANDAG, Mr. Ikhrata directs day-to-day operations of the agency and implements policies set by its governing board. In addition, he is the Executive Officer of the SANDAG Service Bureau, the nonprofit public benefit corporation chartered by SANDAG. Mr. Ikhrata holds a Bachelor’s and a Master’s Degree in Civil and Industrial Engineering from Zaporozhye University in the former Soviet Union, a Master’s Degree in Civil Engineering from UCLA, and a PhD Candidacy in Urban Planning and Transportation from the University of Southern California in Los Angeles. Mr. Ikhrata is an adjunct professor in the business school at California State University, Northridge. Prior to joining SANDAG in 2018, Mr. Ikhrata worked for the Southern California Association of Governments (SCAG), Los Angeles Metropolitan Transportation Authority (MTA) and South Coast Air Quality Management District (SCAQMD).

John F. Kirk, General Counsel. Mr. Kirk was appointed General Counsel for SANDAG and the Commission in January 2012. Mr. Kirk was originally hired by SANDAG as Deputy General Counsel in June 2006. Between 1990 and 2006 Mr. Kirk served the City of San Diego as a Deputy City Attorney. Mr. Kirk holds a Bachelors’ degree from Wabash College and a Juris Doctorate from Pepperdine University’s School of Law.

André Douzdjian, Chief Financial Officer. Mr. Douzdjian serves as SANDAG’s Chief Financial Officer and directs all financial and budgeting functions for SANDAG and the Commission. Mr. Douzdjian returned to SANDAG in June of 2012. During the previous 12 years, Mr. Douzdjian worked in the capacity of Chief Financial Officer for two privately-held staffing companies, where he was a co-founder and shareholder of those businesses. Prior to that, Mr. Douzdjian was the Financial Services Manager at SANDAG, a position that he held for almost ten years, from 1991 to 2000. Prior to his employment at SANDAG, Mr. Douzdjian was a Senior Accountant for KPMG, LLP, a certified accounting firm. Mr. Douzdjian received a Bachelor of Business Administration (B.A.) degree in Accounting in 1988 from the University of San Diego and a Master’s degree in Business Administration (M.B.A.) with an emphasis in Finance in 1996 from San Diego State University and is a Certified Public Accountant. Mr. Douzdjian is a member of the Government Finance Officers Association.

Laura Coté, Chief Operations Officer. Ms. Coté’s major responsibilities include managing business operations and advisory services for the San Diego Association of Governments (SANDAG). She is responsible for overseeing the day-to-day activities of external and internal communications, business information and technology services, organization effectiveness and diversity and equity. She joined SANDAG in 2006, serving in a variety of leadership roles at the agency. Before joining SANDAG she was an executive management consultant working in Boston and New York City. She led teams that designed and delivered strategic organizational development programs for growth and profitability on behalf of venture capitalists focused on turnaround ventures. She received her Bachelor of Arts degree in Political Science from the University of California, Riverside. She holds numerous certifications in psychometric instruments and is a regular speaker throughout the community.

Ray Traynor, Chief Planning and Innovation Officer. Mr. Traynor’s responsibilities include regional planning, transportation modeling, mobility management and innovation. Prior to joining SANDAG in 2012, Ray served as Vice President General Manager of Axiom xCell, a software development company, where he managed all aspects of the business. Prior to joining Axiom xCell, Mr. Traynor served as SANDAG’s Manager of Mobility which included overseeing the agency’s toll operations; demand management and intelligent transportation systems programs. Prior to his experience at SANDAG, Ray was a Product Manager at Novatel Wireless (now Inseego Corp.), a global provider of solutions for the Internet of Things and fleet telematics markets; in this role Ray managed the development of wireless data modems. Earlier in his career, Ray worked at Caltrans where he served as Project Manager and was responsible for the delivery of the region’s Border Capital Program, which included leading the development of State Route 7 and State Route 905. Mr. Traynor holds a Master’s degree in Business Administration from San Diego State University, and a Bachelor’s degree in Landscape Architecture from Cal Poly San Luis Obispo.
**Jim Linthicum, Chief Capital Programs and Regional Services Officer.** Mr. Linthicum is responsible for the implementation of SANDAG’s $9 billion capital improvement program and the management of regional services such as toll operations on I-15 and SR-125, regional transportation demand management services such as carpool/vanpool programs and freeway service patrol, and the region’s Automated Regional Justice Information System (ARGIS). Mr. Linthicum has over 40 years’ experience delivering transportation programs and projects. Prior to joining SANDAG, Mr. Linthicum was employed by the San Diego Metropolitan Transit System and the California Department of Transportation for 24 years. Mr. Linthicum holds a B.S. degree in Civil Engineering from the Pennsylvania State University and successfully completed the Engineering and Management program at the University of California Los Angeles.

**Ray Major, Chief Analytics Officer and Chief Economist.** Mr. Major originally joined SANDAG in 1987 as a Research Analyst and economist responsible for SANDAG’s econometric and economic impact models, custom analytic research projects, and for developing the San Diego region’s comprehensive Economic Prosperity Strategy. He left SANDAG in 1994 and joined the Nielsen companies where he served as a senior executive holding numerous positions including Chief Marketing Officer, Chief Customer Officer, and product strategist. Mr. Major oversaw the product development of Claritas, a major provider of demographic and segmentation data. As General Manager of Integras, he ran the division of Claritas specializing in Business Intelligence (BI) and predictive analytics, geo-spatial and economic modeling services. In 2010, Mr. Major moved to Halo BI, a state-of-the-art business intelligence and predictive modeling software and service provider where he served as CMO, COO, and CEO. Mr. Major rejoined SANDAG in 2015 where he now serves as the Chief Economist. Mr. Major holds both graduate and undergraduate degrees in economics from San Diego State University, with an emphasis in developmental economics, and econometrics.

**José Nuncio, TransNet Director.** Mr. Nuncio manages and directs the operations of the SANDAG TransNet Department and is responsible for the programming of federal, state, local and TransNet funds, revenue forecasts for the agency’s long-range transportation plans, internal and external accountability and communication through the TransNet Dashboard and staffing for the Independent Taxpayer Oversight Committee. Mr. Nuncio joined SANDAG in April 2002 after spending more than 10 years with the California Department of Transportation at its San Diego District Office where he gained experience in the areas of programming, project management and development, and international border affairs. Mr. Nuncio received a Bachelor of Science (B.S.) in Aerospace Engineering from the University of Michigan in 1989 and a Master of Science (M.S.) in Structural Engineering in 1991 from the University of California at San Diego. Mr. Nuncio has been a Registered Civil Engineer in the State of California since 1995.

**THE SALES TAX**

**Authorization, Application and Collection of the Sales Tax**

The Commission is authorized by the Act to adopt a retail transactions and use tax ordinance applicable in the incorporated and unincorporated territory of the County in accordance with California’s Transactions and Use Tax Law (Revenue and Taxation Code Sections 7251 et seq.), upon authorization by a majority of the electors voting on the issue. On November 3, 1987, the voters approved the 1987 Ordinance which imposed the Sales Tax in the County for a twenty-year period. On November 2, 2004, more than two-thirds of the voters approved the Sales Tax Extension Ordinance which, among other things, extended the collection of the tax to March 31, 2048. The Ordinance imposes the Sales Tax on the gross receipts of retailers from the sale of tangible personal property sold in the County and upon the storage, use or other consumption in the County of such property purchased from any retailer for storage use or other consumption in the County, subject to certain limited exceptions described below.

Collection of the Sales Tax is administered by the CDTFA, which replaced the BOE for this purpose. The CDTFA, after deducting a fee for administering the Sales Tax, remits the remaining Sales Tax Revenues to the Trustee which are then applied to satisfy the Commission’s obligations with respect
to the Bonds and Parity Obligations. The remaining Sales Tax Revenues are then remitted to the Trustee for the Commission’s Subordinate Obligations, including the 2018 Short-Term Notes and the Subordinate Commercial Paper Notes. After payment of debt service requirements on the Subordinate Obligations, any remaining unapplied Sales Tax Revenues are then remitted to the Trustee for payment of certain fees and expenses and the Junior Subordinate TIFIA Loan and thereafter to the Commission. The fee charged by the CDTFA is determined by the CDTFA pursuant to statute. The fee charged by the CDTFA to the Commission for collection of the Sales Tax for Fiscal Year 2018-19 was $3,272,880. The fee that the CDTFA is authorized to charge for collection of the Sales Tax is determined by State legislation and may be increased or decreased by legislative action. There can be no assurances that the amount of this fee or the method for determining the amount of the fee will remain the same. The CDTFA disburses collected sales tax monthly to sales taxing jurisdictions such as the Commission through a five-step procedure. First, the CDTFA calculates 90% of the same quarter disbursement from the prior year. Second, the CDTFA multiplies this number by the quarterly growth rate provided by the State Department of Finance. Third, the CDTFA divides the quarterly projection into three monthly disbursements of 30%, 30% and 40%. Fourth, the disbursement for the first month of each quarter is adjusted by a true-up for the previous quarter to reconcile actual sales tax collections with the disbursements made in accordance with the preceding formula. Fifth, a quarterly administration fee is subtracted from the first month’s disbursement. From time to time there are corrections made by the CDTFA for prior periods.

The Sales Tax is imposed in addition to a 7.25 percent sales and use tax levied statewide by the State and local sales tax measures enacted by cities, as described below under “– Other Sales Taxes Imposed in the County.” In general, the statewide sales tax applies to the gross receipts of retailers from the sale of tangible personal property. The statewide use tax is imposed on the storage, use or other consumption in the State of property purchased from a retailer for such storage, use or other consumption. Since the use tax does not apply to cases where the sale of the property is subject to the sales tax, the application of the use tax generally is to purchases made outside of the State for use within the State, subject to certain exceptions. Many categories of transactions are exempt from the Statewide sales and use tax and from the Sales Tax. The most important are: sales of food products for home consumption; prescription medicine; edible livestock and their feed; seed and fertilizer used in raising food for human consumption; and gas, electricity and water when delivered to consumers through mains, lines, and pipes. In addition, “Occasional Sales” (i.e., sales of property not held or used by a seller in the course of activities for which he or she is required to hold a seller’s permit) are generally exempt from the statewide sales and use tax and from the Sales Tax. Action by the State legislature or by voter initiative could change the transactions and items upon which the Statewide sales and use tax and the Sales Tax are imposed. Such changes or amendments could have either an adverse or beneficial impact on the Sales Tax Revenues. The Commission is not currently aware of any proposed legislative change, which would have a material adverse effect on Sales Tax Revenues. See also “RISK FACTORS – Proposition 218.”

**Historical Sales Tax Revenues**

The Commission began receiving distributions of the Sales Tax from the BOE in June 1988. The CDTFA now handles most of the taxes and fees previously collected by the BOE. The following table shows the Sales Tax remitted to the Commission during the Fiscal Years ended June 30, 1990 through June 30, 2019.
### SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION

#### HISTORICAL SALES TAX REVENUES

<table>
<thead>
<tr>
<th>Fiscal Year Ended June 30</th>
<th>Sales Tax Revenues&lt;sup&gt;(1)&lt;/sup&gt;</th>
<th>% Change From Prior Fiscal Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990</td>
<td>$113,758,624</td>
<td>--</td>
</tr>
<tr>
<td>1991</td>
<td>109,806,529</td>
<td>(3.5)%</td>
</tr>
<tr>
<td>1992</td>
<td>106,105,958</td>
<td>(3.4)</td>
</tr>
<tr>
<td>1993</td>
<td>111,783,116</td>
<td>5.4</td>
</tr>
<tr>
<td>1994</td>
<td>111,461,846</td>
<td>(0.3)&lt;sup&gt;(2)&lt;/sup&gt;</td>
</tr>
<tr>
<td>1995</td>
<td>114,303,387</td>
<td>2.5</td>
</tr>
<tr>
<td>1996</td>
<td>123,511,934</td>
<td>8.1</td>
</tr>
<tr>
<td>1997</td>
<td>131,592,528</td>
<td>6.5</td>
</tr>
<tr>
<td>1998</td>
<td>145,754,155</td>
<td>10.8</td>
</tr>
<tr>
<td>1999</td>
<td>156,909,677</td>
<td>7.7</td>
</tr>
<tr>
<td>2000</td>
<td>172,274,619</td>
<td>9.8</td>
</tr>
<tr>
<td>2001</td>
<td>189,795,888</td>
<td>10.2</td>
</tr>
<tr>
<td>2002</td>
<td>192,836,199</td>
<td>1.6</td>
</tr>
<tr>
<td>2003</td>
<td>200,600,386</td>
<td>4.0</td>
</tr>
<tr>
<td>2004</td>
<td>213,230,634</td>
<td>6.3</td>
</tr>
<tr>
<td>2005</td>
<td>228,562,785</td>
<td>7.2</td>
</tr>
<tr>
<td>2006</td>
<td>243,317,789</td>
<td>6.5</td>
</tr>
<tr>
<td>2007</td>
<td>247,924,304</td>
<td>1.9</td>
</tr>
<tr>
<td>2008</td>
<td>244,406,219</td>
<td>(1.4)</td>
</tr>
<tr>
<td>2009</td>
<td>221,991,360</td>
<td>(9.2)</td>
</tr>
<tr>
<td>2010</td>
<td>204,191,747</td>
<td>(8.0)</td>
</tr>
<tr>
<td>2011</td>
<td>221,304,014</td>
<td>8.4</td>
</tr>
<tr>
<td>2012</td>
<td>236,947,113</td>
<td>7.1</td>
</tr>
<tr>
<td>2013</td>
<td>247,221,162</td>
<td>4.3</td>
</tr>
<tr>
<td>2014</td>
<td>260,114,931</td>
<td>5.2</td>
</tr>
<tr>
<td>2015</td>
<td>268,840,549</td>
<td>3.4</td>
</tr>
<tr>
<td>2016</td>
<td>275,500,023</td>
<td>2.5</td>
</tr>
<tr>
<td>2017</td>
<td>284,456,260</td>
<td>3.3</td>
</tr>
<tr>
<td>2018</td>
<td>294,501,324</td>
<td>3.5</td>
</tr>
<tr>
<td>2019</td>
<td>312,303,669</td>
<td>6.0&lt;sup&gt;(3)&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

<sup>(1)</sup> Cash basis, net of BOE/CDTFA administrative fee.

<sup>(2)</sup> Reflects, in part, effect of increase in BOE administration fee in 1994.

<sup>(3)</sup> In May 2018, CDTFA implemented a new automated system for processing, reporting, and distributing sales tax revenues to agencies throughout the State. As a result, several thousand tax returns were not processed in a timely manner. Approximately $7 million of Fiscal Year 2018 revenue was recorded in Fiscal Year 2019, and so the growth forecast going forward will be calculated on a base of $305.3 million, as opposed to the $312.3 million collected.

Source: San Diego County Regional Transportation Commission.

Annual Sales Tax Revenues received for the Fiscal Year ended June 30, 2019 totaled $312,303,669, an increase of 6.0 percent over the prior Fiscal Year. Sales Tax Revenues for the Fiscal Year ended June 30, 2019 are approximately 2.98 times Maximum Annual Debt Service on the Series 2008 Bonds, the Series 2010 Bonds (net of the Subsidy Payments), the Series 2012 Bonds, the Series 2014 Bonds and the Series 2016 Bonds, based on the debt service shown in the table “PROJECTED DEBT SERVICE SCHEDULE” herein. For the first [five] months of the Fiscal Year ending June 30, 2020, Sales Tax collections totaled $[135,596,415], a [5.0]% increase compared to the same period for the prior Fiscal Year.
Other Sales Taxes Imposed in the County

With limited exceptions, the Sales Tax is imposed upon the same transactions and items subject to the 7.25 percent sales and use tax levied statewide by the State. The State Legislature or the voters of the State, through the initiative process, could change or limit the transactions and items upon which the statewide sales tax and the Sales Tax are imposed. Any such change or limitation could have an adverse impact on the Sales Tax Revenues collected. See “RISK FACTORS – Other Sales Taxes.”

In addition to the statewide sales and use tax and the Sales Tax, the following sales and use taxes are imposed in certain cities within the County. No portion of the statewide sales and use tax or the following taxes imposed in certain cities within the County are pledged to the repayment of the 2020 Series A Bonds.

<table>
<thead>
<tr>
<th>Sales and Use Tax</th>
<th>Tax Rate</th>
<th>Effective Date</th>
<th>Termination Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Chula Vista</td>
<td>0.50%</td>
<td>04/01/17</td>
<td>03/31/26</td>
</tr>
<tr>
<td>City of Chula Vista</td>
<td>0.50</td>
<td>10/01/18</td>
<td>Upon Repeal</td>
</tr>
<tr>
<td>City of Del Mar</td>
<td>1.00</td>
<td>04/01/17</td>
<td>Ongoing</td>
</tr>
<tr>
<td>City of El Cajon Service Preservation Transactions and Use Tax</td>
<td>0.50</td>
<td>04/01/17</td>
<td>03/31/29</td>
</tr>
<tr>
<td>City of La Mesa Transactions and Use Tax</td>
<td>0.75</td>
<td>04/01/09</td>
<td>03/31/29</td>
</tr>
<tr>
<td>City of National City Transactions and Use Tax</td>
<td>1.00</td>
<td>10/01/06</td>
<td>09/30/16</td>
</tr>
<tr>
<td>City of Oceanside</td>
<td>0.50</td>
<td>04/01/19</td>
<td>03/31/26</td>
</tr>
<tr>
<td>City of Vista Transactions and Use Tax</td>
<td>0.50</td>
<td>04/01/07</td>
<td>03/31/37</td>
</tr>
</tbody>
</table>

Source: California City and County Sales and Use Tax Rates (July 1, 2019), CDTFA.

For information concerning historical taxable sales in the County, see the table entitled “County of San Diego, Taxable Sales Transactions” in APPENDIX B – “INFORMATION REGARDING THE COUNTY OF SAN DIEGO.”

COMMISSION INVESTMENT PORTFOLIO

Funds of the Commission are invested pursuant to an investment policy adopted by the Commission Board, which permits the Commission to invest in some (but not all) of the types of securities authorized by State law for the investment of funds of local agencies. The securities in which the Commission currently is authorized to invest include United States treasury notes, bonds and bills, bonds, notes, bills, warrants and obligations issued by certain agencies of the United States, bankers acceptances, commercial paper of prime quality, certificates of deposit, medium term corporate notes, shares of beneficial interest issued by a California joint powers authority, the State’s local agency investment fund, the San Diego County local agency investment fund, collateralized repurchase agreements, and other securities authorized under State law as appropriate for public fund investments and not specifically prohibited by the investment policy. The investment policy (which is subject to change in the future) does not allow investment in reverse repurchase agreements, mortgage interest strips, inverse floaters or securities lending or any investment that fails to meet the credit or portfolio limits of the investment policy at the time of investment.

Funds held by the Trustee under the Indenture are invested in Investment Securities (as defined in APPENDIX C-1) by the Trustee in accordance with instructions from the Commission. The instructions from the Commission currently restrict those investments to investments permitted by the investment policy adopted by the Commission Board described above (except that the Trustee is permitted to invest a greater percentage of funds in specific securities than the investment policy would otherwise permit).

The value of the various investments in the portfolio will fluctuate on a daily basis as a result of a multitude of factors, including generally prevailing interest rates and other economic conditions. Further,
such values may vary based on credit quality, ratings, or other factors. Therefore, there can be no assurance that the values of the various investments in the portfolio will not vary significantly from the values described below. Further, the values specified in the following tables were based upon estimates of market values provided to the Commission by a third party as of [September 30, 2019]. Accordingly, there can be no assurance that if these securities had been sold on [September 30, 2019], the portfolio would have received the values specified. In addition, under certain provisions of the Indenture, funds and accounts held under the Indenture must be invested in certain specified Investment Securities that include investment agreements and other investments not described above.

INVESTMENT PORTFOLIO INFORMATION
as of September 30, 2019 [UPDATE]

<table>
<thead>
<tr>
<th>Investments</th>
<th>Par Value</th>
<th>Market Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Cash Equivalents</td>
<td>N/A</td>
<td>$858,699,841.93</td>
</tr>
<tr>
<td>United States Agencies</td>
<td>$228,641,000.00</td>
<td>229,952,587.67</td>
</tr>
<tr>
<td>Corporate Medium Term Notes</td>
<td>85,550,000.00</td>
<td>86,908,673.22</td>
</tr>
<tr>
<td>Supra-National Agency Bond/Note</td>
<td>24,560,000.00</td>
<td>24,606,983.25</td>
</tr>
<tr>
<td>Certificates of Deposit</td>
<td>11,200,000.00</td>
<td>11,227,400.41</td>
</tr>
<tr>
<td>Asset-Backed Securities</td>
<td>6,613,833.32</td>
<td>6,611,649.17</td>
</tr>
<tr>
<td>Certificates of Participation</td>
<td>24,300,000.00</td>
<td>23,050,000.00</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>$1,241,057,135.65</td>
</tr>
</tbody>
</table>

Source: The Commission.

RISK FACTORS

Economy of the County and the State

The 2020 Series A Bonds are secured by a pledge of Sales Tax Revenues, which consist of the Sales Tax less an administrative fee paid to the CDTFA. The level of Sales Tax Revenues collected at any time is dependent upon the level of retail sales within the County, which level of retail sales is, in turn, dependent upon the level of economic activity in the County and in the State generally. As a result, any substantial deterioration in the level of economic activity within the County or in the State could have an adverse impact upon the level of Sales Tax Revenues and therefore upon the ability of the Commission to pay principal of and interest on the 2020 Series A Bonds. For information relating to economic conditions within the County and the State, see APPENDIX B – “INFORMATION REGARDING THE COUNTY OF SAN DIEGO.”

Other Sales Taxes

With limited exceptions, the Sales Tax is imposed upon the same transactions and items subject to the 7.25% sales and use tax levied statewide by the State. The State Legislature or the voters of the State, through the initiative process, could change or limit the transactions and items upon which the statewide sales tax and the Sales Tax are imposed. Any such change or limitation could have an adverse impact on the Sales Tax Revenues collected. In addition, the Sales Tax is imposed generally on the same transactions and items subject to sales and use taxes levied by certain cities within the County. See “THE SALES TAX – Other Sales Taxes Imposed in the County.”

No Acceleration of 2020 Series A Bonds

The Indenture does not contain a provision allowing for the acceleration of the 2020 Series A Bonds. In the event of a default by the Commission, each Holder of a 2020 Series A Bond will have the
ry rights to exercise the remedies, subject to the limitations thereon, set forth in the Indenture. See APPENDIX C-1 – “DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE.”

**Acceleration of Liquidity Facility Bonds**

The amortization period applicable to the Liquidity Facility Bonds may be accelerated under certain circumstances. “Liquidity Facility Bonds” are Series 2008 Bonds tendered for purchase and not successfully remarketed, that are then purchased by a Liquidity Provider pursuant to the applicable 2008 Liquidity Facility. Such Liquidity Provider purchases may occur as a result of, among other things, adverse market conditions leading to failed remarketings or the Commission’s inability to obtain replacement credit or liquidity arrangements upon the expiration or termination of the existing 2008 Liquidity Facilities. See “OUTSTANDING OBLIGATIONS – Liquidity Facilities.” The Commission’s obligation to reimburse the Liquidity Providers on account of their purchase of any of the Series 2008 Bonds may, under specified circumstances, be paid over a period of five years or, if earlier, by no later than the last day of the purchase period, and may, under certain circumstances, become immediately due and payable on the one hundred eightieth (180th) day following the date on which any Series 2008 Bond became a Liquidity Facility Bond. Liquidity Facility Bonds are payable on a parity with the Bonds.

**Parity with Variable Rate Bonds**

The Series 2008 Bonds are variable rate bonds issued on parity with the Series 2010 Bonds, the Series 2012 Bonds, the Series 2014 Bonds, the Series 2016 Bonds and the 2020 Series A Bonds. The calculation of interest on the Series 2008 Bonds is set weekly. Potential fluctuations in interest rates could result in higher net interest rates on the Series 2008 Bonds. The Series 2008 Bonds are subject to tender provisions and remarketing by the remarketing agents for such Series 2008 Bonds. Upon a failure to remarket the Series 2008 Bonds, the Series 2008 Bonds will be purchased pursuant to the 2008 Liquidity Facilities, in which event the Series 2008 Bonds could bear interest at materially higher interest rates. Furthermore, in the event of early termination of the Initial Swaps, the Commission would no longer receive the variable rate payments from the counterparties thereunder and the Commission may be liable for substantial termination fees which could have a material adverse effect on the Commission.

**Loss of Subsidy Payments**

The 2010 Series A Bonds were issued as “Build America Bonds.” The amount of any Subsidy Payments are subject to legislative changes by the United States Congress. On March 1, 2013, the federal government announced the implementation of certain automatic spending cuts known as “sequestration.” Future reductions in Subsidy Payments may occur due to the sequester, but the Commission is unable to predict the amount or duration of such reductions. Further, Subsidy Payments will only be paid if the 2010 Series A Bonds continue to qualify as Build America Bonds. For the 2010 Series A Bonds to remain Build America Bonds, the Commission must comply with certain covenants with respect to the 2010 Series A Bonds, the use and investment of proceeds thereof and the use of property financed thereby. Thus, it is possible that the Commission may not receive the Subsidy Payments. Subsidy Payments are also subject to offset against amounts that may, for unrelated reasons, be owed by the Commission to any agency of the United States of America. The Commission does not believe that failure to receive all or a portion of the Subsidy Payments or any offset to the Subsidy Payments will materially and adversely impact the Commission’s ability to pay interest on the 2010 Series A Bonds. The failure to receive all or any portion of the Subsidy Payment does not affect the Commission’s obligation to pay debt service on the 2010 Series A Bonds.

**Availability of Funds to Pay the 2018 Short-Term Notes**

The Subordinate Indenture provides that unless the 2018 Short-Term Notes have been previously paid or defeased pursuant to the provisions of the Subordinate Indenture, the Commission agrees to use its best efforts, on or before April 1, 2021, to draw on the TIFIA Loan Agreement or, to the extent sufficient funds are not available or eligible thereunder, to issue Senior Bonds, or Notes or other Parity Debt under
the Senior Indenture or the Subordinate Indenture, as applicable, or to otherwise obtain financing to provide funds sufficient to pay the principal of the 2018 Short-Term Notes on April 1, 2021. No assurance can be given that the Commission will satisfy all conditions to disbursement under the TIFIA Loan Agreement, or that the TIFIA Lender will honor a properly presented disbursement request under the TIFIA Loan Agreement. In addition, if the Commission is unable to obtain proceeds of the Junior Subordinate TIFIA Loan, no assurances can be given that capital markets access will be available for the Commission to issue Senior Bonds under the Senior Indenture, or Notes or other Parity Debt under the Subordinate Indenture, to repay the principal of the 2018 Short-Term Notes on April 1, 2021.

**Bankruptcy Considerations**

The Commission may be authorized to file for Chapter 9 municipal bankruptcy under certain circumstances. Should the Commission file for bankruptcy, there could be adverse effects on the holders of the 2020 Series A Bonds.

If the Sales Tax Revenues are “special revenues” under the Bankruptcy Code, then Sales Tax Revenues collected after the date of the bankruptcy filing should be subject to the lien of the Indenture. “Special revenues” are defined to include taxes specifically levied to finance one or more projects or systems, excluding receipts from general property, sales, or income taxes levied to finance the general purposes of the governmental entity. The Sales Tax was levied to finance the projects described in the San Diego County Transportation Improvement Program TransNet Ordinance and Expenditure Plan (under this caption, the “Projects”), and some of these Projects are described in broad terms. In addition, the Projects are not owned by the Commission. No assurance can be given that a court would not hold that the Sales Tax Revenues are not special revenues. Were the Sales Tax Revenues determined not to be “special revenues,” then Sales Tax Revenues collected after the commencement of a bankruptcy case would likely not be subject to the lien of the Indenture. The holders of the 2020 Series A Bonds may not be able to assert a claim against any property of the Commission other than the Sales Tax Revenues, and were these amounts no longer subject to the lien of the Indenture following commencement of a bankruptcy case, then there could thereafter be no amounts from which the holders of the 2020 Series A Bonds are entitled to be paid.

The Bankruptcy Code provides that special revenues can be applied to necessary operating expenses of the project or system from which the special revenues are derived, before they are applied to other obligations. This rule applies regardless of the provisions of the transaction documents. The law is not clear as to whether, or to what extent, Sales Tax Revenues would be considered to be “derived” from the Projects. To the extent that Sales Tax Revenues are determined to be both special revenues and derived from the Projects, the Commission may be able to use Sales Tax Revenues to pay necessary operating expenses connected with the Projects, before the remaining Sales Tax Revenues are turned over to the Trustee to pay amounts owed to the holders of the 2020 Series A Bonds. It is not clear precisely which expenses would constitute necessary operating expenses.

If the Commission is in bankruptcy, the parties (including the holders of the 2020 Series A Bonds) may be prohibited from taking any action to collect any amount from the Commission or to enforce any obligation of the Commission, unless the permission of the bankruptcy court is obtained. These restrictions may also prevent the Trustee from making payments to the holders of the 2020 Series A Bonds from funds in the Trustee’s possession. The procedure pursuant to which Sales Tax Revenues are paid directly by the CDTFA to the Trustee may no longer be enforceable, and the Commission may be able to require the CDTFA to pay Sales Tax Revenues directly to the Commission.

The Commission as a debtor in bankruptcy may be able to borrow additional money that is secured by a lien on any of its property (including Sales Tax Revenues), which lien could have priority over the lien of the Indenture, or to cause some Sales Tax Revenues to be released to it, free and clear of lien of the Indenture, in each case provided that the bankruptcy court determines that the rights of the Trustee and the holders of the 2020 Series A Bonds will be adequately protected. The Commission may also be able, without the consent and over the objection of the Trustee and the holders of the 2020 Series A Bonds, to
alter the priority, interest rate, payment terms, collateral, maturity dates, payment sources, covenants (including tax-related covenants), and other terms or provisions of the Indenture and the 2020 Series A Bonds, provided that the bankruptcy court determines that the alterations are fair and equitable.

There may be delays in payments on the 2020 Series A Bonds while the court considers any of these issues. There may be other possible effects of a bankruptcy of the Commission that could result in delays or reductions in payments on the 2020 Series A Bonds, or result in losses to the holders of the 2020 Series A Bonds. Regardless of any specific adverse determinations in a Commission bankruptcy proceeding, the fact of a Commission bankruptcy proceeding could have an adverse effect on the liquidity and value of the 2020 Series A Bonds.

**Proposition 218**

On November 5, 1996, voters in the State approved an initiative known as the Right to Vote on Taxes Act (“Proposition 218”). Proposition 218 added Articles XIIIC and XIID to the California Constitution. Article XIIIC requires majority voter approval for the imposition, extension or increase of general taxes and two-thirds voter approval for the imposition, extension or increase of special taxes by a local government, which is defined to include local or regional governmental agencies such as the Commission. In 2004, the Sales Tax Extension Ordinance received the approval of more than 2/3 of the voters as required by Article XIIIC. However, Article XIIIC also removes limitations that may have applied to the voter initiative power with regard to reducing or repealing previously authorized taxes. In the opinion of the Commission, however, any attempt by the voters to use the initiative provisions under Proposition 218 to rescind or reduce the levy and collection of the Sales Tax in a manner which would prevent the payment of debt service on the 2020 Series A Bonds would violate the Impairment Clause of the United States Constitution and, accordingly, would be precluded. However, it is likely that the interpretation and application of Proposition 218 will ultimately be determined by the courts.

**Further Initiatives**

Proposition 218 was adopted as a measure that qualified for the ballot pursuant to the State’s initiative process. From time to time other initiative measures could be adopted, which may affect the Commission’s ability to levy and collect the Sales Tax.

**Governance and Management – Changes in State Law**

SANDAG was created in the 1970s as a Joint Powers Authority made up of various cities in the County of San Diego that desired to voluntarily carry out regional planning activities as a joint enterprise. SANDAG’s governance structure was codified into State Law by State statute in 2002. The State Legislature can alter the governance and structure of SANDAG. On October 11, 2017, Governor Jerry Brown signed into law AB 805 which changed the voting mechanisms of the Board of Directors of SANDAG and provide additional audit requirements. The State Legislature can adopt further statutory changes that could materially impact the composition of the Board of Directors or composition of management, or impose new requirements or standards, any of which could cause material changes for SANDAG policy objectives or how it operates.

**Cybersecurity**

The Commission, like many other public and private entities, relies on computer and other digital networks and systems to conduct its operations and finances. As a recipient and provider of personal, private or other electronic sensitive information, the Commission is potentially subject to multiple cyber threats including, but not limited to, hacking, viruses, malware, ransomware and other attacks on computer and other sensitive digital networks and systems. Entities or individuals may attempt to gain unauthorized access to the Commission’s systems for the purposes of misappropriating assets or information or causing operational disruption or damage.
No assurances can be given that the security and operational control measures of the Commission will be successful in guarding against any and each cyber threat or breach. The cost ofremedying damage or disruption caused by cyber-attacks could be substantial and in excess of any applicable insurance coverage.

Climate Change

Numerous scientific studies on global climate change show that, among other effects on the global ecosystem, sea levels will rise, extreme temperatures will become more common, and extreme weather events will become more frequent as a result of increasing global temperatures attributable to atmospheric pollution. For example, the Fourth National Climate Assessment, published by the U.S. Global Change Research Program, in November 2018 (NCA4) finds that more frequent and intense extreme weather and climate-related events, as well as changes in average climate conditions, are expected to continue to damage infrastructure, ecosystems and social systems over the next 25 to 100 years. Sea level rise may particularly impact coastal areas throughout California. The Commission cannot predict what impact climate change will have on Sales Tax Revenues in the future.

ABSENCE OF MATERIAL LITIGATION

No litigation is pending or, to the best knowledge of the Commission, threatened against the Commission concerning the validity of the 2020 Series A Bonds. The Commission is not aware of any litigation pending or threatened against the Commission questioning the political existence of the Commission or contesting the Commission’s ability to impose and collect the Sales Tax.

TAX MATTERS

The following discussion of certain U.S. federal income tax consequences is for general information only and is not tax advice. Accordingly, each investor should consult its own tax advisor as to particular tax consequences to it of purchasing, owning, and disposing of the 2020 Series A Bonds, including the applicability and effect of any state, local, or foreign tax laws, and of any proposed changes in applicable laws.

A copy of the form of opinion of Bond Counsel relating to the 2020 Series A Bonds is included in APPENDIX F hereto.

Federal Tax-Exemption

In the opinion of Norton Rose Fulbright US LLP, Los Angeles, California, Bond Counsel to the Commission, under existing statutes, regulations, rulings and judicial decisions, and assuming compliance by the Commission with certain covenants in the Indenture and other documents pertaining to the 2020 Series A Bonds and requirements of the Internal Revenue Code of 1986, as amended (the “Code”), regarding the use, expenditure and investment of proceeds of the 2020 Series A Bonds and the timely payment of certain investment earnings to the United States, interest on the 2020 Series A Bonds is not includable in the gross income of the owners of the 2020 Series A Bonds for federal income tax purposes. Failure to comply with such covenants and requirements may cause interest on the 2020 Series A Bonds to be included in gross income retroactive to the date of issuance of the 2020 Series A Bonds.

In the further opinion of Bond Counsel, interest on the 2020 Series A Bonds is not treated as an item of tax preference for purposes of the federal alternative minimum tax.

Ownership of, or the receipt of interest on, tax-exempt obligations may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, certain foreign corporations doing business in the United States, certain S corporations with excess passive income, individual recipients of Social Security or Railroad Retirement benefits, taxpayers that may be deemed to have incurred or continued indebtedness to purchase or carry
tax-exempt obligations and taxpayers who may be eligible for the earned income tax credit. Bond Counsel expresses no opinion with respect to any collateral tax consequences and, accordingly, prospective purchasers of the 2020 Series A Bonds should consult their tax advisors as to the applicability of any collateral tax consequences.

Certain requirements and procedures contained or referred to in the Indenture or in other documents pertaining to the 2020 Series A Bonds may be changed, and certain actions may be taken or not taken, under the circumstances and subject to the terms and conditions set forth in such documents, upon the advice or with the approving opinion of counsel nationally recognized in the area of tax-exempt obligations. Bond Counsel expresses no opinion as to the effect of any change to any document pertaining to the 2020 Series A Bonds or of any action taken or not taken where such change is made or action is taken or not taken without the approval of Norton Rose Fulbright US LLP, or in reliance upon the advice of counsel other than Norton Rose Fulbright US LLP, with respect to the exclusion from gross income of the interest on the 2020 Series A Bonds for federal income tax purposes.

Bond Counsel’s opinion is not a guarantee of result, but represents its legal judgment based upon its review of existing statutes, regulations, published rulings and court decisions and the representations and covenants of the Commission described above. No ruling has been sought from the Internal Revenue Service (the “IRS”) with respect to the matters addressed in the opinion of Bond Counsel, and Bond Counsel’s opinion is not binding on the IRS. The IRS has an ongoing program of examining the tax-exempt status of the interest on municipal obligations. If an examination of the 2020 Series A Bonds is commenced, under current procedures the IRS is likely to treat the Commission as the “taxpayer,” and the owners of the 2020 Series A Bonds would have no right to participate in the examination process. In responding to or defending an examination of the tax-exempt status of the interest on the 2020 Series A Bonds, the Commission may have different or conflicting interests from the owners. Additionally, public awareness of any future examination of the 2020 Series A Bonds could adversely affect the value and liquidity of the 2020 Series A Bonds during the pendency of the examination, regardless of its ultimate outcome.

Tax Accounting Treatment of Bond Premium and Original Issue Discount

**Bond Premium.** To the extent that a purchaser of a 2020 Series A Bond acquires that 2020 Series A Bond at a price in excess of the amount payable at maturity, such excess will constitute “bond premium” under the Code. The Code and applicable Treasury Regulations provide generally that bond premium on a tax-exempt obligation is amortized over the remaining term of the obligation (or a shorter period in the case of certain callable obligations) based on the obligation’s yield to maturity (or shorter period in the case of certain callable obligations); that the amount of premium so amortized reduces the owner’s basis in such obligation for federal income tax purposes; and that such amortized premium is not deductible for federal income tax purposes. Such reduction in basis will increase the amount of any gain (or decrease the amount of any loss) to be recognized for federal income tax purposes upon a sale or other taxable disposition of the obligation.

**Original Issue Discount.** The excess, if any, of the stated redemption price at maturity of 2020 Series A Bonds of a maturity over the initial offering price to the public of the 2020 Series A Bonds of that maturity is “original issue discount.” Original issue discount accruing on a 2020 Series A Bond is treated as interest excluded from the gross income of the owner of such 2020 Series A Bond for federal income tax purposes under the same conditions and limitations as are applicable to interest on such 2020 Series A Bond. Original issue discount on any 2020 Series A Bond purchased at such initial offering price and pursuant to such initial offering accrues on a semiannual basis over the term of the 2020 Series A Bond on the basis of a constant yield and, within each semiannual period, accrues on a ratable daily basis. The amount of original issue discount on such a 2020 Series A Bond accruing during each period is added to the adjusted basis of such 2020 Series A Bond, which will affect the amount of taxable gain upon disposition (including sale, redemption or payment on maturity) of such 2020 Series A Bond. The Code includes certain provisions relating to the accrual of original issue discount in the case of owners of 2020 Series A
Bonds that have purchased such 2020 Series A Bonds other than at the initial offering price and pursuant to the initial offering.

Bond Counsel are not opining on the accounting for or consequence to a 2020 Series A Bond purchaser of bond premium or original issue discount on the 2020 Series A Bonds. Persons considering the purchase of 2020 Series A Bonds with bond premium or original issue discount should consult with their own tax advisors with respect to the determination of bond premium or original issue discount on such 2020 Series A Bonds for federal income tax purposes, and with respect to the state and local tax consequences of owning and disposing of such 2020 Series A Bonds.

Information Reporting and Backup Withholding

Interest paid on the 2020 Series A Bonds will be subject to information reporting in a manner similar to interest paid on taxable obligations. Although such reporting requirement does not, in and of itself, affect the excludability of such interest from gross income for federal income tax purposes, such reporting requirement causes the payment of interest on the 2020 Series A Bonds to be subject to backup withholding if such interest is paid to beneficial owners who (a) are not “exempt recipients,” and (b) either fail to provide certain identifying information (such as the beneficial owner’s taxpayer identification number) in the required manner or have been identified by the IRS as having failed to report all interest and dividends required to be shown on their income tax returns. Generally, individuals are not exempt recipients, whereas corporations and certain other entities are exempt recipients. Amounts withheld under the backup withholding rules from a payment to a beneficial owner are allowed as a refund or credit against such beneficial owner’s federal income tax liability so long as the required information is furnished to the IRS.

State Tax Exemption

In the further opinion of Bond Counsel, interest on the 2020 Series A Bonds is exempt from personal income taxes imposed by the State of California.

Future Developments

Existing law may change to reduce or eliminate the benefit to bondholders of the exclusion of the interest on the 2020 Series A Bonds from gross income for federal income tax purposes or of the exemption of interest on the 2020 Series A Bonds from State of California personal income taxation. Any proposed legislation or administrative action, whether or not taken, could also affect the value and marketability of the Bonds. Prospective purchasers of the Bonds should consult with their own tax advisors with respect to any proposed or future change in tax law.

LEGAL MATTERS

The validity of the 2020 Series A Bonds and certain other legal matters are subject to the approving opinion of Norton Rose Fulbright US LLP, Bond Counsel to the Commission. A complete copy of the proposed form of opinion of Bond Counsel is attached as Appendix F hereto. Bond Counsel undertakes no responsibility for the accuracy, completeness or fairness of this Official Statement. Certain legal matters will be passed upon for the Commission by its General Counsel and by Norton Rose Fulbright US LLP, as Disclosure Counsel, and for the Underwriters by their counsel Nixon Peabody LLP. Compensation paid to Bond Counsel, Disclosure Counsel and Underwriters’ Counsel is contingent on the successful issuance of the 2020 Series A Bonds.

CONTINUING DISCLOSURE

The Commission has agreed to execute a continuing disclosure agreement (the “Continuing Disclosure Agreement”), which provides for disclosure obligations on the part of the Commission while
the 2020 Series A Bonds remain Outstanding. Under the Continuing Disclosure Agreement, the
Commission will covenant for the benefit of owners of the 2020 Series A Bonds to provide certain financial
information and operating data relating to the Commission by not later than two hundred and ten (210) days
after the end of the prior fiscal year, commencing with the fiscal year ending June 30, 2019 (the “Annual
Reports”), and to provide notices of the occurrence of certain enumerated events (the “Notice Events”) in
a timely manner. The Annual Reports and the Notice Events will be filed with the Municipal Securities
Rulemaking Board’s Electronic Municipal Market Access system. These covenants will be made to assist
the Underwriters of the 2020 Series A Bonds in complying with the Rule 15c2-12, as amended (the “Rule”)
adopted by the U.S. Securities and Exchange Commission under the Securities Exchange Act of 1934, as
amended. See APPENDIX D – “FORM OF CONTINUING DISCLOSURE AGREEMENT.”

RATINGS

S&P Global Ratings and Fitch Ratings have assigned ratings on the 2020 Series A Bonds of “___”
and “___,” respectively. The ratings described above reflect only the views of such organizations and any
desired explanation of the significance of such ratings should be obtained from the rating agency furnishing
the same, at the following addresses: S&P Global Ratings, 55 Water Street, New York, New York 10041
and Fitch Ratings, 33 Whitehall Street, New York, New York 10004. Such ratings are not recommendations
to buy, sell or hold securities. Generally, a rating agency basest its rating on the information and materials
furnished to it and on investigations, studies and assumptions of its own. There is no assurance such ratings
will continue for any given period of time or that such ratings will not be revised downward or withdrawn
entirely by the rating agencies, if in the judgment of such rating agencies, circumstances so warrant. Any
such downward revision or withdrawal of any of such ratings may have an adverse effect on the market
price of the 2020 Series A Bonds.

UNDERWRITING

Purchase of the 2020 Series A Bonds

The Commission has entered into a Bond Purchase Agreement (the “Purchase Agreement”) with
respect to the 2020 Series A Bonds with Goldman Sachs & Co. LLC, on behalf of itself and as representative
of the underwriters named therein and set forth on the cover page hereof (collectively, the “Underwriters”),
pursuant to which the Underwriters will agree, subject to certain conditions, to purchase the 2020 Series A
Bonds for reoffering at a price of $__________, which represents the aggregate principal amount of the
Bonds, [plus/less] an original issue [premium/discount], and less an Underwriters’ discount of
$__________.

The Purchase Agreement provides that the Underwriters will purchase all of the 2020 Series A
Bonds if any are purchased. The 2020 Series A Bonds may be offered and sold by the Underwriters to
certain dealers and others at yields higher than the public offering yields indicated on the inside cover
hereof, and such public offering yields may be changed from time to time by the Underwriters. The
Underwriters agree to make a public offering of the 2020 Series A Bonds. The Underwriters may over-
allot or effect transactions which stabilize or maintain the market price of the 2020 Series A Bonds at levels
above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be
discontinued at any time.

The following two paragraphs have been provided by and are being included in this Official
Statement at the request of the Underwriters. The Commission does not assume any responsibility for the
accuracy or completeness of such statements or information.

The Underwriters and their respective affiliates are full service financial institutions engaged in
various activities, which may include securities trading, commercial and investment banking, advisory,
investment management, principal investment, hedging, financing and brokerage activities. Certain of the
Underwriters and their respective affiliates have, from time to time, performed, and may in the future
perform, various investment banking services for the Commission, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Commission. Certain of the Underwriters or their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such securities and instruments.

Retail Brokerage Arrangements

The following four paragraphs have been provided by and are being included in this Official Statement at the request of the respective Underwriters. The Commission does not assume any responsibility for the accuracy or completeness of such statements or information.

Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association, which conducts its municipal securities sales, trading and underwriting operations through the Wells Fargo Bank, NA Municipal Products Group, a separately identifiable department of Wells Fargo Bank, National Association, registered with the Securities and Exchange Commission as a municipal securities dealer pursuant to Section 15B(a) of the Securities Exchange Act of 1934.

Wells Fargo Bank, National Association, acting through its Municipal Products Group (“WFBNA”), one of the underwriters of the 2020 Series A Bonds, has entered into an agreement (the “WFA Distribution Agreement”) with its affiliate, Wells Fargo Clearing Services, LLC (which uses the trade name “Wells Fargo Advisors”) (“WFA”), for the distribution of certain municipal securities offerings, including the 2020 Series A Bonds. Pursuant to the WFA Distribution Agreement, WFBNA will share a portion of its underwriting or remarketing agent compensation, as applicable, with respect to the 2020 Series A Bonds with WFA. WFBNA has also entered into an agreement (the “WFSLLC Distribution Agreement”) with its affiliate Wells Fargo Securities, LLC (“WFSLLC”), for the distribution of municipal securities offerings, including the 2020 Series A Bonds. Pursuant to the WFSLLC Distribution Agreement, WFBNA pays a portion of WFSLLC’s expenses based on its municipal securities transactions. WFBNA, WFSLLC, and WFA are each wholly-owned subsidiaries of Wells Fargo & Company.

Citigroup Global Markets Inc., an underwriter of the 2020 Series A Bonds, has entered into a retail distribution agreement with Fidelity Capital Markets, a division of National Financial Services LLC (together with its affiliates, “Fidelity”). Under this distribution agreement, Citigroup Global Markets Inc. may distribute municipal securities to retail investors at the original issue price through Fidelity. As part of this arrangement, Citigroup Global Markets Inc. will compensate Fidelity for its selling efforts.

J.P. Morgan Securities LLC (“JPMS”), one of the Underwriters of the 2020 Series A Bonds, has entered into negotiated dealer agreements (each, a “Dealer Agreement”) with each of Charles Schwab & Co., Inc. (“CS&Co.”) and LPL Financial LLC (“LPL”) for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each Dealer Agreement, each of CS&Co. and LPL may purchase 2020 Series A Bonds from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any 2020 Series A Bonds that such firm sells.
MUNICIPAL ADVISOR

The Commission has retained PFM Financial Advisors, LLC, San Francisco, California, as municipal advisor (the “Municipal Advisor”) in connection with the 2020 Series A Bonds. The Municipal Advisor is an independent registered municipal advisor. The Municipal Advisor has not undertaken to make an independent verification or to assume responsibility for the accuracy, completeness, or fairness of the information contained in this Official Statement.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

The Verification Agent will verify the accuracy of mathematical computations concerning the adequacy of the maturing principal amounts of and interest earned on the Defeasance Securities deposited in the Escrow Account(s), together with amounts held as cash therein, to provide for payment of the Redemption Price of the Refunded Bonds on the Redemption Date.

The report of the Verification Agent will include the statement that the scope of its engagement was limited to verifying the mathematical accuracy of the computations contained in such schedules provided to it and that the Verification Agent has no obligation to update its report because of events occurring, or data or information coming to its attention, after the date of its report.

RELATIONSHIP OF CERTAIN PARTIES

Citigroup Global Markets Inc. is a dealer for the Subordinate Commercial Paper Notes and is an Underwriter of the 2020 Series A Bonds.

Goldman Sachs & Co. LLC is serving as remarketing agent for the 2008 Series B Bonds and is an Underwriter of the 2020 Series A Bonds.


Stifel, Nicolaus & Company, Incorporated is serving as remarketing agent for the 2008 Series D Bonds and is an Underwriter of the 2020 Series A Bonds.

In June 2013, the Commission commenced an action against a number of banks, including entities affiliated with Citigroup Global Markets Inc. and J.P. Morgan Securities LLC, certain of the Underwriters of the 2020 Series A Bonds, alleging that the defendants conspired to suppress U.S. dollar London Interbank Offered Rate (“LIBOR”) by collectively submitting U.S. dollar LIBOR rates to the British Bankers’ Association that were artificially low between August 2007 and March 2011. The Commission alleges that the suppression of U.S. dollar LIBOR deprived it of its rightful rate of return on various interest rate swap transactions, and asserts a variety of claims including antitrust claims seeking treble damages. The defendants deny such allegations. Since it was commenced in June 2013, this action has been stayed pending a final determination on motions to dismiss that were filed in similar U.S. dollar LIBOR actions pending before Judge Naomi Reice Buchwald in New York federal district court. On August 4, 2015, Judge Buchwald issued a decision, following which the parties agreed all claims by the Commission against the Citigroup and J.P. Morgan defendants would be dismissed either on the merits or for lack of personal jurisdiction. On May 23, 2016, however, the U.S. Court of Appeals for the Second Circuit vacated the dismissal of the antitrust claims and remanded for further consideration of the issue by the district court.
FINANCIAL STATEMENTS AND INDEPENDENT ACCOUNTANTS

Financial information relating to the Commission is included in the Commission’s Audited Financial Statements for the Fiscal Year Ended June 30, 2019, which are included as part of Appendix A to this Official Statement. The financial statements of the Commission included in Appendix A have been audited by Crowe LLP, Certified Public Accountants (the “Auditors”), as stated in their report appearing in Appendix A. The Auditors were not requested to consent to the inclusion of their report in Appendix A, nor have they undertaken to update their report or to take any action intended or likely to elicit information concerning the accuracy, completeness or fairness of the statements made in this Official Statement, and no opinion is expressed by the Auditors with respect to any event subsequent to the date of their report.

MISCELLANEOUS

This Official Statement is not to be construed as a contract or agreement between the Commission and holders of any of the 2020 Series A Bonds. All quotations from and summaries and explanations of the Indenture, the Act and of other statutes and documents contained herein, do not purport to be complete, and reference is made to said documents and statutes for full and complete statements of their provisions.

Any statements in this Official Statement involving matters of opinion are intended as such and not as representations of fact.

SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION

By: ________________________________
    Executive Director
APPENDIX A

SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION
AUDITED FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019
APPENDIX B
INFORMATION REGARDING THE COUNTY OF SAN DIEGO

Set forth below is certain information with respect to the County of San Diego (the “County”). Such information was obtained from the County and from sources the Commission believes to be reliable as of the latest date when such information was available. The Commission takes no responsibility for the accuracy or completeness of such information.

ECONOMIC AND DEMOGRAPHIC INFORMATION

General

The County is the southernmost major metropolitan area in the State of California (the “State”). The County covers 4,261 square miles, extending 70 miles along the Pacific Coast from the Mexican border to Orange County and inland 75 miles to Imperial County. Riverside and Orange Counties form the northern boundary. The County is approximately the size of the State of Connecticut.

The topography of the County varies from broad coastal plains and fertile inland valleys to mountain ranges in the east which rise to an elevation of 6,500 feet. Eastern slopes of these mountains form the rim of the Anza-Borrego Desert and the Imperial Valley. The Cleveland National Forest occupies much of the interior portion of the County. The climate is stable in the coastal and valley regions where most of the population and resources are located. The average annual rainfall in the coastal areas is approximately 10 inches.

The County possesses a diverse economic base consisting of high technology, manufacturing, tourism, agriculture, government and the largest uniformed military presence in the nation.

PETCO Park, located in the City of San Diego (the “City”), provides a 42,000 fixed seat baseball stadium for the San Diego Padres. PETCO Park is located in a 26-block neighborhood that contains existing and proposed hotels, office space, retail and housing units within walking distance from the San Diego Convention Center and the Gaslamp Quarter. The baseball stadium also is within walking distance of a San Diego Trolley station and nearby parking facilities.

Estimates by the San Diego Convention and Visitors Bureau indicate that the San Diego Convention Center generated approximately $39.1 million in spending during calendar year 2018. In 2018, there were 133 events held at the Convention Center with approximately 553,300 people in attendance. The San Diego Convention Center Corporation estimates that the Convention Center’s operations generate more than a billion dollars of regional economic activity.

The County is also growing as a major center for culture and education. Over 30 recognized art organizations, including the Old Globe Theatre productions, the La Jolla Chamber Orchestra, as well as museums and art galleries, are located in the County. Higher education is provided through community colleges and colleges, universities, and graduate level schools, referenced below under “Education.”

In addition to the City, other principal cities in the County include Carlsbad, Chula Vista, Oceanside, El Cajon, Escondido, San Marcos, and Vista. Most County residents live within 20 miles of the coast. Farther inland are agricultural areas, principally planted in avocados and tomatoes, while the easternmost portion of the County has a dry, desert-like topography.
Population

There are 18 incorporated cities in the County, and a number of unincorporated communities. In the 1990s, the population of the County grew at a greater rate than that of either the State or the nation. The County population as of January 1, 2018 was estimated to be approximately 3,343,000, making it the second largest County by population in California. The County’s 2018 population increased 0.18% from 2015. By 2020, the County’s population is projected to exceed 3.4 million.

The following table shows changes in the population in the County, the State and the United States for the years 2009 to 2018.

<table>
<thead>
<tr>
<th>Year</th>
<th>San Diego County</th>
<th>Percent Change</th>
<th>State of California</th>
<th>Percent Change</th>
<th>United States</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>3,064</td>
<td>1.02%</td>
<td>38,293</td>
<td>1.08%</td>
<td>307,006</td>
<td>0.86%</td>
</tr>
<tr>
<td>2010</td>
<td>3,095</td>
<td>1.01%</td>
<td>37,224</td>
<td>(2.79)</td>
<td>308,745</td>
<td>0.57%</td>
</tr>
<tr>
<td>2011</td>
<td>3,121</td>
<td>0.84</td>
<td>37,537</td>
<td>0.92</td>
<td>311,592</td>
<td>0.92%</td>
</tr>
<tr>
<td>2012</td>
<td>3,153</td>
<td>1.03</td>
<td>37,881</td>
<td>0.92</td>
<td>313,874</td>
<td>0.73%</td>
</tr>
<tr>
<td>2013</td>
<td>3,195</td>
<td>1.33</td>
<td>38,239</td>
<td>0.95</td>
<td>316,129</td>
<td>0.72%</td>
</tr>
<tr>
<td>2014</td>
<td>3,230</td>
<td>1.10</td>
<td>38,567</td>
<td>0.86</td>
<td>317,298</td>
<td>0.37%</td>
</tr>
<tr>
<td>2015</td>
<td>3,264</td>
<td>1.05</td>
<td>38,908</td>
<td>0.88</td>
<td>321,419</td>
<td>1.30%</td>
</tr>
<tr>
<td>2016</td>
<td>3,317</td>
<td>0.82</td>
<td>39,209</td>
<td>0.66</td>
<td>323,071</td>
<td>0.60%</td>
</tr>
<tr>
<td>2017</td>
<td>3,337</td>
<td>0.60</td>
<td>39,399</td>
<td>0.48</td>
<td>325,147</td>
<td>0.70%</td>
</tr>
<tr>
<td>2018</td>
<td>3,343</td>
<td>0.18</td>
<td>39,557</td>
<td>0.40</td>
<td>327,167</td>
<td>0.60%</td>
</tr>
</tbody>
</table>

(1) For 2009 through 2015, population statistics are as of January 1. For 2016 through 2018 population statistics are as of July 1. Source: California State Department of Finance for County and State Data; U.S. bureau of Statistics for National Data.
Employment

The County’s total annual average labor force, the number of persons who work or are available for work, during 2018 was approximately 1,540,000. The annual average number of employed civilian workers in the labor force for the same year was approximately 1,440,000. The following table sets forth information regarding the size of the civilian labor force, employment and unemployment rates for the County, the State and the United States for the full years 2014 through 2018. This employment data shows that San Diego has been adding jobs and is trending towards a lower unemployment rate faster than the rest of the State. In 2018, the County enjoyed a lower unemployment than both the State and the country at 3.3%.

### CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT
### ANNUAL AVERAGES 2014-2018(1)
### By Place of Residence
### (In Thousands)

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>County of San Diego</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Labor Force</td>
<td>1,540</td>
<td>1,550</td>
<td>1,564</td>
<td>1,574</td>
<td>1,592</td>
</tr>
<tr>
<td>Employment</td>
<td>1,440</td>
<td>1,469</td>
<td>1,490</td>
<td>1,511</td>
<td>1,539</td>
</tr>
<tr>
<td>Unemployment Rate</td>
<td>6.4%</td>
<td>5.2%</td>
<td>4.7%</td>
<td>4.0%</td>
<td>3.3%</td>
</tr>
<tr>
<td><strong>State of California</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Labor Force</td>
<td>18,714</td>
<td>18,851</td>
<td>19,044</td>
<td>19,205</td>
<td>19,398</td>
</tr>
<tr>
<td>Employment</td>
<td>17,310</td>
<td>17,681</td>
<td>18,002</td>
<td>18,285</td>
<td>18,582</td>
</tr>
<tr>
<td>Unemployment Rate</td>
<td>7.5%</td>
<td>6.2%</td>
<td>5.5%</td>
<td>4.8%</td>
<td>4.2%</td>
</tr>
<tr>
<td><strong>United States of America</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Labor Force</td>
<td>155,922</td>
<td>157,130</td>
<td>159,187</td>
<td>160,320</td>
<td>162,075</td>
</tr>
<tr>
<td>Employment</td>
<td>146,305</td>
<td>148,843</td>
<td>151,436</td>
<td>153,337</td>
<td>155,761</td>
</tr>
<tr>
<td>Unemployment Rate</td>
<td>6.2%</td>
<td>5.3%</td>
<td>4.9%</td>
<td>4.4%</td>
<td>3.9%</td>
</tr>
</tbody>
</table>

(1) Data not seasonally adjusted. Unemployment rate is based on unrounded data.
The following table sets forth the annual average civilian employment within the County by employment sector for 2014 through 2018.

### SAN DIEGO COUNTY
### NON-AGRICULTURAL LABOR FORCE AND INDUSTRY EMPLOYMENT
### ANNUAL AVERAGES
### 2014-2018\(^{(1)}\)
### (In Thousands)

<table>
<thead>
<tr>
<th>Employment Sector</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mining and Logging</td>
<td>0.4</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
<td>0.3</td>
</tr>
<tr>
<td>Construction</td>
<td>63.9</td>
<td>69.9</td>
<td>76.3</td>
<td>79.5</td>
<td>84.2</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>102.4</td>
<td>106.6</td>
<td>108.4</td>
<td>109.4</td>
<td>112.7</td>
</tr>
<tr>
<td>Trade, Transportation and Utilities</td>
<td>216.2</td>
<td>219.3</td>
<td>220.9</td>
<td>224.7</td>
<td>225.3</td>
</tr>
<tr>
<td>Information</td>
<td>24.5</td>
<td>23.8</td>
<td>23.7</td>
<td>24.0</td>
<td>24.0</td>
</tr>
<tr>
<td>Financial Activities</td>
<td>69.6</td>
<td>71.4</td>
<td>73.0</td>
<td>74.6</td>
<td>75.9</td>
</tr>
<tr>
<td>Professional and Business Services</td>
<td>222.4</td>
<td>229.3</td>
<td>234.5</td>
<td>238.8</td>
<td>248.8</td>
</tr>
<tr>
<td>Educational and Health Services</td>
<td>186.1</td>
<td>192.7</td>
<td>198.7</td>
<td>204.3</td>
<td>210.5</td>
</tr>
<tr>
<td>Leisure and Hospitality</td>
<td>175.5</td>
<td>182.4</td>
<td>190.4</td>
<td>195.6</td>
<td>199.9</td>
</tr>
<tr>
<td>Other Services</td>
<td>52.0</td>
<td>53.2</td>
<td>54.4</td>
<td>55.0</td>
<td>55.4</td>
</tr>
<tr>
<td>Government</td>
<td>231.9</td>
<td>236.2</td>
<td>242.2</td>
<td>246.3</td>
<td>247.6</td>
</tr>
<tr>
<td><strong>Total</strong>(^{(1)})</td>
<td>1,344.9</td>
<td>1,385.1</td>
<td>1,422.8</td>
<td>1,452.5</td>
<td>1,484.6</td>
</tr>
</tbody>
</table>

Source: California Employment Development Department. 2018 Benchmark

\(^{(1)}\) Reflects independent rounding.
Major Employers

The County is host to a diverse mix of major employers representing industries ranging from education and health services, to diversified manufacturing, military, financial services, retail trade and amusement and recreation. The following table lists the County’s major employers.

COUNTY OF SAN DIEGO
MAJOR EMPLOYERS
(As of July 1, 2018)(1)

<table>
<thead>
<tr>
<th>Employer</th>
<th>Description</th>
<th>Number of Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. US Naval Base, San Diego</td>
<td>Naval Base</td>
<td>34,185</td>
</tr>
<tr>
<td>2. University of California, San Diego</td>
<td>University</td>
<td>21,316</td>
</tr>
<tr>
<td>3. County of San Diego(3)</td>
<td>Government</td>
<td>17,413</td>
</tr>
<tr>
<td>5. Sharp HealthCare</td>
<td>Healthcare</td>
<td>12,283</td>
</tr>
<tr>
<td>6. Scripps Health</td>
<td>Healthcare</td>
<td>12,153</td>
</tr>
<tr>
<td>7. Qualcomm Inc.</td>
<td>Technology</td>
<td>11,800</td>
</tr>
<tr>
<td>8. City of San Diego</td>
<td>Municipal Agency</td>
<td>11,462</td>
</tr>
<tr>
<td>9. UC San Diego Health</td>
<td>Healthcare</td>
<td>8,104</td>
</tr>
<tr>
<td>10. General Atomics Aeronautical Systems, Inc.</td>
<td>Technology</td>
<td>6,739</td>
</tr>
</tbody>
</table>

(1) Excludes employers that did not disclose employee information or did not respond to the survey by the applicable deadline.
Regional Economy

Economic activity and population growth in the local economy are closely related. Helping to sustain the County’s economy is the performance of many industries, including Biotechnology, Wireless Communications, Defense Manufacturing and Uniformed Personnel, and Leisure and Hospitality. The table below sets forth the County’s Gross Domestic Product, which is an estimate of the value for all goods and services produced in the region, from 2013 through 2017. Annual figures for 2018 are not yet available.

SAN DIEGO COUNTY
GROSS DOMESTIC PRODUCT
2013-2017

<table>
<thead>
<tr>
<th>Year</th>
<th>Gross Domestic Product (In Billions)(1)</th>
<th>Annual Percent Change (year over year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$198.3</td>
<td>4.9%</td>
</tr>
<tr>
<td>2014</td>
<td>204.9</td>
<td>3.3</td>
</tr>
<tr>
<td>2015</td>
<td>211.8</td>
<td>3.3</td>
</tr>
<tr>
<td>2016</td>
<td>222.9</td>
<td>5.2</td>
</tr>
<tr>
<td>2017</td>
<td>231.8</td>
<td>3.9</td>
</tr>
</tbody>
</table>

Sources:  U.S. Bureau of Economic Analysis, retrieved from FRED, Federal Reserve Bank of St. Louis.

The table below sets forth the assessed valuation of property within the County subject to taxation for Fiscal Years 2008-09 through 2018-19.

ASSESSED VALUATION OF PROPERTY
SUBJECT TO AD VALOREM TAXATION
Fiscal Years 2008-09 through 2018-19
(In Thousands)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Land</th>
<th>Improvements</th>
<th>Personal Property</th>
<th>Gross Assessed Valuation</th>
<th>Exemption(1)</th>
<th>Net Assessed Valuation for Tax Purposes(2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008-09</td>
<td>$184,573,765</td>
<td>$217,641,565</td>
<td>$14,496,587</td>
<td>$416,711,917</td>
<td>$10,336,971</td>
<td>$406,374,945</td>
</tr>
<tr>
<td>2009-10</td>
<td>177,035,056</td>
<td>215,309,621</td>
<td>15,194,665</td>
<td>407,539,342</td>
<td>11,244,820</td>
<td>396,294,522</td>
</tr>
<tr>
<td>2010-11</td>
<td>173,642,233</td>
<td>214,286,031</td>
<td>14,639,554</td>
<td>402,567,818</td>
<td>11,790,769</td>
<td>390,777,049</td>
</tr>
<tr>
<td>2011-12</td>
<td>174,658,242</td>
<td>216,383,122</td>
<td>14,483,422</td>
<td>405,524,786</td>
<td>12,537,490</td>
<td>392,987,296</td>
</tr>
<tr>
<td>2012-13</td>
<td>173,840,948</td>
<td>217,588,947</td>
<td>14,693,957</td>
<td>406,123,852</td>
<td>13,165,008</td>
<td>392,958,844</td>
</tr>
<tr>
<td>2013-14</td>
<td>179,943,404</td>
<td>224,701,971</td>
<td>15,195,049</td>
<td>419,840,424</td>
<td>13,856,802</td>
<td>405,983,622</td>
</tr>
<tr>
<td>2014-15</td>
<td>192,003,349</td>
<td>236,234,389</td>
<td>15,347,042</td>
<td>443,584,780</td>
<td>14,344,037</td>
<td>429,240,743</td>
</tr>
<tr>
<td>2015-16</td>
<td>203,701,281</td>
<td>249,298,560</td>
<td>15,491,395</td>
<td>468,754,236</td>
<td>15,175,726</td>
<td>453,315,510</td>
</tr>
<tr>
<td>2016-17</td>
<td>215,835,633</td>
<td>261,594,164</td>
<td>16,324,650</td>
<td>493,735,447</td>
<td>16,103,351</td>
<td>477,651,096</td>
</tr>
<tr>
<td>2017-18</td>
<td>230,572,975</td>
<td>276,262,039</td>
<td>16,807,985</td>
<td>523,642,999</td>
<td>16,816,816</td>
<td>506,826,183</td>
</tr>
<tr>
<td>2018-19</td>
<td>246,455,471</td>
<td>291,085,650</td>
<td>17,764,620</td>
<td>555,305,741</td>
<td>18,416,932</td>
<td>536,888,809</td>
</tr>
</tbody>
</table>

Sources: County of San Diego, Auditor and Controller.
(1) Exemption figures include veterans, church, welfare, religious, college and cemetery exemptions.
(2) Figures include local secured, unsecured manufactured home and possessory interest, state unitary and redevelopment valuation, if any.
### Building Activity

Annual total building permit valuation and the annual unit total of new residential permits from 2014 through 2018 are shown in the following table.

<table>
<thead>
<tr>
<th>COUNTY OF SAN DIEGO BUILDING PERMIT ACTIVITY 2014 – 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Valuation ($ in Millions):</strong></td>
</tr>
<tr>
<td>Residential</td>
</tr>
<tr>
<td>$1,818</td>
</tr>
<tr>
<td>$2,447</td>
</tr>
<tr>
<td>$2,472</td>
</tr>
<tr>
<td>$2,633</td>
</tr>
<tr>
<td>$2,685</td>
</tr>
<tr>
<td>Non-Residential</td>
</tr>
<tr>
<td>1,921</td>
</tr>
<tr>
<td>1,863</td>
</tr>
<tr>
<td>1,782</td>
</tr>
<tr>
<td>2,371</td>
</tr>
<tr>
<td>1,902</td>
</tr>
<tr>
<td>Total (1)</td>
</tr>
<tr>
<td>$3,739</td>
</tr>
<tr>
<td>$4,310</td>
</tr>
<tr>
<td>$4,255</td>
</tr>
<tr>
<td>$5,004</td>
</tr>
<tr>
<td>$4,587</td>
</tr>
<tr>
<td><strong>New Housing Units:</strong></td>
</tr>
<tr>
<td>Single Family</td>
</tr>
<tr>
<td>2,276</td>
</tr>
<tr>
<td>3,136</td>
</tr>
<tr>
<td>2,420</td>
</tr>
<tr>
<td>3,960</td>
</tr>
<tr>
<td>3,438</td>
</tr>
<tr>
<td>Multiple Family</td>
</tr>
<tr>
<td>4,327</td>
</tr>
<tr>
<td>6,869</td>
</tr>
<tr>
<td>7,680</td>
</tr>
<tr>
<td>6,056</td>
</tr>
<tr>
<td>6,190</td>
</tr>
<tr>
<td>Total (1)</td>
</tr>
<tr>
<td>6,603</td>
</tr>
<tr>
<td>10,005</td>
</tr>
<tr>
<td>10,100</td>
</tr>
<tr>
<td>10,016</td>
</tr>
<tr>
<td>9,628</td>
</tr>
</tbody>
</table>

Source: Construction Industry Research Board and California Homebuilding Foundation.

(1) Totals may not sum due to rounding.

### Commercial Activity

The following table sets forth information regarding taxable sales in the County for the years 2013 through 2017. Annual figures for 2018 are not yet available.

<table>
<thead>
<tr>
<th>COUNTY OF SAN DIEGO TAXABLE SALES 2013 through 2017 (In Thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Type of Business</strong></td>
</tr>
<tr>
<td>Retail and Food Services:</td>
</tr>
<tr>
<td>Motor Vehicle and Parts Dealers</td>
</tr>
<tr>
<td>$6,355,973</td>
</tr>
<tr>
<td>$6,753,234</td>
</tr>
<tr>
<td>$7,294,830</td>
</tr>
<tr>
<td>$7,552,836</td>
</tr>
<tr>
<td>$7,677,235</td>
</tr>
<tr>
<td>Furniture &amp; Home Furnishings Stores</td>
</tr>
<tr>
<td>1,015,878</td>
</tr>
<tr>
<td>1,047,805</td>
</tr>
<tr>
<td>--</td>
</tr>
<tr>
<td>--</td>
</tr>
<tr>
<td>--</td>
</tr>
<tr>
<td>Home Furnishings and Appliance Stores</td>
</tr>
<tr>
<td>--</td>
</tr>
<tr>
<td>--</td>
</tr>
<tr>
<td>2,431,314</td>
</tr>
<tr>
<td>2,555,889</td>
</tr>
<tr>
<td>2,460,470</td>
</tr>
<tr>
<td>Electronics &amp; Appliance Stores</td>
</tr>
<tr>
<td>1,297,063</td>
</tr>
<tr>
<td>1,272,567</td>
</tr>
<tr>
<td>--</td>
</tr>
<tr>
<td>--</td>
</tr>
<tr>
<td>Building Materials and Garden Equipment and Supplies</td>
</tr>
<tr>
<td>2,376,043</td>
</tr>
<tr>
<td>2,474,612</td>
</tr>
<tr>
<td>2,631,077</td>
</tr>
<tr>
<td>2,744,043</td>
</tr>
<tr>
<td>2,924,640</td>
</tr>
<tr>
<td>Food and Beverage Stores</td>
</tr>
<tr>
<td>2,179,811</td>
</tr>
<tr>
<td>2,291,807</td>
</tr>
<tr>
<td>2,306,865</td>
</tr>
<tr>
<td>3,460,970</td>
</tr>
<tr>
<td>2,398,487</td>
</tr>
<tr>
<td>Health &amp; Personal Care Stores</td>
</tr>
<tr>
<td>915,651</td>
</tr>
<tr>
<td>919,455</td>
</tr>
<tr>
<td>--</td>
</tr>
<tr>
<td>--</td>
</tr>
<tr>
<td>--</td>
</tr>
<tr>
<td>Gasoline Stations</td>
</tr>
<tr>
<td>4,515,941</td>
</tr>
<tr>
<td>4,514,898</td>
</tr>
<tr>
<td>3,944,602</td>
</tr>
<tr>
<td>3,460,970</td>
</tr>
<tr>
<td>3,778,677</td>
</tr>
<tr>
<td>Clothing and Clothing Accessories Stores</td>
</tr>
<tr>
<td>3,425,325</td>
</tr>
<tr>
<td>3,482,100</td>
</tr>
<tr>
<td>3,562,794</td>
</tr>
<tr>
<td>3,573,189</td>
</tr>
<tr>
<td>3,637,217</td>
</tr>
<tr>
<td>Sporting Goods, Hobby, Book &amp; Music Stores</td>
</tr>
<tr>
<td>1,031,505</td>
</tr>
<tr>
<td>1,033,870</td>
</tr>
<tr>
<td>--</td>
</tr>
<tr>
<td>--</td>
</tr>
<tr>
<td>--</td>
</tr>
<tr>
<td>General Merchandise Stores</td>
</tr>
<tr>
<td>4,784,812</td>
</tr>
<tr>
<td>4,845,900</td>
</tr>
<tr>
<td>4,398,638</td>
</tr>
<tr>
<td>4,305,596</td>
</tr>
<tr>
<td>4,347,468</td>
</tr>
<tr>
<td>Miscellaneous Store Retailers</td>
</tr>
<tr>
<td>1,539,376</td>
</tr>
<tr>
<td>1,594,890</td>
</tr>
<tr>
<td>--</td>
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<tr>
<td>--</td>
</tr>
<tr>
<td>--</td>
</tr>
<tr>
<td>Food Services and Drinking Places</td>
</tr>
<tr>
<td>556,994</td>
</tr>
<tr>
<td>2,291,807</td>
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<tr>
<td>6,955,660</td>
</tr>
<tr>
<td>7,374,383</td>
</tr>
<tr>
<td>7,739,054</td>
</tr>
<tr>
<td>Nonstore Retailers</td>
</tr>
<tr>
<td>5,954,220</td>
</tr>
<tr>
<td>641,091</td>
</tr>
<tr>
<td>--</td>
</tr>
<tr>
<td>--</td>
</tr>
<tr>
<td>--</td>
</tr>
<tr>
<td>Other Retail Group</td>
</tr>
<tr>
<td>--</td>
</tr>
<tr>
<td>--</td>
</tr>
<tr>
<td>4,463,781</td>
</tr>
<tr>
<td>4,682,868</td>
</tr>
<tr>
<td>4,851,152</td>
</tr>
<tr>
<td>Total Retail and Food Services</td>
</tr>
<tr>
<td>$35,948,594</td>
</tr>
<tr>
<td>$37,257,495</td>
</tr>
<tr>
<td>$37,989,566</td>
</tr>
<tr>
<td>$38,576,362</td>
</tr>
<tr>
<td>$39,814,404</td>
</tr>
<tr>
<td>All Other Outlets</td>
</tr>
<tr>
<td>14,348,737</td>
</tr>
<tr>
<td>15,454,144</td>
</tr>
<tr>
<td>16,196,021</td>
</tr>
<tr>
<td>16,831,503</td>
</tr>
<tr>
<td>17,179,143</td>
</tr>
<tr>
<td>Totals All Outlets</td>
</tr>
<tr>
<td>$50,297,331</td>
</tr>
<tr>
<td>$52,711,639</td>
</tr>
<tr>
<td>$54,185,588</td>
</tr>
<tr>
<td>$55,407,866</td>
</tr>
<tr>
<td>$56,993,548</td>
</tr>
</tbody>
</table>
Source: California Department of Tax and Fee Administration.
Personal Income

The following table summarizes the median household income for the County, the State, and the United States between 2013 and 2017. In 2017, the median household income for the County of San Diego was $76,048. Annual figures for the County for 2018 are not yet available.

<table>
<thead>
<tr>
<th>Year</th>
<th>San Diego County</th>
<th>California</th>
<th>United States</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$61,365</td>
<td>60,794</td>
<td>$53,585</td>
</tr>
<tr>
<td>2014</td>
<td>66,034</td>
<td>60,487</td>
<td>53,657</td>
</tr>
<tr>
<td>2015</td>
<td>67,053</td>
<td>63,636</td>
<td>56,516</td>
</tr>
<tr>
<td>2016</td>
<td>70,693</td>
<td>66,637</td>
<td>59,039</td>
</tr>
<tr>
<td>2017</td>
<td>76,048</td>
<td>70,038</td>
<td>61,136</td>
</tr>
<tr>
<td>2018</td>
<td>N/A</td>
<td>70,489</td>
<td>63,139</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau – retrieved from FRED, Federal Reserve Bank of St. Louis.  
(1) Estimated as of September 2018 in inflation-adjusted dollars.

Transportation

Surface, sea and air transportation facilities serve County residents and businesses. Interstate 5 parallels the coast from Mexico to the Los Angeles area and beyond. Interstate 15 runs inland, leading to Riverside and San Bernardino Counties, Las Vegas, and Salt Lake City. Interstate 8 runs eastward through the southern United States.

The San Diego International Airport (Lindbergh Field) is located approximately three miles northwest of the downtown area and sits on 614 acres. The facilities are owned and maintained by the San Diego County Regional Airport Authority and are leased to commercial airlines and other tenants. The airport is California’s third most active commercial airport, served by 18 passenger carriers and six cargo carriers. In addition to San Diego International Airport, there are two naval air stations and seven general aviation airports located in the County.

Public transportation in the County is provided by two transit operators, the San Diego Metropolitan Transit System (“MTS”) and North County Transit District (“NCTD”). MTS operates the light rail system that provides transportation for commuters and tourists from Downtown San Diego to San Ysidro (adjacent to Tijuana), and from Downtown San Diego to the southern part of the County and East County and includes the newest connection at San Diego State University. MTS also provides fixed route and paratransit services. NCTD operates the 43-mile Coaster Commuter rail line from Oceanside to downtown San Diego as well as the Sprinter light rail that runs from Oceanside to Escondido. Like MTS, NCTD also provides fixed route and paratransit bus services.

San Diego is the terminus of the Santa Fe Railway’s main line from Los Angeles. Amtrak passenger service is available at San Diego, with stops at Solana Beach and Oceanside in the North County. San Diego rail corridor is part of the Los Angeles-San Luis Obispo-San Diego Corridor which is the second busiest rail corridor in the nation. San Diego’s harbor is one of the world’s largest natural harbors. The Port of San Diego is administered by the San Diego Unified Port District, which includes the cities of San Diego, National City, Chula Vista, Imperial Beach, and Coronado.
San Diego’s harbor is one of the world’s largest natural harbors. The Port of San Diego is administered by the San Diego Port District, which included the Cities of San Diego, National City, Chula Vista, Imperial Beach, and Coronado.

Visitor and Convention Activity

An excellent climate, proximity to Mexico, extensive maritime facilities, and such attractions as the San Diego Zoo and Wild Animal Park, Sea World, Cabrillo National Monument, and Palomar Observatory allow San Diego to attract visitor and convention business each year. The development of the 4,600-acre Mission Bay Park at San Diego and the construction of meeting and convention facilities at the San Diego community concourse have contributed to the growth in tourism. The visitor business is expected to continue to increase steadily.

The visitor industry is the City’s third largest in terms of income generation, behind manufacturing and the military. The following table depicts total visitor spending in San Diego County for the past ten years.

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>$6.96</td>
</tr>
<tr>
<td>2010</td>
<td>7.08</td>
</tr>
<tr>
<td>2011</td>
<td>7.49</td>
</tr>
<tr>
<td>2012</td>
<td>7.98</td>
</tr>
<tr>
<td>2013</td>
<td>8.39</td>
</tr>
<tr>
<td>2014</td>
<td>9.21</td>
</tr>
<tr>
<td>2015</td>
<td>9.92</td>
</tr>
<tr>
<td>2016</td>
<td>10.40</td>
</tr>
<tr>
<td>2017</td>
<td>10.82</td>
</tr>
<tr>
<td>2018</td>
<td>11.49</td>
</tr>
</tbody>
</table>

Source: San Diego Tourism Authority.

Major attractions located in the County include the world-renowned San Diego Zoo, the San Diego Wild Animal Park, Legoland, California and Sea World. The San Diego Padres play home games at PETCO Park, located on 18 acres, with a capacity of 42,000. Other attractions include the Cabrillo National Monument on Point Loma, Balboa Park, home to the Zoo and a host of other cultural and recreational activities, downtown’s historic Gaslamp Quarter, and the Old Town State Park. The cruise ship industry is another important sector of the local visitor industry.

There are over 90 golf courses in the County, including the La Costa Golf Course, scene of the Tournament of Champions in 2006 and the championship Torrey Pines Golf Course, where the U.S. Open was held in 2008. Torrey Pines is also slated to host the U.S. Open for the second time in 2021.

The County benefits from its proximity to Mexico, with its sporting attractions such as Jai Alai, thoroughbred racing and ocean fishing, as well as the shopping and entertainment venues of Tijuana. Tijuana may be reached from downtown San Diego by the Red Trolley, and within a short drive from the center of the City, visitors may take in the many beaches, mountains and desert areas within the County.
San Diego’s convention and visitor industry generated an estimated $39.1 million in total revenues in 2018 according to an estimate by the San Diego Convention and Visitors Bureau (the “Visitors Bureau”). The Visitors Bureau also reported that the San Diego Convention Center events attracted more than 785,460 visitors and hosted 133 events (including conventions and other events) in 2018.

Contributing to the growth in total visitor spending has been an increase in convention activity, as displayed in the table below. The convention center has hosted the annual Comic-Con International Convention, the 1996 Republican National Convention and the 2007 California Democratic Party Convention.

### SAN DIEGO CONVENTION CENTER
#### 2009 – 2018

<table>
<thead>
<tr>
<th>Calendar Year</th>
<th>Estimated Spending</th>
<th>Number of Conventions</th>
<th>Total Delegate Attendance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>$541,904,169</td>
<td>71</td>
<td>519,418</td>
</tr>
<tr>
<td>2010</td>
<td>567,413,270</td>
<td>64</td>
<td>543,931</td>
</tr>
<tr>
<td>2011</td>
<td>578,931,514</td>
<td>74</td>
<td>566,658</td>
</tr>
<tr>
<td>2012</td>
<td>621,304,790</td>
<td>67</td>
<td>561,523</td>
</tr>
<tr>
<td>2013</td>
<td>559,947,727</td>
<td>75</td>
<td>524,448</td>
</tr>
<tr>
<td>2014</td>
<td>593,105,421</td>
<td>76</td>
<td>527,621</td>
</tr>
<tr>
<td>2015</td>
<td>620,092,228</td>
<td>71</td>
<td>553,283</td>
</tr>
<tr>
<td>2016</td>
<td>721,047,316</td>
<td>67</td>
<td>697,518</td>
</tr>
<tr>
<td>2017</td>
<td>650,818,239</td>
<td>61</td>
<td>545,366</td>
</tr>
<tr>
<td>2018</td>
<td>733,357,461</td>
<td>68</td>
<td>610,848</td>
</tr>
</tbody>
</table>

Note: Table includes only primary events held at the San Diego Convention Center, it does not include other sources of convention activity in the San Diego region.
Source: San Diego Tourism Authority.

### Education

Forty-two independent school districts provide educational programs for the elementary and secondary public school children in the County. Each school system is governed by a locally elected board of education and administered by a superintendent or other chief administrative officer appointed by the board. In the County there are three types of school districts: elementary, union high and unified. Elementary districts educate elementary students, union high districts for the most part educate secondary students, and unified districts educate both elementary and secondary students. There are currently 12 unified, 24 elementary and 6 union high school districts in the County.

Additionally, there are five community college districts in the County that are locally operated and administered two-year institutions of higher education. They offer Associates in Arts and Associates in Science degrees and have extensive vocational curricula. These community college districts have students at numerous campuses, adult and community centers.

Among the institutions of higher education offering bachelors and graduate programs in metropolitan San Diego are: San Diego State University; the University of California, San Diego; National University; the University of San Diego; Point Loma Nazarene University; California State University – San Marcos; Alliant International University; the University of Phoenix; Thomas Jefferson School of Law, and California Western School of Law.
Military

Military and related defense spending are significant factors in the County economy. Military installations include Marine Corps Base Camp Joseph H. Pendleton; the Marine Corps Recruit Depot; Marine Corps Air Station at Miramar; Naval Air Station North Island; Naval Station San Diego; and Naval Submarine Base, San Diego.

Military and related defense spending are significant factors in the County’s economy. The San Diego Military Economic Impact Study released by the San Diego Military Advisory Council in 2018 estimated that defense-related activities and spending generated an estimated $26 billion of gross regional product for the County in Fiscal Year 2017-18 and reported that the military sector was responsible for approximately 340,000 of the region’s total jobs in Fiscal Year 2017-18. The level of economic activity generated by this factor is expected to be affected by various federal consolidation and budget activities.

Research and Development

Research and development activity plays an important role in the area’s economy. Construction of a major campus of the University of California at San Diego (“UCSD”) in 1964 gave significant impetus to this development.

The County is a leading health sciences and biomedical center. Approximately 35,000 persons are engaged in life sciences-related activities in the metropolitan area, with over 28,000 employed directly in health services. In addition to UCSD, other established research institutions in the La Jolla area of the City include the Salk Institute for Biological Studies, the Scripps Clinic and Research Foundation, and the Scripps Institution of Oceanography.
[insert appendices C-1 and C-2]
APPENDIX C-3

SUMMARY OF CERTAIN PROVISIONS OF THE TIFIA LOAN AGREEMENT

Disbursement Requirements. The proceeds of the Junior Subordinate TIFIA Loan are expected to be fully drawn by the Commission in a single disbursement no later than April 1, 2021. Any requests to disburse the Junior Subordinate TIFIA Loan proceeds must be submitted by the Commission to the TIFIA Lender in the form of a requisition attached to the TIFIA Loan Agreement. Disbursement of Junior Subordinate TIFIA Loan proceeds is subject to certain conditions precedent, including, among others, the following:

(a) the Commission shall have delivered all required invoices and records evidencing Eligible Project Costs relating to the Mid-Coast Corridor Transit Project;

(b) all required insurance policies are in full force and effect;

(c) no event of default or prospective event of default under the TIFIA Loan Agreement has occurred and is continuing;

(d) all representations and warranties are true, correct and complete as of the date of disbursement; and

(e) no material adverse effect, or any event or condition that could reasonably be expected to result in a material adverse effect, shall have occurred and be continuing.

Events of Default and Remedies.

Certain Definitions used under this Caption.

“Pledged Revenues” means (a) all Sales Tax Revenues, (b) all regularly-scheduled amounts (but not termination payments) owed or paid to the Commission by any Qualified Counterparty under any Interest Rate Swap Agreement after offset for the regularly-scheduled amounts (but not termination payments) owed or paid by the Commission to such Qualified Counterparty under such Interest Rate Swap Agreement, (c) any additional revenues or assets of the Commission to be included in the definition of Pledged Revenues pursuant to a Supplemental Indenture; provided, however, that after making the required monthly deposits of Pledged Revenues from the Revenue Fund pursuant to Section 5.02 of the Indenture and Section 8(d) (Security and Priority; Flow of Funds), any remaining amounts transferred to the Commission pursuant to Section 5.02(B) of the Indenture, shall continue to be subject to the lien of the Indenture as Revenues.

“Indenture Documents” means the Senior Indenture, the Seventh Supplemental Indenture, each Supplemental Indenture executed on or after the effective date of the TIFIA Loan Agreement, the Subordinate Indenture, each Interest Rate Swap Agreement, each Credit Enhancement, and each other agreement, instrument and document executed and delivered pursuant to or in connection with any of the foregoing.

“MTS” means the San Diego Metropolitan Transit System, a public agency in the State.

“MTS Direct Agreement” means the Direct Agreement, dated June 27, 2017, by and among the TIFIA Lender, the Borrower and MTS.
“SANDAG Direct Agreement” means the Direct Agreement, dated June 27, 2017, by and among the TIFIA Lender, the Commission and SANDAG.

“TIFIA Loan Documents” means the TIFIA Loan Agreement, the TIFIA Bond, each Direct Agreement, the Seventh Supplemental Indenture and the other Indenture Documents.

**Events of Default.** The following events constitute events of default under the TIFIA Loan Agreement:

1. **Payment Default.** The Commission shall fail to pay any of the principal amount of or interest on the TIFIA Loan, when and as the payment thereof shall be required under the TIFIA Loan Agreement or the TIFIA Bond (as defined herein) or on October 1, 2045, the final maturity date (each such failure, a “Payment Default”).

2. **Covenant Default.** (A) The Commission shall fail to observe or perform any covenant, agreement or obligation of the Commission under the TIFIA Loan Agreement, the TIFIA Bond or any other TIFIA Loan Document (other than in the case of any Payment Default or any Development Default), (B) SANDAG shall fail to observe or perform any covenant, agreement or obligation of SANDAG under the SANDAG Direct Agreement or (C) MTS shall fail to observe or perform any covenant, agreement or obligation of MTS under the MTS Direct Agreement, and any such failure described in clauses (A), (B) or (C) shall not be cured within thirty (30) days after receipt by the applicable Commission Related Party from the TIFIA Lender of written notice thereof; provided, however, that if such failure is capable of cure but cannot reasonably be cured within such thirty (30) day cure period, then no Event of Default shall be deemed to have occurred or be continuing under Section 20(a)(ii) of the TIFIA Loan Agreement (Covenant Default), and such thirty (30) day cure period shall be extended by up to one hundred fifty (150) additional days, if and so long as (x) within such thirty (30) day cure period the Commission, SANDAG or MTS, as applicable, shall commence actions reasonably designed to cure such failure and shall diligently pursue such actions until such failure is cured, and (y) such failure is cured within one hundred eighty (180) days of the date of the notice of default from the TIFIA Lender.

3. **Development Default.** A Development Default shall occur, in which case the TIFIA Lender may (A) suspend the disbursement of TIFIA Loan proceeds under the TIFIA Loan Agreement and (B) pursue such other remedies as provided in Section 20 of the TIFIA Loan Agreement (Events of Default and Remedies). If so requested by the TIFIA Lender in connection with a Development Default, the Commission shall immediately repay any unexpended TIFIA Loan proceeds previously disbursed to the Commission.

4. **Misrepresentation Default.** Any of the representations, warranties or certifications of (A) the Commission made in or delivered pursuant to the TIFIA Loan Documents (or in any certificates delivered by the Commission in connection with the TIFIA Loan Documents), (B) SANDAG made in or delivered pursuant to the SANDAG Direct Agreement (or in any certificates delivered by SANDAG in connection with the SANDAG Direct Agreement) or (C) MTS made in or delivered pursuant to the MTS Direct Agreement (or in any certificates delivered by MTS in connection with the MTS Direct Agreement), shall prove to have been false or misleading in any material respect when made or deemed made (or any representation and warranty that is subject to a materiality qualifier shall prove to have been false or misleading in any respect); provided that no Event of Default shall be deemed to have occurred under Section 20(a)(iv) of the TIFIA Loan Agreement (Misrepresentation Default) if and so long as:
such misrepresentation is not intentional;

(2) in the case of the Commission, such misrepresentation is not a misrepresentation in respect of Section 14(h) (No Debarment), Section 14(j) (Compliance with Federal Requirements), Section 14(k) (Transportation Improvement Program), Section 14(p) (Information), Section 14(q) (OFAC; Anti-Corruption Laws), Section 14(x) (Financial Statements) or Section 14(cc) (Patriot Act);

(3) in the case of SANDAG, such misrepresentation is not a misrepresentation in respect of Sections 5(g), 5(i), 5(m) or 5(n) of the SANDAG Direct Agreement;

(4) in the case of MTS, such misrepresentation is not a misrepresentation in respect of Sections 4(g), 4(i), 4(m) or 4(n) of the MTS Direct Agreement;

(5) in the reasonable determination of the TIFIA Lender, such misrepresentation has not had, and would not reasonably be expected to result in, a material adverse effect;

(6) in the reasonable determination of the TIFIA Lender, the underlying issue giving rise to the misrepresentation is capable of being cured;

(7) the underlying issue giving rise to the misrepresentation is cured by the applicable Commission Related Party within thirty (30) days from the date on which such Commission Related Party first became aware (or reasonably should have become aware) of such misrepresentation; and

(8) the applicable Commission Related Party diligently pursues such cure during such thirty (30) day period.

(v) Acceleration of Secured Obligations or Other Material Indebtedness. Any acceleration shall occur of the maturity of any (A) Secured Obligations or (B) any indebtedness or other payment obligations of the Commission secured by Pledged Revenues in an aggregate principal amount equal to or greater than $1,000,000 that is senior to, or in parity with, the TIFIA Loan in right of payment or in right of security (“Other Material Indebtedness”), or any other indebtedness shall not be paid in full upon the final maturity thereof. For the avoidance of doubt, swap termination payments and term-outs of Secured Obligations that occur in accordance with the terms of such Secured Obligations shall not be considered acceleration.

(vi) Cross Default. (A) Any of the representations, warranties or certifications of the Commission made in or delivered pursuant to the Indenture Documents, or made in or delivered pursuant to the documents (the “Other Loan Documents”) under which any Secured Obligations is created or incurred, shall prove to be false or misleading in any material respect (each an “Other Indebtedness Misrepresentation Default”), or any default shall occur in respect of the performance of any covenant, agreement or obligation of the Commission under the Indenture Documents or the Other Loan Documents, and such default shall be continuing after the giving of any applicable notice and the expiration of any applicable grace period specified in the Indenture Documents or the Other Loan Documents (as the case may be) with respect to such default (each an “Other Indebtedness Covenant Default”), if the effect of such Other Indebtedness Misrepresentation Default or Other Indebtedness Covenant Default shall be to permit the immediate acceleration of the maturity of any or all of the Secured Obligations, and, in the case of any such Other Indebtedness Misrepresentation Default or Other Indebtedness Covenant Default,
the Commission shall have failed to cure such Other Indebtedness Misrepresentation Default or Other Indebtedness Covenant Default or to obtain an effective written waiver thereof in accordance with the terms of such Secured Obligations. For the avoidance of doubt, swap termination payments and term-outs of Secured Obligations that occur in accordance with the terms of such Secured Obligations shall not be considered acceleration.

(B) A Commission Related Party shall default in the timely performance of any covenant, agreement or obligation under any Related Document to which it is party or any Related Document shall be terminated prior to its scheduled expiration (unless in any case such default or termination could not reasonably be expected to have a material adverse effect), and the applicable Commission Related Party shall have failed to cure such default or to obtain an effective written waiver or revocation thereof prior to the expiration of the applicable grace period specified in any such Related Document, or to obtain an effective revocation of such termination (as the case may be); provided, however, that no Event of Default shall be deemed to have occurred or be continuing under Section 20(a)(vi)(B) of the TIFIA Loan Agreement (Cross Default) if, in the case of any termination of a Principal Project Contract, the applicable Commission Related Party replaces such Principal Project Contract with a replacement agreement (1) entered into with another counterparty that (x) is of similar or greater creditworthiness and experience as the counterparty being replaced was at the time the applicable Principal Project Contract was originally executed (or otherwise reasonably acceptable to the TIFIA Lender) and (y) is not, at the time of such replacement, suspended or debarred or subject to a proceeding to suspend or debar from bidding, proposing or contracting with any federal or state department or agency, (2) on substantially the same terms and conditions as the Principal Project Contract being replaced (or otherwise reasonably acceptable to the TIFIA Lender) and (3) effective as of the date of termination of the Principal Project Contract being replaced. For the avoidance of doubt, swap termination payments and term-outs of Secured Obligations that occur in accordance with the terms of such Secured Obligations shall not be considered acceleration.

(vii) Judgments. One or more judgments (A) for the payment of money that are payable from Sales Tax Revenues and the aggregate amount not otherwise fully covered by insurance (for which the insurer has acknowledged and not disputed coverage) is in excess of $1,000,000 (inflated annually by CPI) or (B) that would reasonably be expected to result in a material adverse effect shall, in either case, be rendered against a Commission Related Party, and the same shall remain undischarged for a period of thirty (30) consecutive days during which time period execution shall not be effectively stayed, or any action shall be legally taken by a judgment creditor to attach or levy upon all or any portion of the Trust Estate to enforce any such judgment.

(viii) Failure to Maintain Existence. The Commission shall fail to maintain its existence as a public entity, unless at or prior to the time the Commission ceases to exist in such form a successor public agency or governing body has been created by the State pursuant to a valid and unchallenged State law and has succeeded to the assets of the Commission and has assumed all of the obligations of the Commission under the TIFIA Loan Documents and the Indenture Documents, including the payment of all secured obligations.

(ix) Occurrence of a Bankruptcy Related Event. (A) A bankruptcy related event shall occur with respect to the Commission or (B) a bankruptcy related event shall occur with respect to any Commission Related Party (other than the Commission) or any Principal Project Party; provided, that: (1) a bankruptcy related event in connection with a Principal Project Party shall not constitute an Event of Default if the relevant Commission Related Party shall have promptly provided evidence satisfactory to the TIFIA Lender demonstrating that any substitute Principal Project Party has sufficient financial resources and operating expertise to complete the
Principal Project Contract to which such principal project party was a party; and (2) after the substantial completion date, the occurrence of a bankruptcy related event in connection with any Principal Project Party shall not constitute an Event of Default if at the time of such occurrence, (x) each applicable warranty period shall have ended and no claim against any warranty under the applicable principal project contract shall exist or remain outstanding, or (y) if any applicable warranty period has not yet ended or any claim against any warranty remains outstanding, the Commission promptly provides evidence satisfactory to the TIFIA Lender showing that SANDAG or MTS has (I) sufficient moneys to correct any defect or nonconforming work of such principal project party, and (II) a plan to carry out such works referred to in clause (I) hereof.

(x) **Project Abandonment.** Any Commission Related Party shall abandon the Project.

(xi) **Invalidity of TIFIA Loan Documents.** (A) Any TIFIA Loan Document ceases to be in full force and effect (other than as a result of the termination thereof in accordance with its terms) or becomes void, voidable, illegal or unenforceable, or any Commission Related Party contests in any manner the validity or enforceability of any TIFIA Loan Document to which it is a party or denies it has any further liability under any TIFIA Loan Document to which it is a party, or purports to revoke, terminate or rescind any TIFIA Loan Document to which it is a party; or (B) any Indenture Document ceases (other than as expressly permitted thereunder) to be effective to grant a valid and binding security interest on any material portion of the Trust Estate other than as a result of actions or a failure to act by, and within the control of, the Trustee or any Secured Party, and with the priority purported to be created thereby.

(xii) **Cessation of Operations.** Operation of the Project shall cease for a continuous period of not less than one hundred eighty (180) days unless such cessation of operations shall occur by reason of an Uncontrollable Force that is not due to the fault of any Commission Related Party (and which none of the Commission Related Parties could reasonably have avoided or mitigated).

**Remedies.** Upon the occurrence of an Event of Default described in Section 20(a)(iii) of the TIFIA Loan Agreement (Development Default), all obligations of the TIFIA Lender thereunder with respect to the disbursement of any undisbursed amounts of the TIFIA Loan shall immediately be deemed terminated.

Upon the occurrence of any bankruptcy related event with respect to the Commission, all obligations of the TIFIA Lender thereunder with respect to the disbursement of any undisbursed amounts of the TIFIA Loan shall automatically be deemed terminated, and, if an Event of Default described in the TIFIA Loan Agreement (Acceleration of Secured Obligations or Other Material Indebtedness) shall occur or if the TIFIA Lender has a right to accelerate the TIFIA Loan pursuant to the TIFIA Loan Agreement (Additional Rights), the Outstanding TIFIA Loan Balance, together with all interest accrued thereon and all fees, costs, expenses, indemnities and other amounts payable under the TIFIA Loan Agreement, the TIFIA Bond or the other TIFIA Loan Documents, shall automatically become immediately due and payable, without presentment, demand, notice, declaration, protest or other requirements of any kind, all of which are hereby expressly waived. Upon the occurrence of any other Event of Default, the TIFIA Lender, by written notice to the Commission, may (i) suspend or terminate all of its obligations thereunder with respect to the disbursement of any undisbursed amounts of the TIFIA Loan and (ii) if an Event of Default described in Section 20(a)(v) of the TIFIA Loan Agreement (Acceleration of Secured Obligations or Other Material Indebtedness) shall occur or if the TIFIA Lender has a right to accelerate the TIFIA Loan pursuant to Section 17(n) of the TIFIA Loan Agreement (Additional Rights), declare the unpaid principal amount of the TIFIA Bond to be, and the same shall thereupon forthwith become, immediately due and payable, together with the interest accrued thereon and all fees, costs, expenses, indemnities and other amounts
payable under the TIFIA Loan Agreement, the TIFIA Bond or the other TIFIA Loan Documents, all without presentment, demand, notice, protest or other requirements of any kind, all of which are hereby expressly waived.

Whenever any Event of Default thereunder shall have occurred and be continuing, the TIFIA Lender shall be entitled and empowered to institute any actions or proceedings at law or in equity for the collection of any sums due and unpaid thereunder or under the TIFIA Bond or the other TIFIA Loan Documents, and may prosecute any such judgment or final decree against the Commission and collect in the manner provided by law out of the property of the Commission the moneys adjudged or decreed to be payable, and the TIFIA Lender shall have all of the rights and remedies of a creditor, including all rights and remedies, to the extent applicable to the Trust Estate, of a secured creditor under the Uniform Commercial Code and may take such other actions at law or in equity as may appear necessary or desirable to collect all amounts payable by Commission under the TIFIA Loan Agreement, the TIFIA Bond or the other TIFIA Loan Documents then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Commission under the TIFIA Loan Agreement, the TIFIA Bond or the other TIFIA Loan Documents; provided, however, that any monetary judgment against the Commission shall be payable solely from the Trust Estate or from any other funds made available by the Commission, in its discretion. Whenever any Event of Default under the TIFIA Loan Agreement shall have occurred and be continuing, the TIFIA Lender may suspend or debar the Commission from further participation in any Government program administered by the TIFIA Lender and to notify other departments and agencies of such default. No action taken pursuant to this Section of the TIFIA Loan Agreement (Events of Default and Remedies) shall relieve Commission from its obligations pursuant to the TIFIA Loan Agreement, the TIFIA Bond or the other TIFIA Loan Documents, all of which shall survive any such action. The parties to the TIFIA Loan Agreement acknowledge and agree that the rights and remedies of the TIFIA Lender as the Holder of the TIFIA Bond, including any rights and remedies with respect to the payment thereof, shall be governed exclusively by the Senior Indenture.

In addition to the rights and remedies of Holders set forth in the Senior Indenture, the parties further acknowledge and agree in the TIFIA Loan Agreement that the TIFIA Loan shall be made under and subject to, the terms and conditions set forth in the TIFIA Loan Agreement and the rights and remedies of the TIFIA Lender, including the right to enforce the representations, warranties and covenants made by the Commission exclusively for the benefit of the TIFIA Lender, shall be governed exclusively by those remedies set forth in TIFIA Loan Agreement. In the event of a conflict between the Senior Indenture and the TIFIA Loan Agreement, the provisions of the TIFIA Loan Agreement shall be given precedence; provided, however, in the event there exists a conflict between the provisions of the TIFIA Loan Agreement and the Senior Indenture and performance with the provisions of the TIFIA Loan Agreement is contrary to or inconsistent with the rights of the Holders of other secured obligations under the Senior Indenture, then the provisions of the Senior Indenture shall be given precedence and performance with the provisions thereof shall not constitute a violation of the TIFIA Loan Agreement. Subject to the immediately previous sentence, the Commission shall comply with all provisions of the Senior Indenture and with all documents entered into or delivered in connection with this transaction.
[insert appendix D]
APPENDIX E

BOOK-ENTRY ONLY SYSTEM

Introduction

Unless otherwise noted, the information contained under the subcaption “– General” below has been provided by DTC. Commission makes no representations as to the accuracy or completeness of such information. Further, Commission undertakes no responsibility for and makes no representations as to the accuracy or the completeness of the content of such material contained on DTC’s websites as described under “– General,” including, but not limited to, updates of such information or links to other Internet sites accessed through the aforementioned websites. The Beneficial Owners of the 2020 Series A Bonds should confirm the following information with DTC, the Direct Participants or the Indirect Participants.

NEITHER COMMISSION NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DIRECT PARTICIPANTS, TO INDIRECT PARTICIPANTS OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (A) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DIRECT PARTICIPANT OR ANY INDIRECT PARTICIPANT; (B) ANY NOTICE THAT IS PERMITTED OR REQUIRED TO BE GIVEN TO THE OWNERS OF THE 2020 SERIES A BONDS UNDER THE RESOLUTIONS; (C) THE SELECTION BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE 2020 SERIES A BONDS, IF APPLICABLE; (D) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT TO THE OWNERS OF THE 2020 SERIES A BONDS; (E) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE OWNER OF 2020 SERIES A BONDS; OR (F) ANY OTHER MATTER REGARDING DTC.

General

The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the 2020 Series A Bonds. The 2020 Series A Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered 2020 Series A Bond certificate will be issued for each maturity of the 2020 Series A Bonds and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing
corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). Standard & Poor’s has rated DTC “AA+.” The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. The information set forth on such website is not incorporated herein by reference.

Purchases of the 2020 Series A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2020 Series A Bonds on DTC’s records. The ownership interest of each actual purchaser of each 2020 Series A Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2020 Series A Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the 2020 Series A Bonds, except in the event that use of the book-entry system for the 2020 Series A Bonds is discontinued.

To facilitate subsequent transfers, all 2020 Series A Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the 2020 Series A Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2020 Series A Bonds. DTC’s records reflect only the identity of the Direct Participants to whose accounts such 2020 Series A Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the 2020 Series A Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2020 Series A Bonds, such as redemptions, tenders, defaults, and proposed amendments to the 2020 Series A Bonds documents. For example, Beneficial Owners of the 2020 Series A Bonds may wish to ascertain that the nominee holding the 2020 Series A Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the 2020 Series A Bonds of like maturity are being redeemed, DTC’s practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the 2020 Series A Bonds unless authorized by a Direct Participant in accordance with DTC’s MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Commission as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.’s consenting or voting rights to those Direct Participants to whose accounts the 2020 Series A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal of, premium, if any, and interest on the 2020 Series A Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s
practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detail information from Commission or the Trustee, on payable date in accordance with their respective holdings shown on DTC’s records. Payments by Direct and Indirect Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Participant and not of DTC, the Trustee, or Commission, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal of, premium, if any, and interest on the 2020 Series A Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Commission or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

NEITHER COMMISSION NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DIRECT PARTICIPANTS, INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS WITH RESPECT TO THE PAYMENTS OR THE PROVIDING OF NOTICE TO DIRECT PARTICIPANTS, INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS.

Commission, the Trustee and the Underwriters cannot and do not give any assurances that DTC, the DTC Participants or others will distribute payments of principal or interest on the 2020 Series A Bonds paid to DTC or its nominee as the registered owner, or will distribute any notices, to the Beneficial Owners, or that they will do so on a timely basis or will serve and act in the manner described in this Official Statement. Commission, the Trustee and the Underwriters are not responsible or liable for the failure of DTC or any DTC Participant to make any payment or give any notice to a Beneficial Owner with respect to the 2020 Series A Bonds or for an error or delay relating thereto.

DTC may discontinue providing its services as depository with respect to the 2020 Series A Bonds at any time by giving reasonable notice to Commission or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, 2020 Series A Bonds certificates are required to be printed and delivered.

Commission may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, 2020 Series A Bonds certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC’s book-entry system has been obtained from sources that Commission believes to be reliable, but Commission takes no responsibility for the accuracy thereof.

BENEFICIAL OWNERS WILL NOT RECEIVE PHYSICAL DELIVERY OF 2020 SERIES A BONDS AND WILL NOT BE RECOGNIZED BY THE TRUSTEE AS OWNERS THEREOF, AND BENEFICIAL OWNERS WILL BE PERMITTED TO EXERCISE THE RIGHTS OF OWNERS ONLY INDIRECTLY THROUGH DTC AND THE DTC PARTICIPANTS.
APPENDIX F

PROPOSED FORM OF OPINION OF BOND COUNSEL

____________, 2020

San Diego County Regional
Transportation Commission
401 B Street, Suite 800
San Diego, CA 92101

Re:   $____________ San Diego County Regional Transportation Commission Sales Tax Revenue
      Bonds (Limited Tax Bonds), 2020 Series A

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the issuance of $____________ San Diego County
Regional Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds), 2020 Series A (the
“2020 Series A Bonds”) issued by the San Diego County Regional Transportation Commission (the
“Commission”), duly organized and existing under the San Diego County Regional Transportation
Commission Act, Chapter 2 of Division 12.7 (Sections 132000 and following) of the Public Utilities Code
of the State of California, (the “Act”).

The 2020 Series A Bonds will be issued and secured pursuant to the Act and the Indenture, dated as of
March 1, 2008, between the Commission and U.S. Bank National Association, as trustee (the “Trustee”),
as supplemented by a First Supplemental Indenture, dated as of March 1, 2008, a Second Supplemental
Indenture, dated as of July 1, 2008, a Third Supplemental Indenture, dated as of October 1, 2010, a Fourth
Supplemental Indenture, dated as of June 1, 2012, a Fifth Supplemental Indenture, dated as of September
1, 2014, a Sixth Supplemental Indenture, dated as of August 1, 2016, a Seventh Supplemental Indenture,
dated as of June 1, 2017, an Eighth Supplemental Indenture, dated as of December 1, 2019, and a Ninth
Supplemental Indenture, dated as of [DATED DATE] and, as so supplemented and as further supplemented
from time to time pursuant to its terms, is referred to herein as the “Indenture.” Capitalized terms used and
not defined herein shall have the meanings ascribed to such terms in the Indenture.

The 2020 Series A Bonds are being issued and secured pursuant to the Act and the Indenture, dated as of
March 1, 2008, between the Commission and U.S. Bank National Association, as trustee (the “Trustee”),
as supplemented by a First Supplemental Indenture, dated as of March 1, 2008, a Second Supplemental
Indenture, dated as of July 1, 2008, a Third Supplemental Indenture, dated as of October 1, 2010, a Fourth
Supplemental Indenture, dated as of June 1, 2012, a Fifth Supplemental Indenture, dated as of September
1, 2014, a Sixth Supplemental Indenture, dated as of August 1, 2016, a Seventh Supplemental Indenture,
dated as of June 1, 2017, an Eighth Supplemental Indenture, dated as of December 1, 2019, and a Ninth
Supplemental Indenture, dated as of [DATED DATE] and, as so supplemented and as further supplemented
from time to time pursuant to its terms, is referred to herein as the “Indenture.” Capitalized terms used and
not defined herein shall have the meanings ascribed to such terms in the Indenture.

The 2020 Series A Bonds are being issued to: (i) finance, refinance and/or reimburse the Commission for
its prior payment of the Costs of the Project, (ii) [refund [all or a portion of] the outstanding San Diego
County Regional Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds) 2010 Series
B, currently outstanding in the aggregate principal amount of $5,515,000,] and (iii) pay the costs of issuing
the 2020 Series A Bonds.

The 2020 Series A Bonds are limited obligations of the Commission secured by a pledge of sales tax
revenues (herein called the “Sales Tax Revenues”) derived from a one-half of one percent (0.5%) retail
transactions and use tax, imposed in accordance with the Act and the California Transactions and Use Tax
Law (Revenue and Taxation Code Section 7251 and following), net of an administrative fee paid to the
California Department of Tax and Fee Administration The 2020 Series A Bonds are further secured by a
pledge of certain amounts held by the Trustee under the Indenture.
As Bond Counsel, we have examined copies certified to us as being true and complete copies of the proceedings of the Commission in connection with the issuance of the 2020 Series A Bonds. We have also examined such certificates of officers of the Commission and others as we have considered necessary for the purposes of this opinion.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The 2020 Series A Bonds constitute valid and binding limited obligations of the Commission as provided in the Indenture, and are entitled to the benefits of the Indenture. The 2020 Series A Bonds are payable from Sales Tax Revenues and certain amounts held by the Trustee under the Indenture.

2. The Indenture has been duly and validly authorized, executed and delivered by the Commission and, assuming the enforceability thereof against the Trustee, constitutes the legally valid and binding obligation of the Commission, enforceable against the Commission in accordance with its terms. The Indenture creates a valid pledge, to secure the payment of principal of and interest on the 2020 Series A Bonds, of the Sales Tax Revenues and other amounts held by the Trustee in certain funds and accounts established pursuant to the Indenture, subject to the provisions of the Indenture permitting the application thereof for other purposes and on the terms and conditions set forth therein.

3. Assuming continuing compliance by the Commission with certain covenants in the Indenture and other documents pertaining to the 2020 Series A Bonds and requirements of the Internal Revenue Code of 1986, as amended, regarding the use, expenditure and investment of proceeds of the 2020 Series A Bonds and the timely payment of certain investment earnings to the United States, interest on the 2020 Series A Bonds is not includable in the gross income of the owners of the 2020 Series A Bonds for purposes of federal income taxation. Interest on the 2020 Series A Bonds is not treated as an item of tax preference for purposes of computing the federal alternative minimum tax.

4. Under existing law, interest on the 2020 Series A Bonds is exempt from personal income taxes of the State of California under present state law.

Other than as provided in paragraphs 3 and 4 above, we have not addressed, and are not opining on, the tax consequences to any person of the investment in, or of the receipt or accrual of interest on, the 2020 Series A Bonds. Further, certain requirements and procedures contained or referred to in the Indenture or in other documents pertaining to the 2020 Series A Bonds may be changed, and certain actions may be taken, under the circumstances and subject to the terms and conditions set forth in such documents, upon the advice or with the approving opinion of counsel nationally recognized in the area of tax-exempt obligations. We express no opinion as to the effect of any change to any document pertaining to the 2020 Series A Bonds or of any action taken or not taken where such change is made or action is taken or not taken without our approval or in reliance upon the advice of counsel other than ourselves with respect to the exclusion from gross income of the interest on the 2020 Series A Bonds for federal income tax purposes.

The opinions expressed in paragraphs 1 and 2 above are qualified to the extent the enforceability of the 2020 Series A Bonds and the Indenture may be limited by applicable bankruptcy, insolvency, debt adjustment, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors’ rights generally or as to the availability of any particular remedy. The enforceability of the 2020 Series A Bonds and the Indenture is subject to the effect of general principles of equity, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing, to the possible unavailability
of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law, and to the limitations on legal remedies against governmental entities in California.

No opinion is expressed herein on the accuracy, completeness or fairness of the Official Statement or other offering material relating to the 2020 Series A Bonds.

Our opinions are based on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our opinions to reflect any facts or circumstances that may thereafter come to our attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, our opinions are not a guarantee of result and are not binding on the Internal Revenue Service; rather, such opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the representations and covenants referenced above.

Respectfully submitted,
SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION
SALES TAX REVENUE BONDS
(LIMITED TAX BONDS)
2020 SERIES A

BOND PURCHASE AGREEMENT

__, 2020

San Diego County Regional Transportation Commission
401 B Street, Suite 800
San Diego, California 92101

Ladies and Gentlemen:

Goldman Sachs & Co. LLC (the “Representative”), acting on behalf of itself and Citigroup Global Markets Inc., J.P. Morgan Securities LLC, Stifel, Nicolaus & Company, Incorporated and Wells Fargo Bank, National Association (collectively the “Underwriters”), hereby offers to enter into this Bond Purchase Agreement with the San Diego County Regional Transportation Commission (the “Commission”), which, upon the Commission’s acceptance hereof, will be binding upon the Commission and the Underwriters. This offer is made subject to the written acceptance of this Bond Purchase Agreement by the Commission and the delivery of such acceptance to the Representative or its attorney at or prior to 6:00 p.m., Pacific time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Underwriters upon notice delivered to the Commission at any time prior to the acceptance hereof by the Commission.

The Representative represents and warrants to the Commission that it has been duly authorized to enter into this Bond Purchase Agreement and to act hereunder by and on behalf of the Underwriters.

1. **Definitions.** All capitalized terms not defined herein shall have the meanings ascribed to them in the Indenture, as defined below. Unless a different meaning clearly appears from the context, the following words and terms shall have the following meanings, respectively:

   “Bond Purchase Agreement” shall mean this Bond Purchase Agreement.

   “Bond Resolution” shall mean Resolution No. RTC-2020-__ adopted by the Commission on ____, 2020.

   “Business Day” shall mean any day other than a Saturday, Sunday or legal holiday in the State or in New York, New York or a day on which either the Trustee or the Commission is legally authorized to close.

   “Closing Date” shall have the meaning given such term in Section 7 hereof.
“Closing Time” shall mean the time at which payment for and delivery of the Series 2020 Series A Bonds shall occur, as established pursuant to Section 7 hereof.

“Continuing Disclosure Agreement” shall mean the Continuing Disclosure Agreement dated ___ __, 2020.

“County” shall mean the County of San Diego, California.

“End Date” shall have the meaning set forth in Section 2 hereof.

“Escrow Agreement” shall mean the Escrow Agreement dated _____, 2020.

“Indenture” shall mean the Indenture, dated as of March 1, 2008, between the Commission and the Trustee, as amended or supplemented, including as supplemented by the Ninth Supplemental Indenture.

“Legal Documents” shall mean the Indenture, the Continuing Disclosure Agreement, the Escrow Agreement and the Tax Certificate.

“Ninth Supplemental Indenture” shall mean the Ninth Supplemental Indenture, dated as of ___ 1, 2020, between the Commission and U.S. Bank National Association, as Trustee, as amended or supplemented.

“Official Statement” shall mean the Official Statement of the Commission, dated _____, 2020, relating to the 2020 Series A Bonds, together with the cover page thereof and all appendices, exhibits, amendments and supplements thereto.

“Preliminary Official Statement” shall mean the Preliminary Official Statement of the Commission, dated ___ __, 2020, relating to the 2020 Series A, together with the cover page thereof and all appendices, exhibits, amendments and supplements thereto.


“Sales Tax” shall mean the 1/2 of 1% retail transactions and use tax imposed by the Commission and approved by the electors of the County at an election held November 3, 1987 and extended by the electors of the County at an election held November 2, 2004.

“State” shall mean the State of California.

“Tax Certificate” shall mean the Tax Certificate of the Commission dated the Closing Date.

“2020 Series A Bonds” shall mean $______ aggregate principal amount of San Diego County Regional Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds), 2020 Series A.
2. **Use and Preparation of Official Statement; Continuing Disclosure Agreement.**

The Commission has heretofore delivered to the Underwriters copies of the Preliminary Official Statement, which the Commission has deemed final as of its date, except for the omission of such information as is permitted to be omitted in accordance with paragraph (b)(1) of Rule 15c2-12. The Commission shall prepare and deliver to the Underwriters, as promptly as practicable, but in no event later than seven (7) business days from the date hereof and at least two (2) business days prior to the Closing Date, whichever occurs first, a final Official Statement, with such changes and amendments as may be agreed to by the Representative, in such quantities as the Underwriters may reasonably request in order to comply with paragraph (b)(4) of Rule 15c2-12 and the rules of the Municipal Securities Rulemaking Board (the “MSRB”). The Commission hereby ratifies, confirms and approves the use and distribution by the Underwriters prior to the date hereof of the Preliminary Official Statement and hereby authorizes the Underwriters to use and distribute the Official Statement and all information contained herein in connection with the public offering and sale of the 2020 Series A. The Representative agrees to promptly file a copy of the Official Statement, including any supplements prepared by the Commission, with the MSRB on its Electronic Municipal Markets Access (“EMMA”) system. The Commission shall deliver sufficient copies of the Official Statement to enable the Underwriters to distribute a single copy to any potential customer of the Underwriters requesting an Official Statement during the time period beginning when the Official Statement becomes available and ending on a date referred to herein as the “End Date,” which is the date when the Official Statement becomes available through EMMA, but in no event less than 25 days after the end of the underwriting period (as defined in Rule 15c2-12). On the Closing Date the Commission may assume that the end of the underwriting period has occurred unless otherwise informed in writing by the Underwriters. In any event, the Underwriters shall promptly notify the Commission of the end of the underwriting period.

The Commission will undertake pursuant to a Continuing Disclosure Agreement, to be dated as of the date of issuance of the 2020 Series A, to provide certain annual financial and operating information and certain material event notices. A description of this undertaking is set forth in the Official Statement.

3. **Purchase and Sale of the 2020 Series A.** Upon the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Underwriters hereby agree to purchase from the Commission the 2020 Series A for offering to the public, and the Commission hereby agrees to sell to the Underwriters, all (but not less than all) of the $________ aggregate principal amount of the 2020 Series A at an aggregate purchase price of $________ (the “Purchase Price”), representing the aggregate principal amount of the 2020 Series A, plus original issue premium of $________, less an underwriters’ discount of $________.

4. **The 2020 Series A.** The principal amounts, maturity dates, interest rates and prices with respect to the 2020 Series A shall be as described in the Official Statement and in Appendix A hereto.
5. Public Offering; Establishment of Issue Price.

(a) The Underwriters agree to make a bona fide public offering of all the 2020 Series A initially at prices set forth on Schedule I hereto. After such initial public offering, the Underwriters reserve the right to change such offering prices from time to time as they deem necessary.

(b) The Representative, on behalf of itself and the other Underwriters, agrees to assist the Commission in establishing the issue price of the 2020 Series A and shall execute and deliver to the Commission at Closing an “issue price” or similar certificate, substantially in the form attached hereto as Appendix C, together with the supporting pricing wires or equivalent communications, with such modifications as may be deemed appropriate or necessary, in the reasonable judgment of the Representative, the Commission and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the 2020 Series A.

(c) [Except for the maturities set forth in Schedule II hereto that are subject to the hold-the-offering-price rule (as hereinafter defined),] the Commission represents that it will treat the first price at which 10% of each maturity of the 2020 Series A (the “10% test”) is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). [If, as of the date hereof, the 10% test has not been satisfied as to any maturity of the 2020 Series A for which the Commission has elected to utilize the 10% test, the Representative agrees to promptly report to the Commission the prices at which 2020 Series A of that maturity or maturities have been sold by the underwriters to the public. That reporting obligation shall continue until the earlier of the date upon which the 10% test has been satisfied as to the 2020 Series A of that maturity or maturities or the date all of the 2020 Series A of that maturity or maturities have been sold to the public].

(d) The Representative confirms that the underwriters have offered the 2020 Series A to the public on or before the date of this Bond Purchase Agreement at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth on Schedule I hereto. Schedule II to Appendix C attached hereto sets forth, as of the date of this Bond Purchase Agreement, the maturities, if any, of the 2020 Series A for which the 10% test has not been satisfied and for which the Commission and the Representative, on behalf of the underwriters, agree that the restrictions set forth in the next sentence shall apply (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the 2020 Series A, the Representative has agreed to [hold][purchase] such unsold 2020 Series A of that maturity and not offer nor sell any such Unsold 2020 Series A to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

(1) the close of the fifth (5th) business day after the sale date; or

(2) the date on which the underwriters have sold at least 10% of that maturity of the 2020 Series A to the public at a price that is no higher than the initial offering price to the public.
The Representative shall promptly advise the Commission when it has sold 10% of that maturity of the 2020 Series A to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the fifth (5th) business day after the sale date.

The Commission acknowledges that the Representative shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no other underwriter shall be liable for the failure of the Representative [or of any dealer who is a member of the Representative’s selling group, or of any broker-dealer that is a party to a retail distribution agreement with the Representative, to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the 2020 Series A].

(e) The Representative confirms that the underwriters have offered the 2020 Series A to the public on or before the date of this Bond Purchase Agreement at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth on Schedule I hereto.

(f) The Representative confirms that:

(i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the Representative is a party) relating to the initial sale of the 2020 Series A to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A)(1) report the prices at which it sells to the public the unsold 2020 Series A of each maturity allotted to it until it is notified by the Representative that either the 10% test has been satisfied as to the 2020 Series A of that maturity or all 2020 Series A of that maturity have been sold to the public and (2) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Representative and as set forth in the related pricing wires, (B) promptly notify the Representative of any sales of the 2020 Series A that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the 2020 Series A to the public (each such term being used as defined below), and (C) acknowledge that, unless otherwise advised by the Underwriter, dealer or broker-dealer, the Representative shall assume that each order submitted by the Underwriter, dealer or broker-dealer is a sale to the public; and

(ii) any agreement among underwriters and any selling group agreement relating to the initial sale of the 2020 Series A to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the 2020 Series A to the public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it
sells to the public the unsold 2020 Series A of each maturity allotted to it until it is notified by the Representative or the Underwriter that either the 10% test has been satisfied as to the 2020 Series A of that maturity or all 2020 Series A of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Representative or the Underwriter and as set forth in the related pricing wires.

(f) The Underwriters acknowledge that sales of any 2020 Series A to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(i) “public” means any person other than an underwriter or a related party to an underwriter,

(ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Commission (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the 2020 Series A to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the 2020 Series A to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the 2020 Series A to the public),

(iii) a purchaser of any of the 2020 Series A is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) “sale date” means the first day on which there is a binding contract in writing for the sale of the 2020 Series A.

6. Use of Documents. The Commission hereby authorizes the Underwriters to use, in connection with the public offering and sale of the 2020 Series A, this Bond Purchase Agreement, the Preliminary Official Statement, the Official Statement and the Legal Documents, and the information contained herein and therein.
7. **Closing.** The Closing Time shall be no later than 10:00 a.m., Pacific time, on _____, 2020, or at such other time or on such later date as shall have been mutually agreed upon by the Commission and the Representative (the “Closing Date”). At the Closing Time, the Commission will deliver or cause to be delivered the 2020 Series A to the Underwriters through The Depository Trust Company (“DTC”) in definitive or temporary form, duly executed by the Commission, together with the other documents hereinafter mentioned; and the Underwriters will accept such delivery and pay the Purchase Price in immediately available funds to the Trustee.

The 2020 Series A will be registered in the name of “Cede & Co.” as nominee of DTC. It is anticipated that CUSIP identification numbers will be printed on the 2020 Series A, but neither the failure to print such numbers on the 2020 Series A nor any error with respect thereto shall constitute a cause for failure or refusal by the Underwriters to accept delivery of the 2020 Series A in accordance with the terms of this Bond Purchase Agreement.

Delivery of the 2020 Series A will be made through the book-entry system of DTC, and all other actions to be taken at the Closing Time, including the delivery of the items set forth in Section 9 hereof, shall take place at the offices of Norton Rose Fulbright US LLP, Los Angeles, California, or at such other place as shall have been mutually agreed upon by the Commission and the Representative.

8. **Representations, Warranties and Agreements of the Commission.** The Commission hereby represents, warrants and agrees with the Underwriters that:

(a) The Commission has been duly created and is validly existing under the laws of the State and has the power to issue the 2020 Series A pursuant to the Act, the Bond Resolution and the Legal Documents.

(b) The Commission has full legal right, power and authority under the Constitution and the laws of the State to cause the collection of the Sales Tax, to adopt the Bond Resolution, to enter into the Legal Documents and this Bond Purchase Agreement, and to sell, issue and deliver the 2020 Series A to the Underwriters as provided herein; the Commission has full legal right, power and authority to perform its obligations under the Bond Resolution, the 2020 Series A, the Legal Documents and this Bond Purchase Agreement, and to carry out and consummate the transactions contemplated thereby and hereby and by the Official Statement; except as described in the Preliminary Official Statement and the Official Statement, the Commission has complied with, or will at the Closing Time be in compliance with, in all respects material to this transaction, the Constitution, the Act, the Ordinance and laws of the State, and the terms of the Bond Resolution, the 2020 Series A, the Legal Documents and this Bond Purchase Agreement.

(c) Except as described in the Preliminary Official Statement and the Official Statement, by all necessary official action, the Commission has duly adopted the Ordinance, which was approved by a majority of the voters in the County on November 3, 1987 and extended by more than a two-thirds vote of the voters in the County voting on such extension on November 2, 2004.
(d) By all necessary official action, the Commission has duly adopted the Bond Resolution, has duly authorized the preparation and distribution of the Preliminary Official Statement and the preparation, execution and delivery of the Official Statement, has duly authorized and approved the execution and delivery of, and the performance of its obligations under, the 2020 Series A, this Bond Purchase Agreement and the Legal Documents, and the consummation by it of all other transactions contemplated by this Bond Purchase Agreement, the Bond Resolution, and the Legal Documents. When executed and delivered by their respective parties, the Legal Documents and this Bond Purchase Agreement (assuming due authorization, execution and delivery by and enforceability against the other parties thereto) will be in full force and effect and each will constitute legal, valid and binding agreements or obligations of the Commission, enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors’ rights generally, the application of equitable principles, the exercise of judicial discretion and the limitations on legal remedies against public entities in the State.

(e) The 2020 Series A, when issued, authenticated and delivered in accordance with the Bond Resolution and the Indenture, and sold to the Underwriters as provided herein, will constitute legal, valid and binding obligations of the Commission, enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors’ rights generally, the application of equitable principles, the exercise of judicial discretion and the limitations on legal remedies against public entities in the State, and will be entitled to the benefits of the laws of the State, the Indenture and the Bond Resolution.

(f) All consents, approvals, authorizations, orders, licenses or permits of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter, that are required for the due authorization by, or that would constitute a condition precedent to or the absence of which would materially adversely affect the issuance, delivery or sale of the 2020 Series A and the execution, delivery of and performance of the Legal Documents by the Commission have been duly obtained (except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the 2020 Series A, as to which no representation is made).

(g) Except as described in the Preliminary Official Statement and the Official Statement, the Commission is not in any material respect in breach of or default under any constitutional provision, law or administrative regulation of the State or of the United States or any agency or instrumentality of either or any judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Commission is a party or to which the Commission or any of its property or assets is otherwise subject (including, without limitation, the Bond Resolution and the Legal Documents), and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument; and the adoption of the Bond Resolution, the issuance, delivery and sale of the 2020 Series A and the execution and delivery of this Bond Purchase Agreement and the Legal Documents and compliance with the Commission’s obligations therein and herein will not in any material respect conflict with,
violate or result in a breach of or constitute a default under, any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, agreement, mortgage, lease or other instrument to which the Commission is a party or to which the Commission or any of its property or assets is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Commission or under the terms of any such law, regulation or instruments, except as provided by the Bond Resolution and the Legal Documents.

(h) As of the date hereof, no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court, government agency, public board or body, is pending or, to the best of the Commission’s knowledge, threatened against the Commission: (i) in any way affecting the existence of the Commission or in any way challenging the respective powers of the several offices or the titles of the officials of the Commission to such offices; (ii) affecting or seeking to prohibit, restrain or enjoin the issuance, sale or delivery of any of the 2020 Series A, the application of the proceeds of the sale of the 2020 Series A, the proceedings authorizing and approving the Sales Tax, the levy or collection of the Sales Tax; (iii) in any way contesting or affecting, as to the Commission, the validity or enforceability of the Act, the proceedings authorizing the Sales Tax, the Bond Resolution, the 2020 Series A, the Legal Documents or this Bond Purchase Agreement; (iv) in any way contesting the powers of the Commission or its authority with respect to issuance or delivery of the 2020 Series A, the adoption of the Bond Resolution, or the execution and delivery of the Legal Documents or this Bond Purchase Agreement, or contesting the power or authority to levy the Sales Tax; (v) contesting the exclusion from gross income of interest on the 2020 Series A for federal income tax purposes; (vi) in any way contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or any supplement or amendment thereto; or (vii) in any way contesting or challenging the consummation of the transactions contemplated hereby or thereby or that might materially adversely affect the ability of the Commission to perform and satisfy its obligations under this Bond Purchase Agreement, the Legal Documents or the 2020 Series A; nor to the best of the Commission’s knowledge is there any basis for any such action, suit, proceeding, inquiry or investigation, wherein an unfavorable decision, ruling or finding would materially adversely affect the Act, the proceedings authorizing the Sales Tax, the Bond Resolution, the Legal Documents or this Bond Purchase Agreement or the performance by the Commission of its obligations thereunder, or the authorization, execution, delivery or performance by the Commission of the 2020 Series A, the Bond Resolution, the Legal Documents or this Bond Purchase Agreement.

(i) Between the date hereof and the Closing Time, the Commission will not, without the prior written consent of the Representative, offer or issue in any material amount any bonds, notes or other obligations for borrowed money, or in any material amount incur any material liabilities, direct or contingent, except in the course of normal business operations of the Commission or relating to the Project or except for such borrowings as may be described in or contemplated by the Preliminary Official Statement and the Official Statement.

(j) The Commission will furnish such information, execute such instruments, and take such other action in cooperation with and at the expense of the Underwriters as the Underwriters may reasonably request in order (i) to qualify the 2020 Series A for sale under the
Blue Sky or other securities laws and regulations of such states and other jurisdictions in the United States as the Underwriters may designate and (ii) to determine the eligibility of the 2020 Series A for investment under the laws of such states and other jurisdictions; and the Commission will use commercially reasonable efforts to continue such qualification in effect so long as required for distribution of the 2020 Series A; provided, however, that in no event shall the Commission be required to take any action which would subject itself to service of process in any jurisdiction in which it is not already so subject, and will provide prompt written notice to the Underwriters of receipt by the Commission of any written notification with regard to the suspension of the qualification of the 2020 Series A for sale in any jurisdiction or the initiation or threat of any proceeding for that purpose.

(k) The Commission has the legal authority to apply and will apply, or cause to be applied, the proceeds from the sale of the 2020 Series A as provided in and subject to all of the terms and provisions of the Act, the Ordinance, the Bond Resolution and the Indenture, and will not take or omit to take any action which action or omission will adversely affect the exclusion from gross income for federal income tax purposes of the interest on the 2020 Series A.

(l) The 2020 Series A, when issued, will conform to the description thereof contained in the Preliminary Official Statement (other than the information as to principal amounts, interest rates, redemption provisions and other information subject to change) and the Official Statement under the captions “DESCRIPTION OF THE 2020 SERIES A BONDS” and Appendix C — “DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE”; the proceeds of the 2020 Series A, when issued, will be applied generally as described in the Preliminary Official Statement and the Official Statement under the captions “INTRODUCTION — Application of 2020 Series A Bond Proceeds” and “FINANCING PLAN”; and the Bond Resolution and the Indenture conform to the descriptions thereof contained in the Preliminary Official Statement and the Official Statement.

(m) The Preliminary Official Statement (other than information allowed to be omitted by Rule 15c2-12), as of its date and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading (excluding therefrom the information contained under the caption “UNDERWRITING” and all information concerning the book-entry system set forth under the caption “DESCRIPTION OF THE 2020 SERIES A BONDS — General” and in Appendix E as to which no representations or warranties are made and the information in Appendix C, which is correct in all material respects).

(n) As of the date hereof, and (unless an event occurs of the nature described in paragraph (p) of this Section 8) at all times subsequent thereto, up to and including the Closing Time, the Official Statement (excluding therefrom the information under the caption “UNDERWRITING” and all information concerning the book-entry system set forth under the caption “DESCRIPTION OF THE 2020 SERIES A BONDS — General” and in Appendix E as to which no representations or warranties are made and the information in Appendix C, which is correct in all material respects) did not and does not contain any untrue statement of a material
fact or omit to state a material fact necessary in order to make the statements in the Official Statement, in the light of the circumstances under which they are made, not misleading.

(o) If the Official Statement is supplemented or amended pursuant to paragraph (p) of this Section 8, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto up to and including the Closing Time, the Official Statement as so supplemented or amended will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(p) The Commission shall not amend or supplement the Official Statement without the prior written consent of the Representative, which shall not be unreasonably withheld. If between the date hereof and the Closing Time, any event shall occur which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Commission shall notify the Representative thereof, and if, in the opinion of the Representative, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Commission shall forthwith prepare and furnish (at the expense of the Commission) a reasonable number of copies of an amendment of or supplement to the Official Statement in form and substance satisfactory to the Representative.

(q) Except as described in the Preliminary Official Statement and the Official Statement, and except for a pledge of Revenues or other funds, which is subordinate to the pledge securing repayment of the 2020A Bonds, in connection with (i) a loan obtained by the Commission under the Transportation Infrastructure Finance and Innovation Act or (ii) a new or extended credit or liquidity facility supporting the Commission’s commercial paper notes, the Commission has not granted a lien on or made a pledge of the Revenues or any other funds pledged under the Indenture.

(r) The Commission is not in default in any material respect on any bond, note or other obligation for borrowed money or under any agreement under which any such obligation is outstanding, and at no time has defaulted in any material respect on any payment obligation with respect to such outstanding bonds, notes or other obligations for borrowed money.

(s) The financial statements of, and other financial information regarding, the Commission in the Preliminary Official Statement and the Official Statement relating to the receipts, expenditures and cash balances of Revenues by the Commission as of June 30, 2019 fairly represent the receipts, expenditures and cash balances of such amounts and, insofar as presented, other funds of the Commission as of the dates and for the periods therein set forth. The financial statements of the Commission have been prepared in accordance with generally accepted accounting principles consistently applied. Except as disclosed in the Preliminary Official Statement and the Official Statement or otherwise disclosed in writing to the Representative, there has not been any materially adverse change in the financial condition of the Commission or in its operations since June 30, 2019 and there has been no occurrence,
circumstance or combination thereof which is reasonably expected to result in any such materially adverse change.

(t) Prior to the Closing Time, the Commission will not take any action within or under its control, other than actions in the normal course of operation, that will cause any material adverse change in such financial position, results of operations or condition, financial or otherwise, of the Commission.

(u) Upon the delivery of the 2020 Series A, the aggregate principal amount of Bonds authorized to be issued under the Indenture, together with all outstanding Parity Obligations, will not in combination with all outstanding debt obligations of the Commission exceed any limitation imposed by law or by the Indenture or by Section 132309(b) of the Public Utilities Code of the State of California.

(v) The sum of the principal of and interest on the 2020 Series A, together with all outstanding Parity Obligations and other outstanding debt obligations of the Commission, does not exceed the estimated proceeds of the retail transactions and use tax for the period for which the retail transactions and use tax is to be imposed by the Commission.

(w) Except as otherwise set forth in the Preliminary Official Statement and the Official Statement, the Commission has complied in all material respects during the previous five years with all previous undertakings required pursuant to Rule 15c2-12.

(x) Any certificate, signed by any official of the Commission authorized to do so in connection with the transactions described in this Bond Purchase Agreement, shall be deemed a representation and warranty by the Commission to the Underwriters as to the statements made therein.

9. Conditions to the Underwriters’ Obligations. The Representative has entered into this Bond Purchase Agreement in reliance upon the representations, warranties and obligations of the Commission contained herein and upon the documents and instruments to be delivered at the Closing Time. Accordingly, the Underwriters’ obligations under this Bond Purchase Agreement shall be subject to the following conditions:

(a) The representations and warranties of the Commission contained herein shall be true and correct at the date hereof and true and correct at and as of the Closing Time, as if made at and as of the Closing Time and will be confirmed by a certificate or certificates of the appropriate Commission official or officials dated the Closing Date, and the Commission shall be in compliance with each of the agreements and covenants made by it in this Bond Purchase Agreement;

(b) (i) At the Closing Time, the Act, the Bond Resolution and the Legal Documents shall be in full force and effect, and shall not have been amended, modified or supplemented, except as may have been agreed to by the Commission and the Representative, and (ii) the Commission shall perform or have performed all of its obligations required under or specified in the Act, the Bond Resolution, the Legal Documents, this Bond Purchase Agreement, the Preliminary Official Statement and the Official Statement to be performed at or prior to the Closing Time;
(c) As of the date hereof and at the Closing Time, all necessary official action of the Commission relating to this Bond Purchase Agreement, the Legal Documents, the Preliminary Official Statement and the Official Statement shall have been taken and shall be in full force and effect and shall not have been amended, modified or supplemented in any material respect;

(d) Subsequent to the date hereof, up to and including the Closing Time, there shall not have occurred any change in or particularly affecting the Commission, the Act, the Ordinance, the Sales Tax, the Revenues, or the 2020 Series A as the foregoing matters are described in the Preliminary Official Statement and the Official Statement, which in the reasonable professional judgment of the Representative materially impairs the investment quality of the 2020 Series A;

(e) Subsequent to the date hereof, up to and including the Closing Time, the California Department of Tax and Fee Administration (“CDTFA”) shall not have suspended or advised the suspension of the collection of the Sales Tax or the escrow of any proceeds thereof, and the General Counsel to the Commission, shall not have advised the suspension of the collection of the Sales Tax or the escrow of any proceeds thereof other than as disclosed in the Preliminary Official Statement and the Official Statement;

(f) At or prior to the Closing Date, the Representative shall receive copies of each of the following documents:

(1) The Official Statement delivered in accordance with Section 2 hereof and each supplement or amendment, if any, executed on behalf of the Commission by its Executive Director.

(2) An approving opinion of Norton Rose Fulbright US LLP, Bond Counsel, dated the Closing Date, as to the validity of the 2020 Series A, the exclusion of interest on the 2020 Series A from federal gross income and the exclusion of interest on the 2020 Series A from State income taxation, addressed to the Commission substantially in the form attached as Appendix F to the Official Statement, and a reliance letter with respect thereto addressed to the Underwriters.

(3) A supplemental opinion of Norton Rose Fulbright US LLP, Bond Counsel, addressed to the Underwriters, to the effect that:

   (i) The Bond Purchase Agreement and the Continuing Disclosure Agreement each has been duly executed and delivered by the Commission and each is valid and binding upon the Commission, subject to laws relating to bankruptcy, insolvency, reorganization or creditors’ rights generally, to the application of equitable principles, the exercise of judicial discretion and the limitations on legal remedies against public entities in the State of California;

MATTERS’’ and Appendix C — “DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE,” excluding any material that may be treated as included under such captions by cross-reference, insofar as such statements expressly summarize certain provisions of the Indenture, the 2020 Series A, and the form and content of such counsel’s opinion attached as Appendix F to the Preliminary Official Statement and the Official Statement, are accurate in all material respects; and

(iii) The 2020 Series A are not subject to the registration requirements of the Securities Act of 1933, as amended (the “1933 Act”) and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended (the “Trust Indenture Act”).

(4) A letter, dated the Closing Date and addressed to the Commission and the Underwriters, from Norton Rose Fulbright US LLP, Disclosure Counsel, substantially in the form attached as Appendix C hereto.

(5) The opinion of Nixon Peabody LLP, Underwriters’ Counsel, addressed to the Underwriters, in form and substance acceptable to the Underwriters, covering such items as the Representative may request.

(6) The opinion of the General Counsel to the Commission, dated the Closing Date, addressed to the Underwriters and the Trustee, to the effect that:

(i) The Commission has been duly organized and is validly existing under the Constitution and laws of the State of California, and has all requisite power and authority thereunder: (a) to adopt the Bond Resolution, and to enter into, execute, deliver and perform its covenants and agreements under the Legal Documents and the Bond Purchase Agreement; (b) to approve and authorize the use and distribution of the Preliminary Official Statement and the Official Statement; and (f) to carry on its activities as currently conducted;

(ii) The Commission has taken all actions required to be taken by it prior to the Closing Date material to the transactions contemplated by the documents mentioned in paragraph (i) above, and the Commission has duly authorized the execution and delivery of, and the due performance of its obligations under, the Bond Purchase Agreement, the Legal Documents and the 2020 Series A;

(iii) the Bond Resolution was duly adopted by at least a two-thirds vote of all the voting members of the Board of Directors of the Commission at a meeting of the governing body of the Commission which was called and held pursuant to law and with all required notices and in accordance with all applicable
open meetings laws and at which a quorum was present and acting at the time of
the adoption of the Bond Resolution;

(iv) the adoption of the Bond Resolution, the execution and
delivery by the Commission of the Bond Purchase Agreement, the Legal
Documents and the 2020 Series A and the compliance with the provisions of the
Bond Purchase Agreement, the Legal Documents and the 2020 Series A, to the
best of such counsel’s knowledge after due inquiry, do not and will not conflict
with or violate in any material respect any California constitutional, statutory or
regulatory provision, or, to the best of such counsel’s knowledge after due
inquiry, conflict with or constitute on the part of the Commission a material
breach of or default under any agreement or instrument to which the Commission
is a party or by which it is bound;

(v) the 2020 Series A, the Legal Documents and the Bond
Purchase Agreement constitute binding and legal obligations of the Commission
and are enforceable according to the terms thereof, except as enforcement thereof
may be limited by bankruptcy, insolvency or other laws affecting enforcement of
creditors’ rights generally, and by the application of equitable principles if
equitable remedies are sought, by the exercise of judicial discretion and the
limitations on legal remedies against public entities in the State;

(vi) no litigation is pending with service of process completed
or, to the best of such counsel’s knowledge after due inquiry, threatened against
the Commission in any court in any way affecting the titles of the officials of the
Commission to their respective positions, or seeking to restrain or to enjoin the
issuance, sale or delivery of the 2020 Series A, or the collection of revenues
pledged or to be pledged to pay the principal of and interest on the 2020 Series A,
or in any way contesting or affecting the validity or enforceability of the 2020
Series A, the Bond Resolution, the Legal Documents or the Bond Purchase
Agreement, or contesting in any way the completeness or accuracy of the
Preliminary Official Statement or the Official Statement, or contesting the powers
of the Commission or its authority with respect to the 2020 Series A, the Bond
Resolution, the Legal Documents or the Bond Purchase Agreement, or
questioning the existence of the Commission;

(vii) the information contained in the Preliminary Official
Statement and the Official Statement under the captions “SAN DIEGO COUNTY
REGIONAL TRANSPORTATION COMMISSION” and “ABSENCE OF
MATERIAL LITIGATION” does not contain any untrue statement of a material
fact and does not omit to state any material fact necessary to make the statements
therein, in the light of the circumstances under which they were made, not
misleading;

(viii) to the best of such counsel’s knowledge after due inquiry,
no authorization, approval, consent or other order of the State or any local agency
of the State, other than such authorizations, approvals and consents which have
been obtained, is required for the valid authorization, execution and delivery by the Commission of the Legal Documents and the authorization and distribution of the Official Statement (provided that no opinion need be expressed as to any action required under state securities or Blue Sky laws in connection with the purchase of the 2020 Series A by the Underwriters); and

(ix) to the best of such counsel’s knowledge after due inquiry, the Commission is not in breach of or default under any applicable law or administrative regulation of the State or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Commission is a party or is otherwise subject, which breach or default would materially adversely affect the Commission’s ability to enter into or perform its obligations under the Legal Documents and the Bond Purchase Agreement, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument and which would materially adversely affect the Commission’s ability to enter into or perform its obligations under the Legal Documents and the Bond Purchase Agreement.

(7) A certificate, dated the Closing Date and signed by such officials of the Commission as shall be satisfactory to the Representative, to the effect that (i) the representations, warranties and covenants of the Commission contained in the Bond Purchase Agreement are true and correct in all material respects on and as of the Closing Time with the same effect as if made at the Closing Time; (ii) the Bond Resolution is in full force and effect at the Closing Time and has not been amended, modified or supplemented, except as agreed to by the Commission and the Representative; (iii) the Commission has complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied at or prior to the Closing Time; (iv) subsequent to the date of the Official Statement and on or prior to the date of such certificate, there has been no material adverse change in the condition (financial or otherwise) of the Commission, whether or not arising in the ordinary course of the Commission’s operations, as described in the Official Statement; and (v) the Preliminary Official Statement, as of its date and as of the date of the Bond Purchase Agreement, (excluding therefrom the information under the caption “UNDERWRITING,” all information concerning the book-entry system set forth under the caption “DESCRIPTION OF THE 2020 SERIES A BONDS — General” and in Appendix E, as to which no representations and warranties need be made, and the information in Appendix C, which is correct in all material respects), and the Official Statement, as of its date and as of the Closing Date, (excluding therefrom the information under the caption “UNDERWRITING,” all information concerning the book-entry system set forth under the caption “DESCRIPTION OF THE 2020 SERIES A BONDS — General” and in Appendix E, as to which no representations and warranties need be made, and the information in Appendix C, which is correct in all material respects), did not and does not contain any untrue statement of a material fact and neither omitted nor omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.
(8) The audited financial statements of the Commission relating to the receipts, expenditures and cash balances of Sales Tax Revenues by the Commission as of June 30, 2019 included in the Official Statement, certified by the Commission on the Closing Date as being correct and complete.

(9) A certificate, dated the Closing Date, signed by a duly authorized official of the Trustee, satisfactory in form and substance to the Representative, to the effect that:

(i) the Trustee is a national banking association organized and existing under and by virtue of the laws of the United States of America, having the full power and being qualified to enter into and perform its duties under the Indenture;

(ii) the Trustee is duly authorized to enter into, has duly executed and delivered the Legal Documents to which the Trustee is a party and has duly authenticated and delivered the 2020 Series A;

(iii) the execution and delivery of the Legal Documents to which the Trustee is a party and compliance with the provisions on the Trustee’s part contained therein, will not conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Trustee is a party or is otherwise subject (except that no representation, warranty or agreement is made with respect to any federal or state securities or Blue Sky laws or regulations), nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets held by the Trustee pursuant to the lien created by the Indenture under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided by the Indenture;

(iv) the Trustee has not been served with any action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, nor is any such action, to the best of such official’s knowledge after reasonable investigation, threatened against the Trustee affecting the existence of the Trustee, or the titles of its officers to their respective offices, or in any way contesting or affecting the validity or enforceability of the Legal Documents to which the Trustee is a party, or contesting the powers of the Trustee or its authority to enter into, adopt or perform its obligations under any of the foregoing, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Legal Documents to which the Trustee is a party; and

(v) the Trustee will apply the proceeds from the 2020 Series A as provided in the Indenture.
(10) A certified copy of the general resolution or other documentation of the Trustee authorizing the execution and delivery of the Legal Documents to which the Trustee is a party.

(11) The opinion of counsel of the Trustee, dated the Closing Date, addressed to the Commission and the Underwriters, to the effect that:

(i) the Trustee is a national banking association duly organized, validly existing and in good standing under the laws of the United States having full power and authority and being qualified to enter into, accept and administer the trust created under the Legal Documents to which it is a party and to enter into such Legal Documents;

(ii) the Legal Documents to which it is a party have been duly authorized, executed and delivered by the Trustee and constitute the valid and binding obligations of the Trustee enforceable against the Trustee in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting enforcement of creditors’ rights generally and by the application of equitable principles if equitable remedies are sought;

(iii) the execution, delivery and performance of the Legal Documents will not conflict with or cause a default under any law, ruling, agreement, administrative regulation or other instrument by which the Trustee is bound;

(iv) all authorizations and approvals required by law and the articles of association and bylaws of the Trustee in order for the Trustee to execute and deliver and perform its obligations under the Legal Documents to which it is a party have been obtained; and

(v) no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body, is pending or threatened in any way affecting the existence of the Trustee or the titles of its directors or officers to their respective offices, or seeking to restrain or enjoin the issuance, sale or delivery of the 2020 Series A or the application of proceeds thereof in accordance with the Legal Documents to which it is a party, or in any way contesting or affecting the 2020 Series A or the Legal Documents to which it is a party.

(12) Evidence of signature authority and incumbency of the Trustee.

(13) Escrow Agreement by and between the Commission and U.S. Bank National Association, as Escrow Agent (the “Escrow Agent”) dated as of ______, 2020, the Verification Report of Causey Demgen & Moore P.C., certified public accountants (the “Verification Agent”) and the Escrow Agent Counsel Opinion.
(14) A certified copy of the proceedings relating to authorization and approval of the Sales Tax.

(15) A copy of the executed Agreement for State Administration of Transactions and Use Tax, between the Commission and the CDTFA, including all amendments thereto.

(16) A certified copy of the Board Resolution.

(17) Fully executed copies of each of the Legal Documents.

(18) Evidence of required filings with the California Debt and Investment Advisory Commission.

(19) A copy of the Blue Sky Survey with respect to the 2020 Series A.

(20) A Tax Certificate of the Commission, in form satisfactory to Bond Counsel, signed by such officials of the Commission as shall be satisfactory to the Representative.

(21) Evidence as of the Closing Date satisfactory to the Representative that the 2020 Series A have received a rating of “___” from Fitch Ratings and “___” from S&P Global Ratings (or such other equivalent rating as Fitch Ratings and S&P Global Ratings shall issue), and that such ratings have not been revoked or downgraded.

(22) Two transcripts of all proceedings relating to the authorization and issuance of the 2020 Series A, which may be in digital form (or a commitment to so provide).

(23) Such additional legal opinions, certificates, proceedings, instruments and other documents as the Representative, Underwriters’ Counsel or Bond Counsel may reasonably request to evidence compliance by the Commission with legal requirements, the truth and accuracy, as of the Closing Time, of the representations of the Commission herein contained and of the Official Statement and the due performance or satisfaction by the Commission at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Commission.

10. **Termination.**

(a) If the Commission shall be unable to satisfy the conditions of the Underwriters’ obligations contained in this Bond Purchase Agreement or if the Underwriters’ obligations shall be terminated for any reason permitted by this Bond Purchase Agreement, this Bond Purchase Agreement may be cancelled by the Representative at, or at any time prior to, the Closing Time. Notice of such cancellation shall be given to the Commission in writing, or by telephone or telegraph confirmed in writing. Notwithstanding any provision herein to the contrary, the performance of any and all obligations of the Commission hereunder and the performance of any and all conditions contained herein for the benefit of the Underwriters may be waived by the Representative at its sole discretion.
(b) The Underwriters shall also have the right, prior to the Closing Time, to cancel their obligations to purchase the 2020 Series A, by written notice to the Commission, if between the date hereof and the Closing Time:

(i) any event occurs or information becomes known, which, in the reasonable professional judgment of the Representative, makes untrue any statement of a material fact set forth in the Official Statement or results in an omission to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading and, in either such event, (A) the Commission refuses to permit the Official Statement to be supplemented to supply such statement or information in a manner satisfactory to the Representative or (B) the effect of the Official Statement as so supplemented is, in the judgment of the Representative, to materially adversely affect the market price or marketability of the 2020 Series A or the ability of the Underwriters to enforce contracts for the sale, at the contemplated offering prices (or yields), of the 2020 Series A; or

(ii) the market for the 2020 Series A or the market prices of the 2020 Series A or the ability of the Underwriters to enforce contracts for the sale of the 2020 Series A shall have been materially and adversely affected, in the reasonable professional judgment of the Representative, by:

(A) an amendment to the Constitution of the United States or the State of California shall have been passed or legislation shall have been passed by either chamber of the Congress of the United States or the legislature of any state having jurisdiction of the subject matter or legislation pending in the Congress of the United States shall have been amended or legislation shall have been recommended to the Congress of the United States or to any state having jurisdiction of the subject matter or otherwise endorsed for passage (by press release, other form of notice or otherwise) by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or legislation shall have been proposed for consideration by either such Committee by any member thereof or presented as an option for consideration by either such Committee by the staff of such Committee or by the staff of the joint Committee on Taxation of the Congress of the United States, or legislation shall have been favorably reported for passage to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or a decision shall have been rendered by a court of the United States or of the State of California or the Tax Court of the United States, or a ruling shall have been made or a regulation or temporary regulation shall have been made or any other release or announcement shall have been made by the Treasury Department of the United States, the Internal Revenue Service or...
other federal or State of California authority, with respect to federal or
State of California taxation upon revenues or other income of the general
character to be derived by the Commission or upon interest received on
obligations of the general character of the 2020 Series A which, in the
reasonable judgment of the Representative, is likely to have the purpose or
effect, directly or, indirectly, of adversely affecting the tax status of the
Commission, its property or income, its securities (including the 2020
Series A) or the interest thereon, or any tax exemption granted or
authorized by State of California legislation; or

(B) legislation shall have been introduced or passed by
either chamber of the Congress or recommended for passage by the
President of the United States, or a decision rendered by a court
established under Article III of the Constitution of the United States or an
order, stop order, ruling, regulation (final, temporary or proposed) or
official statement issued or made by or on behalf of the Securities and
Exchange Commission, or any other governmental agency having
jurisdiction of the subject matter shall have been made or issued to the
effect that obligations of the general character of the 2020 Series A are not
exempt from registration under the 1933 Act, or that the Indenture is not
exempt from qualification under the Trust Indenture Act of 1939; or

(C) the declaration of war or engagement in or
escalation of military hostilities by the United States or the occurrence of
any other national emergency or calamity or terrorism affecting the
operation of the government of the United States, or the financial, political
or economic conditions affecting the United States or the Commission; or

(D) the declaration of a general banking moratorium by
federal, New York or California authorities or a major financial crisis, a
material disruption in commercial banking or securities settlement or
clearance services, the general suspension of trading on any national
securities exchange, the establishment of minimum or maximum prices on
any national securities exchange; or

(E) an order, decree or injunction of any court of
competent jurisdiction, issued or made to the effect that the issuance,
offering or sale of obligations of the general character of the 2020 Series
A, or the issuance, offering or sale of the 2020 Series A, including any or
all underlying obligations, as contemplated hereby or by the Official
Statement, is or would be in violation of the federal securities laws as
amended and then in effect; or

(F) any material adverse change in the affairs or
financial condition of the Commission, except for changes which the
Official Statement disclosures are expected to occur; or
(iii) additional material restrictions not in force or being enforced as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange which, in the reasonable professional judgment of the Representative, materially and adversely affect the market or market price for the 2020 Series A, or there is a material increase in restrictions now in force with respect to the extension of credit by or the charge to the net capital requirements of underwriters or broker-dealers which, in the reasonable professional judgment of the Representative, make it impractical or inadvisable to proceed with the offering of the 2020 Series A as contemplated in the Official Statement; or

(iv) any litigation shall be instituted or be pending at the Closing Time to restrain or enjoin the issuance, sale or delivery of the 2020 Series A, or in any way contesting or affecting any authority for or the validity of the proceedings authorizing and approving the Sales Tax or the rates, levy or collection thereof, the issuance, sale or delivery of 2020 Series A, the Act, the Ordinance, the Bond Resolution, the Legal Documents or the existence or powers of the Commission with respect to its obligations under the Legal Documents or the 2020 Series A; or

(v) there shall have occurred any downgrading or published negative credit watch or similar published information from a rating agency that as of the date hereof has published, or has been asked to furnish, an unenhanced long-term rating on the Commission’s senior lien debt obligations, including the 2020 Series A, which action reflects a change or possible change in the ratings accorded to such obligations, including the 2020 Series A.

If the Underwriters terminate their obligation to purchase the 2020 Series A because any of the conditions specified in Section 6, Section 9 or this Section 10 shall not have been fulfilled at or before the Closing Time, such termination shall not result in any liability on the part of the Representative.

11. Conditions to Obligations of the Commission. The performance by the Commission of its obligations is conditioned upon (i) the performance by the Underwriters of their obligations hereunder and (ii) receipt by the Commission and the Underwriters of opinions addressed to the Underwriters and certificates being delivered at the Closing Time by persons and entities other than the Commission.

12. Amendment of Official Statement. For a period beginning on the date hereof and continuing until the End Date, (a) the Commission will not adopt any amendment of, or supplement to, the Official Statement to which the Representative shall object in writing or that shall be disapproved by the Underwriters’ Counsel and (b) if any event relating to or affecting the Commission shall occur as a result of which it is necessary, in the opinion of Underwriters’ Counsel, to amend or supplement the Official Statement in order to make the Official Statement not misleading in the light of the circumstances existing at the time it is delivered to a purchaser of the 2020 Series A, the Commission will forthwith prepare and furnish to the Underwriters a reasonable number of copies of an amendment of, or supplement to, the Official Statement (in
form and substance satisfactory to Underwriters’ Counsel) that will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to a purchaser of the 2020 Series A, not misleading.

13. **Indemnification.** The Commission (a “Commission Indemnifying Party”) shall indemnify and hold harmless, to the extent permitted by law, the Underwriters and their respective directors, officers, employees and agents and each person who controls the Underwriters within the meaning of Section 15 of the 1933 Act (any such person being therein sometimes called a “Commission Indemnified Party”), against any and all losses, claims, damages or liabilities, joint or several, to which such Commission Indemnified Party may become subject under any statute or at law or in equity or otherwise, and shall promptly reimburse any such Commission Indemnified Party for any reasonable legal or other expenses incurred by it in connection with investigating any claims against it and defending any actions, but only to the extent that such losses, claims, damages, liabilities or actions arise out of or are based upon any untrue statement of a material fact contained in the Preliminary Official Statement or the Official Statement under the captions “DESCRIPTION OF THE 2020 SERIES A BONDS,” “SECURITY AND SOURCES OF PAYMENT FOR THE 2020 SERIES A BONDS,” “SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION,” “THE SALES TAX,” “FINANCING PLAN,” “COMMISSION INVESTMENT PORTFOLIO,” and “ABSENCE OF MATERIAL LITIGATION” or any amendment or supplement thereof, or the omission to state therein a material fact necessary to make the statements therein in light of the circumstances under which they were made not misleading. This indemnity agreement shall not be construed as a limitation on any other liability which the Commission may otherwise have to any Commission Indemnified Party, provided that in no event shall the Commission be obligated for double indemnification.

The Underwriters (collectively, an “Underwriter Indemnifying Party”) shall indemnify and hold harmless, to the extent permitted by law, the Commission and its directors, officers, members, employees and agents and each person who controls the Commission within the meaning of Section 15 of the 1933 Act (any such person being therein sometimes called an “Underwriter Indemnified Party”), against any and all losses, claims, damages or liabilities, joint or several, to which such Underwriter Indemnified Party may become subject under any statute or at law or in equity or otherwise, and shall promptly reimburse any such Underwriter Indemnified Party for any reasonable legal or other expenses incurred by it in connection with investigating any claims against it and defending any actions, but only to the extent that such losses, claims, damages, liabilities or actions arise out of or are based upon any untrue statement of a material fact contained in the Preliminary Official Statement or the Official Statement under the caption “UNDERWRITING” or any amendment or supplement thereof, or the omission to state therein a material fact necessary to make the statements therein in light of the circumstances under which they were made not misleading. This indemnity agreement shall not be construed as a limitation on any other liability which the Underwriters may otherwise have to any Underwriter Indemnified Party, provided that in no event shall the Underwriters be obligated for double indemnification.
For purposes of this paragraph and the immediately succeeding paragraph, an “Indemnified Party” means a Commission Indemnified Party or an Underwriter Indemnified Party as the context dictates and an “Indemnifying Party” means a Commission Indemnifying Party or an Underwriter Indemnifying Party as the context dictates. An Indemnified Party shall, promptly after the receipt of notice of the commencement of any action against such Indemnified Party in respect of which indemnification may be sought against an Indemnifying Party, notify the Indemnifying Party in writing of the commencement thereof, but the omission to notify the Indemnifying Party of any such action shall not relieve the Indemnifying Party from any liability that it may have to such Indemnified Party otherwise than under the indemnity agreement contained herein. In case any such action shall be brought against an Indemnified Party and such Indemnified Party shall notify the Indemnifying Party of the commencement thereof, the Indemnifying Party may, or if so requested by such Indemnified Party shall, participate therein or assume the defense thereof, with counsel satisfactory to such Indemnified Party, and after notice from the Indemnifying Party to such Indemnified Party of an election so to assume the defense thereof, the Indemnifying Party will not be liable to such Indemnified Party under this paragraph for any legal or other expenses subsequently incurred by such Indemnified Party in connection with the defense thereof other than reasonable costs of investigation. If the Indemnifying Party shall not have employed counsel to have charge of the defense of any such action or if the Indemnified Party shall have reasonably concluded that there may be defenses available to it or them that are different from or additional to those available to the Indemnifying Party (in which case the Indemnifying Party shall not have the right to direct the defense of such action on behalf of such Indemnified Party), such Indemnified Party shall have the right to retain legal counsel of its own choosing and reasonable legal and other expenses incurred by such Indemnified Party shall be borne by the Indemnifying Party.

An Indemnifying Party shall not be liable for any settlement of any such action effected without its consent by any Indemnified Party, which consent shall not be unreasonably withheld, but if settled with the consent of the Indemnifying Party or if there be a final judgment for the plaintiff in any such action against the Indemnifying Party or any Indemnified Party, with or without the consent of the Indemnifying Party, the Indemnifying Party agrees to indemnify and hold harmless such Indemnified Party to the extent provided herein.

In order to provide for just and equitable contribution in circumstances in which indemnification hereunder is for any reason held to be unavailable from the Commission or the Underwriters, to the extent permitted by law, the Commission and the Underwriters shall contribute to the aggregate losses, claims, damages and liabilities (including any investigation, legal and other expenses incurred in connection with, and any amount paid in settlement of, any action, suit or proceeding or any claims asserted, to which the Commission and the Underwriters may be subject) in such proportion so that the Underwriters are jointly and severally responsible for that portion represented by the percentage that the Underwriters’ discount set forth in the Official Statement bears to the public offering price appearing thereon and the Commission is responsible for the balance; provided, however, that no person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this paragraph, each person, if any, who controls the Underwriters within the meaning of the 1933 Act shall have the same rights to contribution as the Underwriters. Any party entitled to contribution will, promptly after receipt of notice of commencement of any
action, suit or proceeding against such party in respect of which a claim for contribution may be
made against another party or parties under this paragraph, notify such party or parties from
whom contribution may be sought, but the omission so to notify shall not relieve that party or
parties from whom contribution may be sought from any other obligation it or they may have
hereunder or otherwise than under this paragraph. No party shall be liable for contribution with
respect to any action or claim settled without its consent.

Nothing in this Section 13 shall relate to, have any effect on, or provide any obligation
for or right to indemnification or contribution with respect to any action, expense, judgment,
order, ruling, award or settlement in the litigation brought by the Commission against affiliates
of the Underwriters alleging that the defendants conspired to suppress the U.S. dollar London
Interbank Offered Rate.


(a) Whether or not the 2020 Series A are issued as contemplated by this Bond
Purchase Agreement, the Underwriters shall be under no obligation to pay and the Commission
hereby agrees to pay any expenses incident to the performance of the Commission’s obligations
hereunder, including but not limited to the following: (i) the cost of preparation, printing,
engraving, execution and delivery of the 2020 Series A; (ii) any fees charged by any rating
agency for issuing the rating on the 2020 Series A; (iii) the cost of printing (and/or word
processing and reproduction), distribution and delivery of the Preliminary Official Statement in
electronic form and the Official Statement; (iv) the fees and disbursements of Bond Counsel, the
Trustee (including its counsel’s fees), any disclosure counsel, accountants, consultants and any
financial advisor; (v) the fees of Digital Assurance Certification, L.L.C. for a continuing
disclosure undertaking compliance review; and (vi) any out-of-pocket disbursements of the
Commission. The Commission shall also pay for any expenses (included in the expense
component of the Underwriters' discount) incurred by the Underwriters on behalf of the
Commission’s employees and representatives which are in connection with this Bond Purchase
Agreement, including, but not limited to, meals, transportation and lodging of those employees
and representatives.

(b) Whether or not the 2020 Series A are issued as contemplated by this Bond
Purchase Agreement, the Underwriters shall pay (i) any fees assessed upon the Underwriters
with respect to the 2020 Series A by the MSRB or Financial Industry Resources Authority; (ii)
all advertising expenses in connection with the public offering and distribution of the 2020 Series
A (excluding any expenses of the Commission and its employees or agents); (iii) any fees
payable to the California Debt and Investment Advisory Commission (“CDIAC”); and (iv) all
other expenses incurred by them or any of them in connection with the public offering and
distribution of the 2020 Series A, including the fees and disbursements of Underwriters’
Counsel. The Underwriters are required to pay the fees to CDIAC in connection with the Series
2020A Bond offering. The Commission acknowledges that it has had the opportunity, in
consultation with such advisors as it may deem appropriate, if any, to evaluate and consider such
fees. Notwithstanding that such fees are solely the legal obligation of the Underwriters, the
Commission agrees to reimburse the Underwriters for such fees.
15. **Notices.** Any notice or other communication to be given under this Bond Purchase Agreement (other than the acceptance hereof as specified in the first paragraph hereof) may be given by delivering the same in writing, if to the Commission, addressed to:

   San Diego County Regional Transportation Commission  
   401 B Street, Suite 800  
   San Diego, California 92101  
   Attention: Executive Director

or if to the Representative or the Underwriters, addressed to:

   Goldman Sachs & Co. LLC  
   555 California Street, 45th Floor  
   San Francisco, California 94104  
   Attention: Ruth Pan, Managing Director

16. **Parties in Interest; Survival of Representations and Warranties.** This Bond Purchase Agreement when accepted by the Commission in writing as heretofore specified shall constitute the entire agreement between the Commission and the Underwriters and is made solely for the benefit of the Commission and the Underwriters (including the successors or assigns of the Underwriters). No other person shall acquire or have any right hereunder or by virtue hereof. All representations, warranties and agreements of the Commission in this Bond Purchase Agreement or in any certificate delivered pursuant hereto shall survive regardless of (a) any investigation or any statement in respect thereof made by or on behalf of the Underwriters, (b) delivery to and payment by the Underwriters for the 2020 Series A hereunder and (c) any termination of this Bond Purchase Agreement.

17. **Execution in Counterparts.** This Bond Purchase Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

18. **No Advisory or Fiduciary Role.** The Commission acknowledges and agrees that: (i) the primary role of the Underwriters, is to purchase securities, for resale to investors, in an arm’s-length commercial transaction between the Commission and the Underwriters and that the Underwriters have financial and other interests that differ from those of the Commission; (ii) the Underwriters are not acting as a municipal advisor, financial advisor, or fiduciary to the Commission and have not assumed any advisory or fiduciary responsibility to the Commission with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriters have provided other services or are currently providing other services to the Commission on other matters); and (iii) the Commission has consulted its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it deems appropriate. If the Commission would like a municipal advisor in this transaction that has legal fiduciary duties to the Commission, then the Commission is free to engage a municipal advisor to serve in that capacity.
19. **Applicable Law.** This Bond Purchase Agreement shall be interpreted, governed and enforced in accordance with the laws of the State of California.

GOLDMAN SACHS & CO. LLC
CITIGROUP GLOBAL MARKETS INC.
J.P. MORGAN SECURITIES LLC
STIFEL, NICOLAUS & COMPANY,
INCORPORATED
WELLS FARGO BANK, NATIONAL ASSOCIATION

By GOLDMAN SACHS & CO. LLC,
as Representative

By: ____________________________
   Authorized Officer

The foregoing is hereby agreed to and accepted as of the date first above written:

SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION

By: ____________________________
   Authorized Officer
APPENDIX A

MATURITY SCHEDULE

SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION
SALES TAX REVENUE BONDS
(LIMITED TAX BONDS)
2020 SERIES A

<table>
<thead>
<tr>
<th>Maturity (April 1)</th>
<th>Principal Amount ($)</th>
<th>Interest Rate (%)</th>
<th>Yield (%)</th>
<th>Price (%)</th>
<th>10% Test Met as of Pricing</th>
<th>Subject to Hold-the-Offering Price Rule</th>
</tr>
</thead>
</table>

Optional Redemption of the 2020 Series A Bonds. The 2020 Series A Bonds maturing on and after April 1, ____ are subject to redemption prior to their respective stated maturities, at the option of the Commission, from any source of available funds, on any date on or after April 1, ____ as a whole, or in part by such maturity or maturities as may be specified by Request of the Commission (and by lot within a maturity), at a Redemption Price equal to 100% of the aggregate principal amount thereof, plus interest accrued thereon to the date fixed for redemption, without premium.

Mandatory Redemption of 2020 Series A Bonds. The 2020 Series A Bonds maturing on April 1, ____ are Term Bonds and are subject to mandatory redemption from Mandatory Sinking Account Payments for such 2020 Series A Bonds, on each April 1 on and after April 1, ____ and in the principal amount equal to the Mandatory Sinking Account Payment due on such date at a Redemption Price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium.

Mandatory Sinking Account Payments for 2020 Series A Bonds maturing on April 1, ____ shall be due in such amounts and on such dates as follows:

<table>
<thead>
<tr>
<th>Redemption Date (April 1)</th>
<th>Mandatory Sinking Account Payment</th>
</tr>
</thead>
</table>

* Final Maturity

[No Reserve Fund for 2020 Series A Bonds. No reserve is established with respect to the 2020 Series A Bonds and the 2020 Series A Bonds are not 2008 Reserve Fund Eligible Bonds.]
This certificate is furnished by Goldman Sachs & Co. LLC, as representative (the “Representative”) of the underwriters (the “Underwriters”) listed in the Bond Purchase Agreement, dated ______, 2020 (the “Bond Purchase Agreement”), among the Underwriters and the San Diego County Regional Transportation Commission for the sale of the $_______ aggregate principal amount of San Diego County Regional Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds), 2020 Series A (the “Bonds”).

**Issue Price.**

[NOT USING HOLD THE PRICE]

1. [10% OF EACH MATURITY SOLD BY CLOSING] As of the date hereof, the first price or yield at which at least 10% of each Maturity of the Bonds was sold by the Underwriter to the Public was the [Initial Offering Price/OR IF ACTUAL SALES AT OTHER THAN IOP price or yield set forth on Schedule 1 hereto.]

[USING HOLD THE PRICE]

1. As of ________, 2020 (the “Sale Date”), all of the Bonds were the subject of a bona fide offering to the Public at the Initial Offering Price.

2. [USING HOLD THE PRICE FOR A PORTION OF THE ISSUE] As of the date hereof, other than the Bonds listed on Exhibit A to the Bond Purchase Agreement, dated _______, 2020, by and between the Underwriter and San Diego County Regional Transportation Commission (the “Commission”), as Subject-to-Hold-The-Offering-Price Rule (the “Undersold Maturities”), the first price or yield at which at least 10% of each Maturity of the Bonds was sold by the Underwriter to the Public was the respective [Initial Offering Price OR IF ACTUAL SALES AT OTHER THAN IOP price set forth on Schedule 1 hereto]. Attached hereto as Schedule 2 is a copy of the final pricing wire for each Undersold Maturity or an equivalent communication. With respect to the Undersold Maturities, as agreed to in writing by the Underwriter in the Bond Purchase Agreement between the Commission and the Underwriter dated ________, 2020, the Underwriter has not offered or sold any unsold Bonds of the Undersold Maturities to any person at a price higher than or a yield lower than the respective Initial Offering Price for a period of time starting on the Sale Date and ending on the earlier of (a) the date on which 10% of the respective Undersold Maturity was sold at one or more prices no higher than or yields no lower than the Initial Offering Price by the Underwriter or (b) the close of the fifth business day following the Sale Date.

2. [USING HOLD THE PRICE FOR 100% OF THE ISSUE]. As agreed to in writing by the Underwriter in the Purchase Agreement between the Commission and the Underwriter dated _______, 2020, the Underwriter has not offered or sold any unsold Bond to any person at a price higher than or a yield lower than the respective Initial Offering Price for a period of time starting on the Sale Date and ending on the earlier of (a) the date on which 10% of
the respective Undersold Maturity was sold at one or more prices no higher than or yields no lower than the Initial Offering Price by the Underwriter or (b) the close of the fifth business day following the Sale Date. Attached hereto as Schedule 1 is a copy of the final pricing wire for the Bonds or an equivalent communication.

[ADD SECTION ON QUALIFIED GUARANTEE IF APPLICABLE]

2. **Defined Terms.**

   (a) "Initial Offering Price" means the prices or yields set forth on the inside cover page of the Commission’s Official Statement in respect of such Bonds dated ______, 2020.

   (b) "Maturity" means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

   (c) "Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter.

   (d) "Related Party" means any entity if an Underwriter and such entity are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profit interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

   (e) "Underwriter" means (i) any person that agrees pursuant to a written contract with the Commission (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Underwriter’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Commission with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Norton Rose Fulbright US LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Commission from time to time relating to the Bonds.
Dated: ___ __, 2020

GOLDMAN SACHS & CO. LLC,  
as Representative  

By: ____________________________  
    Authorized Signatory
SCHEDULE 1
ISSUE PRICES

[IF USING ACTUAL SALES AND THE IOP IS NOT THE ISSUE PRICE FOR EACH MATURITY]

First Price of At Least 10% (ONLY APPLICABLE IF PRICE IS NOT THE IOP)

Undersold Maturities

[IF USING HOLD THE PRICE FOR A PORTION]

First Price of At Least 10% (Only Applicable if Not IOP)

Initial Offering Prices of Undersold Maturities
APPENDIX C

FORM OF LETTER OF DISCLOSURE COUNSEL

[Closing Date]

San Diego County Regional Transportation Commission
401 B Street, Suite 800
San Diego, California 92101

Goldman Sachs & Co. LLC
as Representative
Los Angeles, California

Re: $_______ San Diego County Regional Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds) 2020 Series A

Ladies and Gentlemen:

We have acted as Disclosure Counsel to the San Diego County Regional Transportation Commission (the “Commission”) in connection with the issuance by the Commission of its Sales Tax Revenue Bonds (Limited Tax Bonds) 2020 Series A in the aggregate principal amount of $_______ (the “Bonds”). The Bonds were issued pursuant to the Indenture, dated as of March 1, 2008, as amended and supplemented, including by a Ninth Supplemental Indenture, dated as of ___ 1, 2020 (collectively, the “Indenture”), each between the Commission and U.S. Bank National Association, as trustee. The Bonds are more fully described in the Official Statement of the Commission, dated _____, 2020 (the “Official Statement”). This opinion is delivered to you pursuant to Section 9(f)(4) of the Bond Purchase Agreement, dated _____, 2020 (the “Bond Purchase Agreement”), by and between the Commission and Goldman Sachs & Co. LLC, acting on behalf of itself and Citigroup Global Markets Inc., J.P. Morgan Securities LLC, Stifel, Nicolaus & Company, Incorporated and Wells Fargo Bank, National Association (collectively, the “Underwriters”). Capitalized terms used and not defined herein shall have the meanings ascribed to such terms in the Bond Purchase Agreement.

In rendering this opinion, we have reviewed the Indenture and such records, documents, certificates and opinions, and made such other investigations of law and fact as we have deemed necessary or appropriate.

This opinion is limited to matters governed by the federal securities law of the United States, and we assume no responsibility with respect to the applicability or effect of the laws of any other jurisdiction.
In our capacity as Disclosure Counsel to the Commission, we have rendered certain legal advice and assistance in connection with the preparation of the Preliminary Official Statement of the Commission, dated ____ __, 2020 (the “Preliminary Official Statement”), and the Official Statement. Rendering such assistance involved, among other things, discussions and inquiries concerning various legal matters, review of certain records, documents and proceedings, and participation in meetings and telephone conferences with, among others, representatives of the Commission, Public Financial Management, Inc., the Commission’s financial advisor, Bond Counsel, Goldman Sachs & Co. LLC, as representative of the Underwriters, and counsel to the Underwriters, at which meetings and conferences the contents of the Preliminary Official Statement and the Official Statement and related matters were discussed. On the basis of the information made available to us in the course of the foregoing (but without having undertaken to determine or verify independently, or assuming any responsibility for, the accuracy, completeness or fairness of any of the statements contained in the Preliminary Official Statement or the Official Statement), no facts have come to the attention of the personnel directly involved in rendering legal advice and assistance in connection with the preparation of the Preliminary Official Statement and the Official Statement that causes them to believe that (a) the Preliminary Official Statement as of its date and as of the date of the Bond Purchase Agreement contained any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading (except for any information relating to The Depository Trust Company, Cede & Co., the book-entry system, forecasts, projections, estimates, assumptions and expressions of opinions and the other financial and statistical data included therein, and information in Appendices A, E and F thereof, as to all of which we express no view, and except for such information as is permitted to be excluded from the Preliminary Official Statement pursuant to Rule 15c2-12 of the Securities Exchange Act of 1934, as amended, including but not limited to information as to pricing, yield, interest rate, maturity, amortization, redemption provisions, underwriters’ compensation and the CUSIP numbers), or (b) the Official Statement as of its date or as of the date hereof contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (except for any information relating to The Depository Trust Company, Cede & Co., the book-entry system, the CUSIP numbers, forecasts, projections, estimates, assumptions and expressions of opinions and the other financial and statistical data included therein, and information in Appendices [A, E and F] thereof, as to all of which we express no view).

During the period from the date of the Preliminary Official Statement to the date of this opinion, except for our review of the certificates and opinions regarding the Preliminary Official Statement and the Official Statement delivered on the date hereof, we have not undertaken any procedures or taken any actions which were intended or likely to elicit information concerning the accuracy, completeness or fairness of any of the statements contained in the Preliminary Official Statement or the Official Statement.
We are furnishing this opinion to you, solely for your benefit. This opinion is rendered in connection with the transaction described herein, and may not be relied upon by you for any other purpose. This opinion shall not extend to, and may not be used, circulated, quoted, referred to, or relied upon by, any other person, firm, corporation or other entity without our prior written consent. The delivery of this opinion shall not create any attorney-client relationship between our firm and the addressees hereof, other than the Commission. Our engagement with respect to this matter terminates upon the delivery of this opinion to you at the time of the remarketing relating to the Bonds, and we have no obligation to update this opinion.

Respectfully submitted,
CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this “Disclosure Agreement”) is executed and delivered by the San Diego County Regional Transportation Commission (the “Commission”) and Digital Assurance Certification LLC, as dissemination agent (the “Dissemination Agent”), in connection with the issuance of $_____________ San Diego County Regional Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds), 2020 Series A (the “Bonds”). The Bonds are being issued pursuant to the Indenture, dated as of March 1, 2008 (as amended and supplemented, including by a Ninth Supplemental Indenture, dated as of ___________1, 2020 (collectively, the “Indenture”), between the Commission and U.S. Bank National Association, as trustee. Pursuant to the Indenture, the Commission and the Dissemination Agent covenant and agree as follows:

Section 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Commission for the benefit of the Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule (as defined herein).

Section 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the Commission pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“Audited Financial Statements” means the audited financial results of the Commission for the applicable Fiscal Year.

“Beneficial Owner” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“Business Day” shall mean a day other than (a) Saturday or Sunday, (b) a day on which banking institutions in the city in which the Principal Office of the Trustee is located are authorized or required by law to be closed, and (c) a day on which the New York Stock Exchange is authorized or obligated by law or executive order to be closed.

“Disclosure Representative” shall mean the designee of the Commission designated to act as the Disclosure Representative, or such other person as the Commission shall designate in writing to the Dissemination Agent from time to time.

“Dissemination Agent” means an entity selected and retained by the Commission, or any successor thereto selected by the Commission. The initial Dissemination Agent shall be Digital Assurance Certification LLC.

“Financial Obligation” shall mean, for purposes of the Listed Events set out in Section 5(a)(10) and Section 5(b)(8), a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “Financial Obligation” shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

“Listed Events” shall mean any of the events listed in Section 5(a) and (b) of this Disclosure Agreement.

“MSRB” shall mean the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934 or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the SEC, filings with the MSRB are to be made through the EMMA website of the MSRB, currently located at http://emma.msrb.org.

“Official Statement” shall mean the final official statement, dated ___________, 2020, relating to the Bonds.

“Participating Underwriter” shall mean any original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Repository” shall mean, until otherwise designated by the SEC, EMMA.

“Rule” shall mean Rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934, as amended from time to time.

“SEC” shall mean the U.S. Securities and Exchange Commission.

“State” shall mean the State of California.

Section 3. Provision of Annual Reports.

(a) The Commission shall, or shall cause the Dissemination Agent to, not later than two hundred ten (210) days after the end of each Fiscal Year, commencing with the Fiscal Year ending June 30, 2019, provide to the Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Agreement; provided, that the audited financial statements of the Commission may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Commission’s Fiscal Year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(e). The Annual Report shall be submitted on a standard form in use by industry participants or other appropriate form and shall identify the Bonds by name and CUSIP number.

(b) Not later than one Business Day prior to the date specified in subsection (a) for providing the Annual Report to the Repository, the Commission shall provide the Annual Report to the Dissemination Agent (if other than the Commission). The Commission shall provide, or cause the preparer of the Annual Report to provide, a written certificate with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished to it hereunder. The Dissemination Agent may conclusively rely upon such certification and shall have no duty or obligation to review such Annual Report.

(c) If the Commission is unable to provide to the Repository an Annual Report by the date required in subsection (a), the Commission shall send, or shall cause the Dissemination Agent to send, a notice to the Repository or to the MSRB, in substantially the form attached as Exhibit A.
The Dissemination Agent shall:

(i) determine the electronic filing address of, and then-current procedures for submitting Annual Reports to, the MSRB each year prior to the date for providing the Annual Report; and

(ii) file a report with the Commission certifying that the Annual Report has been provided to the MSRB pursuant to this Disclosure Agreement, and stating the date it was provided.

Section 4. Content of Annual Reports. The Annual Report shall contain or include by reference the following:

(a) The Audited Financial Statements of the Commission for the prior Fiscal Year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the Audited Financial Statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the Official Statement, and the Audited Financial Statements shall be filed in the same manner as the Annual Report when such Audited Financial Statements become available.

(b) The debt service schedule for the Bonds, if there have been any unscheduled redemptions, retirements or defeasances, and the debt service on any additional parity bonds issued, in each case during the prior Fiscal Year.

(c) The amount of Sales Tax Revenues (as such term is defined in the Official Statement) received as of the most recently ended Fiscal Year.

(d) The quotient of Sales Tax Revenues received as of the most recently ended Fiscal Year divided by Maximum Annual Debt Service on outstanding bonds payable from such Sales Tax Revenues.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Commission or related public entities, which have been submitted to the Repository or the SEC. If the document included by reference is a final official statement, it must be available from the MSRB. The Commission shall clearly identify each such other document so included by reference.

Section 5. Reporting of Listed Events.

(a) Pursuant to the provisions of this Section 5, the Commission shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not more than ten (10) Business Days after the occurrence of the event:

(1) principal and interest payment delinquencies;

(2) defeasances;

(3) tender offers;

(4) rating changes;
(5) adverse tax opinions or the issuance by the Internal Revenue Service of a proposed or final determination of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;

(6) unscheduled draws on the debt service reserves reflecting financial difficulties;

(7) unscheduled draws on credit enhancements reflecting financial difficulties;

(8) substitution of credit or liquidity providers or their failure to perform;

(9) bankruptcy, insolvency, receivership or similar proceedings; or

(10) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Commission, any of which reflect financial difficulties.

For these purposes, any event described in the immediately preceding paragraph (9) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Commission in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Commission, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Commission.

(b) Pursuant to the provisions of this Section 5, the Commission shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material, in a timely manner not later than ten (10) Business Days after the occurrence of the event:

(1) unless described in Section 5(a)(5), other material notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;

(2) modifications to the rights of Holders;

(3) optional, unscheduled or contingent Bond calls;

(4) release, substitution or sale of property securing repayment of the Bonds;

(5) non-payment related defaults;

(6) consummation of a merger, consolidation or acquisition involving the Commission or the sale of all or substantially all of the assets of the obligated persons, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms; or

(7) appointment of a successor or additional trustee or the change of the name of a trustee; or
(8) incurrence of a Financial Obligation of the Commission, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Commission, any of which affect security holders.

(c) Upon the occurrence of a Listed Event described in Section 5(a), or upon the occurrence of a Listed Event described in Section 5(b) which the Commission determines would be material under applicable federal securities laws, the Commission shall within ten business days of occurrence file a notice of such occurrence with the MSRB. Notwithstanding the foregoing, notice of the Listed Event described in Section 5(b)(3) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Bonds pursuant to the Indenture.

(d) The Commission intends to comply with the Listed Events described in Section 5(a)(10) and Section 5(b)(8), and the definition of “Financial Obligation” in Section 1, with reference to the Rule, any other applicable federal securities laws and the guidance provided by the SEC in Release No. 34-83885 dated August 20, 2018 (the “2018 Release”), and any further amendments or written guidance provided by the SEC or its staff with respect the amendments to the Rule effected by the 2018 Release.

(e) If the Dissemination Agent has been instructed by the Commission to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with the MSRB.

Section 6. Filings with the MSRB. All information, operating data, financial statements, notices and other documents provided to the MSRB in accordance with this Disclosure Agreement shall be provided in an electronic format prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The Commission’s obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Commission shall give notice of such termination in the same manner as for a Listed Event under Section 5(e).

Section 8. Dissemination Agent. The Commission may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign by providing thirty (30) days written notice to the Commission.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Commission may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived; provided that in the opinion of nationally recognized bond counsel, such amendment or waiver is permitted by the Rule.

Section 10. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Commission from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Commission chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Commission shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.
Section 11. **Default.** In the event of a failure of the Commission to comply with any provision of this Disclosure Agreement, any Owner or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Commission to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Agreement in the event of any failure of the Commission or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance.

Section 12. **Duties, Immunities and Liabilities of Dissemination Agent.** The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and the Commission agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of their respective powers and duties hereunder, including the costs and expenses (including attorneys’ fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall be paid compensation by the Commission for its services provided hereunder in accordance with its schedule of fees as amended from time to time, and all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder. The Dissemination Agent shall have no duty or obligation to review any information provided to it hereunder and shall not be deemed to be acting in any fiduciary capacity for the Commission, the Trustee, the Holders, or any other party. The obligations of the Commission under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

Section 13. **Notices.** Any notices or communications herein required or permitted to be given shall be in writing and shall be delivered in such manner and to such addresses as are specified in the Indenture.
Section 14. **Beneficiaries.** This Disclosure Agreement shall inure solely to the benefit of the Commission, the Dissemination Agent, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Date: ________________, 2020

SAN DIEGO COUNTY REGIONAL
TRANSPORTATION COMMISSION

By: ________________________________
   Executive Director

DIGITAL ASSURANCE CERTIFICATION LLC,
as Dissemination Agent

By: ________________________________
   Authorized Representative
Exhibit A

NOTICE TO REPOSITORY OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: San Diego County Regional Transportation Commission (the “Commission”)

Name of Issue: $___________ San Diego County Regional Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds), 2020 Series A

Date of Issuance: ____________, 2020

NOTICE IS HEREBY GIVEN that the Commission has not provided an Annual Report with respect to the above-captioned Bonds as required by the Indenture, dated as of March 1, 2008 (as amended and supplemented, including by a Ninth Supplemental Indenture, dated as of ____________1, 2020 (collectively, the “Indenture”), between the Commission and U.S. Bank National Association, as trustee thereunder. [The Commission anticipates that the Annual Report will be filed by [date].]

Dated: ____________, 20__

Digital Assurance Certification LLC,
as Dissemination Agent

cc: San Diego County Regional Transportation Commission
<table>
<thead>
<tr>
<th>Page</th>
<th>Outstanding Items</th>
<th>Responsible Parties</th>
<th>Expected Availability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cover</td>
<td>Date of Preliminary Official Statement</td>
<td>Financial Advisor/Underwriters/Commission</td>
<td>Prior to Posting Preliminary Official Statement</td>
</tr>
<tr>
<td>Cover</td>
<td>Ratings</td>
<td>Rating Agencies</td>
<td>Prior to Posting Preliminary Official Statement</td>
</tr>
<tr>
<td>Cover</td>
<td>Final Par Amount of Bonds</td>
<td>Financial Advisor/Underwriters/Commission</td>
<td>Bond Pricing</td>
</tr>
<tr>
<td>Cover</td>
<td>Principal Amount of Existing Bonds</td>
<td>Financial Advisor/Commission</td>
<td>Prior to Posting Preliminary Official Statement</td>
</tr>
<tr>
<td>Cover</td>
<td>Expected Date of Bonds Delivery</td>
<td>Financial Advisor/Underwriters/Commission</td>
<td>Prior to Posting Preliminary Official Statement</td>
</tr>
<tr>
<td>Cover</td>
<td>Dated date of Official Statement</td>
<td>Underwriters and Commission</td>
<td>Bond Pricing</td>
</tr>
<tr>
<td>Inside</td>
<td>Maturity Schedule/Final Par Amount of Bonds/Term Bond(s)/CUSIPs</td>
<td>Underwriters</td>
<td>Bond Pricing</td>
</tr>
<tr>
<td>1</td>
<td>Final Par Amount of Bonds</td>
<td>Financial Advisor/Underwriters/Commission</td>
<td>Bond Pricing</td>
</tr>
<tr>
<td>4</td>
<td>Optional redemption terms for 2020 Series A Bonds</td>
<td>Underwriters</td>
<td>Bond Pricing</td>
</tr>
<tr>
<td>4</td>
<td>Mandatory redemption terms for 2020 Series A Bonds</td>
<td>Underwriters</td>
<td>Bond Pricing</td>
</tr>
<tr>
<td>11</td>
<td>Estimated Sources and Uses of Funds</td>
<td>Financial Advisor/Underwriters</td>
<td>Bond Pricing</td>
</tr>
<tr>
<td>17</td>
<td>Projected Debt Service Schedule</td>
<td>Financial Advisor/Underwriters/Commission</td>
<td>Bond Pricing</td>
</tr>
<tr>
<td>33</td>
<td>Ratings</td>
<td>Financial Advisor/Underwriters/ Rating Agency</td>
<td>Prior to Posting Preliminary Official Statement</td>
</tr>
<tr>
<td>33</td>
<td>Details of Bond Purchase Agreement including date, purchase price and calculation thereof</td>
<td>Underwriters/Commission</td>
<td>Bond pricing</td>
</tr>
<tr>
<td>A-1</td>
<td>Commission’s CAFR</td>
<td>Commission</td>
<td>Prior to Posting Preliminary Official Statement</td>
</tr>
<tr>
<td>C-1</td>
<td>Definitions and Summary of Indenture</td>
<td>Bond Counsel</td>
<td>Prior to Posting Preliminary Official Statement</td>
</tr>
<tr>
<td>Page</td>
<td>Outstanding Items</td>
<td>Responsible Parties</td>
<td>Expected Availability</td>
</tr>
<tr>
<td>------</td>
<td>----------------------------------------------------------------------------------</td>
<td>---------------------------</td>
<td>----------------------------------------------------------------</td>
</tr>
<tr>
<td>D-1</td>
<td>Form of Continuing Disclosure Agreement (form included as separate document in Board packet)</td>
<td>Disclosure Counsel</td>
<td>Prior to Posting Preliminary Official Statement</td>
</tr>
<tr>
<td>Section / Page</td>
<td>Outstanding Items</td>
<td>Responsible Party</td>
<td>Expected Availability</td>
</tr>
<tr>
<td>----------------</td>
<td>----------------------------------------------------------------------------------</td>
<td>-------------------------------------------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>50.01/2</td>
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<td>Bond Pricing</td>
</tr>
<tr>
<td>52.01/3</td>
<td>Aggregate Principal Amounts of 2020 Series A Bonds</td>
<td>Financial Advisor/Underwriters</td>
<td>Bond Pricing</td>
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<tr>
<td>52.02/3-4</td>
<td>Bond Proceeds to be Deposited in Escrow Funds, 2020 Series A Project Fund, and Costs of Issuance Accounts</td>
<td>Commission/Financial Advisor/Underwriters</td>
<td>Bond Pricing</td>
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<td>52.05/4</td>
<td>Aggregate Principal Amount of 2020 Series A Bonds; Table of Maturities, Principal Amounts and Interest Rates of 2020 Series A Bonds</td>
<td>Financial Advisor/Underwriters</td>
<td>Bond Pricing</td>
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<td>52.06/5</td>
<td>Initial Call Date</td>
<td>Financial Advisor/Underwriters</td>
<td>Bond Pricing</td>
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<tr>
<td>52.07/6</td>
<td>Mandatory Redemption dates and amounts</td>
<td>Commission/Financial Advisor/Underwriters</td>
<td>Bond Pricing</td>
</tr>
<tr>
<td>Page S-1</td>
<td>Signatures and Seal</td>
<td>Commission/Trustee/Bond Counsel</td>
<td>Pre-closing</td>
</tr>
<tr>
<td>Exhibit A/A-1</td>
<td>Bond Number, Principal Amount, Interest Rate, Issue Date, CUSIP, Series designation, Call Dates, signatures etc.</td>
<td>N/A</td>
<td>These are not intended to be filled in or resolved. The Exhibit is a Form of the Bond. The actual Bonds will be separate documents created prior to Closing.</td>
</tr>
<tr>
<td>Page</td>
<td>Outstanding Items</td>
<td>Responsible Parties</td>
<td>Expected Availability</td>
</tr>
<tr>
<td>------</td>
<td>----------------------------------------------------------------------------------</td>
<td>---------------------------------</td>
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</tr>
<tr>
<td>1</td>
<td>Par Amount of Bonds</td>
<td>Underwriters and Commission</td>
<td>Bond Pricing</td>
</tr>
<tr>
<td>1</td>
<td>Date of Agreement</td>
<td>Underwriters and Commission</td>
<td>Bond Pricing</td>
</tr>
<tr>
<td>1, Sec. 1</td>
<td>Date of Bond Resolution</td>
<td>Commission</td>
<td>Board Approval</td>
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<tr>
<td>2, Sec. 1</td>
<td>Par Amount of Series 2020 Series A Bonds, Original Issue Discount/Premium, 2020 Series A Purchase Price and Underwriters' Discount</td>
<td>Underwriters and Commission</td>
<td>Bond Pricing</td>
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<td>Date of Continuing Disclosure Agreement, Escrow Agreement, Official Statement and Preliminary Official Statement</td>
<td>Underwriters and Commission</td>
<td>Bond Pricing</td>
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<tr>
<td>3, Sec. 3</td>
<td>Par Amount of Series 2020 Series A Bonds, Original Issue Discount/Premium, 2020 Series A Purchase Price and Underwriters' Discount</td>
<td>Underwriters and Commission</td>
<td>Bond Pricing</td>
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<td>4, Sec. 7</td>
<td>Closing Date</td>
<td>Financial Advisor, Underwriters and Commission</td>
<td>Bond Pricing</td>
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<tr>
<td>16, Sec. 9(e)(20)</td>
<td>Ratings</td>
<td>Financial Advisor</td>
<td>Upon Release from Ratings Agencies</td>
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<tr>
<td>22, Sec. 15</td>
<td>Underwriter notice address</td>
<td>Underwriter</td>
<td>Prior to Bond Pricing</td>
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<tr>
<td>S-1</td>
<td>All Signatories</td>
<td>Indicated Parties</td>
<td>Bond Pricing</td>
</tr>
<tr>
<td>A-1</td>
<td>Bond Amounts, Maturities, Interest Rates, Prices and Yields, Redemption Provisions</td>
<td>Underwriters and Commission</td>
<td>Bond Pricing</td>
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<td>B-1</td>
<td>Date of Agreement, principal amount of 2020 Series A Bonds</td>
<td>Underwriters and Commission</td>
<td>Bond Pricing</td>
</tr>
<tr>
<td>Page</td>
<td>Outstanding Items</td>
<td>Responsible Parties</td>
<td>Expected Availability</td>
</tr>
<tr>
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<td>------------------------------------------</td>
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</tr>
<tr>
<td>1</td>
<td>Par Amount of Bonds</td>
<td>Underwriters and Commission</td>
<td>Bond Pricing</td>
</tr>
<tr>
<td>2</td>
<td>Date of Official Statement</td>
<td>Underwriters and Commission</td>
<td>Bond Pricing</td>
</tr>
<tr>
<td>8</td>
<td>Date/Signatures</td>
<td>Commission /DAC</td>
<td>Bond Pricing</td>
</tr>
<tr>
<td>A-1</td>
<td>Date of Issuance</td>
<td>Bond Counsel</td>
<td>Bond Pricing</td>
</tr>
</tbody>
</table>
Estimated Cost Of 2020 New Bond Issuance

Estimated Costs of Issuance

The selection of bond counsel, disclosure counsel, trustee, and financial advisor was completed through a competitive process and fees were negotiated. Rating agency fees are subject to published rates. The total of these issuance costs is estimated at $250,000. The selection of the underwriters also was completed through a competitive process, and the fees are calculated as a percentage of the total amount of debt issued. Assuming approximately $90 million in new money Series 2019 bonds would be sold, underwriting fees would total approximately $150,000.

Total issuance costs of $400,000 (the $250,000 plus the $150,000) equal approximately 0.44 percent of the Bond issuance amount. This cost is slightly high compared to the most recent Regional Transportation Commission (RTC) issuances based on the relatively smaller issuance size. Final costs of issuance would be paid out of Bond proceeds at the closing of the transaction.

Previous Cost of Bond Issuances

Below is the list of previous issuance costs for the following series of bonds:

- SANDAG (Mid-Coast Corridor Transit Project) issuance of $335 million in tax-exempt capital grant receipts revenue bonds bonds – cost of issuance was .45 percent of the issuance amount.
- RTC 2018 issuance of $537.5 million in tax-exempt bonds – cost of issuance was 0.28 percent of the issuance amount.
- SANDAG (SR-125) issuance of $194.1 million in tax-exempt bonds – cost of issuance was .88 percent of the issuance amount.
- RTC 2016 issuance of $325 million in tax-exempt bonds – cost of issuance was 0.34 percent of the issuance amount.
- RTC 2014 issuance of $350 million in tax-exempt bonds – cost of issuance was 0.36 percent of the issuance amount.
- RTC 2012 issuance of $420.6 million in tax-exempt bonds – cost of issuance was 0.55 percent of the issuance amount. The higher cost was attributed to the partial refunding of the 2008 variable-rate bonds.
- RTC 2010 issuance of $350 million in Build America Bonds – cost of issuance was 0.81 percent of the issuance amount. The higher cost is attributed to the fact that Build America Bonds were a new product for the municipal market, targeting the taxable buyer market in addition to the traditional tax-exempt buyer market.
<table>
<thead>
<tr>
<th>Project</th>
<th>Project Phase</th>
<th>Environmental Clearance</th>
<th>Final Design Complete</th>
<th>Under Construction</th>
<th>Open To Public</th>
<th>Anticipate Use of Potential Bond Funds for Construction and/or Levering outside funds and Priority</th>
<th>Project Cost (2019$M)</th>
<th>Funds Spent To Date ($M)</th>
<th>Communities Served</th>
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<tbody>
<tr>
<td>Bayshore Bikeway: Segments 7 and 8A</td>
<td>✓</td>
<td>✓</td>
<td></td>
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<td>$26</td>
<td>$3</td>
<td>Barrio Logan, Downtown, 32nd Street Naval Station</td>
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<tr>
<td>Bayshore Bikeway: Segments 4 &amp; 5</td>
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<td>✓</td>
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<td>$29</td>
<td>$2</td>
<td>Imperial Beach, San Ysidro</td>
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<tr>
<td>Coastal Rail Trail Encinitas: E Street to Chesterfield Drive (Chesterfield-Santa Fe)</td>
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<td>✓</td>
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<td></td>
<td></td>
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<td>$14</td>
<td>$3</td>
<td>Encinitas</td>
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<tr>
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<td>$12</td>
<td>$4</td>
<td>East Village, Sherman Heights, Grant Hill, Mountain View</td>
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<td></td>
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<td>$1</td>
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<tr>
<td>SR 15 Commuter Bike Facility</td>
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<td>$11</td>
<td>$2</td>
<td>Hillcrest</td>
</tr>
<tr>
<td>Sweetwater Bikeway: Plaza Bonita Segment</td>
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<td>$0.4</td>
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<tr>
<td>Coastal Rail Trail San Diego: Rose Creek</td>
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<td></td>
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<td>Downtown, Banks Hill, Hillcrest</td>
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<tr>
<td>Inland Rail Trail: County of San Diego, Vista (portion), Oceanside (portion)</td>
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<td>✓</td>
<td></td>
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<td>County of San Diego, Vista, eastern Oceanside</td>
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<tr>
<td>North Park/Mid-City Bikeways: Georgia-Meade Bikeway</td>
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<td>✓</td>
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<td>Hillcrest, North Park, University Heights, Normal Heights</td>
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<tr>
<td>North Park/Mid-City Bikeways: Landis Bikeway</td>
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<td>North Park, City Heights</td>
</tr>
<tr>
<td>Uptown Bikeways: Fourth and Fifth Avenue Bikeways</td>
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<td>✓</td>
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<tr>
<td>Bayshore Bikeway: Barrio Logan</td>
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<td>✓</td>
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<td>Building, Downtown, 32nd Street Naval Station</td>
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<tr>
<td>Central Avenue Bikeway</td>
<td>✓</td>
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<td>$21</td>
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<tr>
<td>Inland Rail Trail: Vista (remaining gap segment)</td>
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<td>✓</td>
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<td>$19</td>
<td>$4</td>
<td>Kensington, Normal Heights, City Heights</td>
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<tr>
<td>North Park/Mid-City Bikeways: Orange Bikeway</td>
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<td>$11</td>
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<td>Normal Heights, City Heights</td>
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<tr>
<td>North Park/Mid-City Bikeways: Howard Bikeway</td>
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<tr>
<td>North Park/Mid-City Bikeways: Robinson Bikeway</td>
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<td></td>
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<td>$7</td>
<td>$4</td>
<td>Hillcrest, North Park</td>
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<tr>
<td>Uptown Bikeways: Washington Street and Mission Valley Bikeways</td>
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<td></td>
<td></td>
<td></td>
<td>$19</td>
<td>$1</td>
<td>Mission Hills, Hillcrest, Hotel Circle, Fashion Valley</td>
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<tr>
<td>San Diego River Trail: Stadium Segment</td>
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<td>Mission Valley, SDSU West</td>
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<tr>
<td>Bayshore Bkwy: BL Main Street to Palomar</td>
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<td></td>
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<td>$4</td>
<td>$1</td>
<td>Chula Vista</td>
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<tr>
<td>San Diego River Trail: Carlton Oaks Segment</td>
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<td></td>
<td></td>
<td>$20</td>
<td>$5</td>
<td>Santee</td>
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<td>Uptown Bikeways: Mission Hills and Old Town Bikeways</td>
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<td>$5</td>
<td>$0</td>
<td>Mission Hills, Old Town</td>
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<tr>
<td>Central Mobility Bikeway [Coastal Rail Trail: Pacific Highway]</td>
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<td>✓</td>
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<td>$35</td>
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<td>Downtown, Little Italy, Middletown, Old Town</td>
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<td>El Prado Cross Park (Balboa Park)</td>
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<td>$1</td>
<td>$0</td>
<td>Bankers Hill, Hillcrest, Balboa Park</td>
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<td>North Park/Mid-City Bikeways: Monroe Bikeway</td>
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<td>Park Blvd (Upas to Village PI)</td>
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<td></td>
<td></td>
<td>$4</td>
<td>$0</td>
<td>Balboa Park, Hillcrest</td>
</tr>
</tbody>
</table>

1 Partial funding through the state Active Transportation and Transit and Intercity Rail Capital grant programs.
2 Partial funding from the City of San Diego for adjacent improvements.
3 Funds spent to date include preliminary engineering/environmental work on all North Park/Mid-City Bikeways.
4 No work initiated to date.
2021 Regional Plan: Putting the Pieces Together

Overview

On February 22, 2019, the Board of Directors unanimously approved an action plan to develop a bold new vision for San Diego Forward: The 2021 Regional Plan, a vision that will serve the San Diego region for generations to come.

On April 26, 2019, SANDAG staff introduced the 5 Big Moves, the key strategies being used to develop a bold new transportation system for the region that is safe, convenient, considers all users of the system, and meets state climate mandates. The presentation showed how Complete Corridors, Transit Leap, Mobility Hubs, Flexible Fleets, and the Next Operating System, when combined, could deliver a fully-integrated, world-class transportation system, providing compelling alternatives to the private automobile and freeing up space on roadways for goods movement, commerce, and those who need to drive.

On July 12, 2019, SANDAG staff presented more detail on the 5 Big Moves to the Board for discussion. The presentation showed how key employment and commute data was being used to develop new solutions to long-standing commute challenges. The Board directed staff to continue public outreach and development of the 2021 Regional Plan, focusing on the 5 Big Moves and conforming to all state and federal requirements, while also prioritizing specific corridors using the Complete Corridors model for State Routes 78, 52, 67, and 94/125.

On September 27, 2019, the Board took action to advance planning on the 5 Big Moves by allocating $593.4 million over the next five fiscal years for 12 Complete Corridors and a Central Mobility Hub with transit connectivity to the airport. The Board action also included funding to meet immediate needs for new Trolley and COASTER vehicles, work on the Del Mar Bluffs, and new regional programs (Regional Electric Vehicle Charger Incentive Program, Flexible Fleets Pilot, and Smart Center Concept of Operations).

On October 8, 2019, California Governor Gavin Newsom signed Assembly Bill 1730 (Gonzalez) into law which, in effect, keeps the region in compliance with state laws to ensure important state funds continue to flow to the region while the 2021 Regional Plan is being developed.

On October 25, 2019, the Board approved the Federal Regional Transportation Plan to keep important federal funding coming to the region while the vision is being developed.

Key Considerations

Based on these Board actions, staff is using a data driven approach to develop the 2021 Regional Plan. This started with understanding how and where people travel in the region and critical connections to jobs, education, services, and places of recreation.
Using empirical and location-based data (cellular), staff has identified the most significant origins and destinations for work trips and other key destinations across the region. Additionally, staff has been reviewing detailed trip information—average daily traffic, peak hour delay, and vehicle miles traveled on major corridors throughout the region—to help inform planning decisions for improvements to existing corridors in the county. This detailed analysis provides insight about where most daily travel is occurring so the appropriate transportation solutions can be identified, and the 5 Big Moves applied to holistically balance the transportation system.

In addition to observed data, staff has continued to integrate public feedback and input received over the past two years as part of the initial development of the Regional Plan, in addition to input gathered as part of the 2019 Federal Regional Transportation Plan. Staff is using input from residents, employers, and stakeholders across the region to understand the challenges that they face to shape solutions that address those challenges. Types of feedback include resident interviews, focus groups, public meetings, webinars, employer workshops, a borders workshop held in Tijuana, a SANDAG working group forum, and a Vision Advisory Panel that is composed of leading industry and technology experts in the private sector and academia.

As planning for the new vision continues, this data continues to be used to inform planning decisions.

**Next Steps**

Staff will continue to provide the Board with regular updates on the 2021 Regional Plan. Staff is preparing a series of informational agenda items to bring to the Board over the next two months, leading up to a presentation on the 2021 Regional Plan in spring 2020. The next agenda item to be presented during a joint meeting of the Board, Transportation Committee, and Regional Planning Committee is a primer on our local economy, which will highlight how key employment sectors in the region contribute to regional economic growth, and also explore future opportunities and challenges. Following this presentation, staff will provide updates to the Board about Big Data and how data can improve transportation planning and operations, along with an overview of transportation modeling and regulatory requirements related to air quality, vehicle miles traveled, and greenhouse gas emissions.

**Hasan Ikhrata, Executive Director**

Key Staff Contact: Coleen Clementson, (619) 699-1944, coleen.clementson@sandag.org