

Bond Case Briefs

Municipal Finance Law Since 1971

Infrastructure Deals Top U.S. Muni Bond Sales Next Week.

May 11 (Reuters) – Highway, airport and other transportation deals will dominate next week’s estimated \$10.7 billion of new U.S. municipal bond and note sales, according to Thomson Reuters preliminary data.

The largest deals hail from Texas, Pennsylvania, New York, California. They represent a big jump from this week, when an estimated \$7.2 billion of new sales came to the municipal market.

Next week’s infrastructure deals are well timed for National Infrastructure Week, when leaders of state and local governments will descend on Washington to raise awareness and enthusiasm for investing in U.S. infrastructure projects.

The largest deal is \$1.5 billion from Grand Parkway Transportation Corp in Texas, which aims to build a proposed 184-mile (296-km) highway, dubbed the Grand Parkway, around Houston. The deal is broken into \$911 million of subordinate tier toll revenue bonds and \$611 million of bond anticipation notes.

The New York City Transitional Finance Authority plans to sell \$1.1 billion of future tax secured subordinate bonds, broken into a five-part series. The funds will be used to finance various capital projects.

Another infrastructure project, the Airport Commission of the City and County of San Francisco, too, aims to sell \$914 million of revenue and refunding bonds.

From Pennsylvania, the state’s turnpike commission will sell \$445 million of oil franchise tax revenue bonds. The Commonwealth of Pennsylvania, is also on the calendar with a megadeal with \$1.25 billion of general obligation bonds slated to sell next week.

(Reporting by Robin Respaut in San Francisco; editing by Jonathan Oatis)