

Bond Case Briefs

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Bond Buyer Announces Finalists for 16th Annual Deal of the Year Awards.

The Bond Buyer Tuesday announced the finalists for its 16th annual Deal of the Year awards.

Issuers were honored in eight categories, and all the award winners are also finalists for the national Deal of the Year Award, which will be announced at a Dec. 6 ceremony held at 583 Park Avenue in New York City. The winner will also be revealed online at BondBuyer.com later that evening.

For more than a decade and a half, the editors of The Bond Buyer have selected outstanding municipal bond transactions for special recognition. The 2017 awards, which considered deals that closed between Oct. 1, 2016 and Sept. 30, 2017, drew nominations that represent the full diversity of the communities and public purposes that are served by the municipal finance market.

“The nominees faced stiff competition from many eminently qualified deals,” said Michael Scarchilli, Editor in Chief of The Bond Buyer. “We chose the finalists for innovation, the ability to pull complex transactions together under challenging conditions, the ability to serve as a model for other financings, and the public purpose for which a deal’s proceeds were used.”

For the seventh year, the Deal of the Year gala will also include the presentation of the Freda Johnson Award for Trailblazing Women in Public Finance. This year marks the third in which the organization is honoring two public finance professionals; one from the public sector and one from the private. The 2017 honorees are Chicago chief financial officer Carole Brown and Julie Morrone, a principal at Rosemawr Management.

The finalists are:

NORTHEAST REGION

The Massachusetts Bay Transportation Authority’s \$370 million issuance of sustainability bonds and bond anticipation notes. Proceeds of the offering, the first tax-exempt sustainability bonds ever issued in the United States, will go exclusively toward projects that benefit the environment or society more broadly.

SOUTHWEST REGION

The Fort Worth Transportation Authority’s first-ever transaction, a \$325 million private placement to fund a commuter rail line that will alleviate traffic, provide much-needed rail service to Dallas-Fort Worth airport, connectivity to Dallas Area Rapid Transit’s rail system, as well as improving air quality.

MIDWEST REGION

The \$1.3 billion inaugural financing from the newly-created Great Lakes Water Authority, among the most sizable water and sewer systems in North America. The sale unlocked substantial debt service savings for ratepayers and provided necessary funds for water system capital projects at an attractive borrowing rate.

SOUTHEAST REGION

The Kentucky Economic Development Financing Authority's \$472 million deal to benefit Owensboro Health. The sale represents the first new use of commercial bond insurance and first use of a surety in place of a Debt Service Reserve Fund in non-profit healthcare finance since the credit crisis a decade ago.

FAR WEST REGION

The Bay Area Toll Authority's \$1.9 billion sale as part of its San Francisco Bay Area Toll Bridge Seismic Retrofit Program. Over the past decade, BATA has completed more than \$13.7 billion of bond financings and refinancings as part of the program, which has provided critical funding for retrofitting seven bay area bridges including the San Francisco-Oakland Bay Bridge.

NON-TRADITIONAL FINANCING

The City of Cambridge, Mass.' \$2 million sale of minibonds, with minimum denominations of \$1,000, to fund city-wide municipal and school projects. The minibond structure allowed Cambridge to respond to an unmet need of its residents, who regularly expressed interest in actively investing in capital projects throughout the city.

HEALTHCARE FINANCING

Kaiser Permanente's \$4.2 billion sale which represented the largest aggregate financing by a 501(c)3 healthcare institution, the largest taxable issuance by a 501(c)3 healthcare institution, and the largest Green Bond issuance by any healthcare organization. The California Health Facilities Financing Authority was the conduit issuer on the \$2.1 billion tax-exempt component.

SMALL ISSUER FINANCING

The City of Missoula, Mont.'s \$138 million sale of bond anticipation notes to purchase its water system from a private company. This was the inaugural financing for the city's newly formed water enterprise and the culmination of over six years of legal battles to purchase the water system through Montana's eminent domain statutes.

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