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San Francisco To Sell \$996 Million in Bonds for Airport Upgrades.

The Airport Commission of the City of San Francisco will issue \$996 million in municipal bonds to help fund its capital improvement plan.

The commission will sell approximately \$243 million in Second Series 2025 A Revenue Bonds with maturities ranging from 2029 through 2036 and \$627 million in term bonds maturing in 2055. The commission will also offer \$108.4 million in Second Series 2025 B Revenue Bonds with maturities ranging from 2037 to 2053. Additionally, Second Series 2025 C Revenue Bonds in the amount of \$17.1 million with a maturity date of November 1, 2025 will also be offered.

The Series A issue are AMT bonds, while the Series B is non-AMT and the Series C are federally taxable.

The pricing date on the offering is scheduled for Jan. 14 and the closing date is Feb. 6, according the roadshow document accompanying the preliminary official statement posted Thursday on MuniOS.

The bonds will be secured with a pledge of, lien on and security interest in the net revenues of the San Francisco International Airport.

Proceeds will be used to help fund the modernization of Terminal 3 West and the renovation of Terminal 1 Center. Proceeds will also be used for cargo and hangar improvements, runway upgrades, wastewater system improvements and preliminary work for shoreline protection projects. Funds will also be used to repay certain commercial paper notes and pay the costs of issuance, among other things according to the document on MuniOS.

For calendar year 2023, San Francisco International Airport was ranked as the 12th most active airport in the U.S. in terms of total passengers. The airport serves the second most populous area in California and the 5th most populous area in the U.S. The San Francisco area economy was the 11th largest in the world in 2022 and accounted for 36% of California GDP and 5% of U.S. GDP, according to a roadshow document on MuniOS.

S&P Global Ratings, Moody's Ratings and Fitch Ratings have assigned AA-, A1 and A+ ratings to the bonds, respectively.

Samuel A. Ramirez & Co. is a lead underwriter on the offering.

Provided by Dow Jones Jan 9, 2025 12:17pm

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(END) Dow Jones Newswires

January 09, 2025 15:17 ET (20:17 GMT)

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