



▶ Issuance and Sale of BART General Obligation and Revenue Bonds

Measure AA 2025H Refunding / Measure RR 2025E / Sales Tax Revenue 2025A Refunding

August 14, 2025



Agenda

- Overview of BART debt financing
- Board Action: Adopt three resolutions authorizing the refunding of general obligation bonds, issuance and sale of general obligation bonds, and sales tax revenue refunding bonds
 - A. Measure AA (Election of 2004) 2025 Series H Refunding Bond Issuance/Sale.
 - B. Measure RR (Election of 2016) 2025 Series E Bond Issuance/Sale.
 - C. Sales Tax Revenue 2025 Refunding Series A Bond Issuance/Sale.

BART Debt Financing Overview

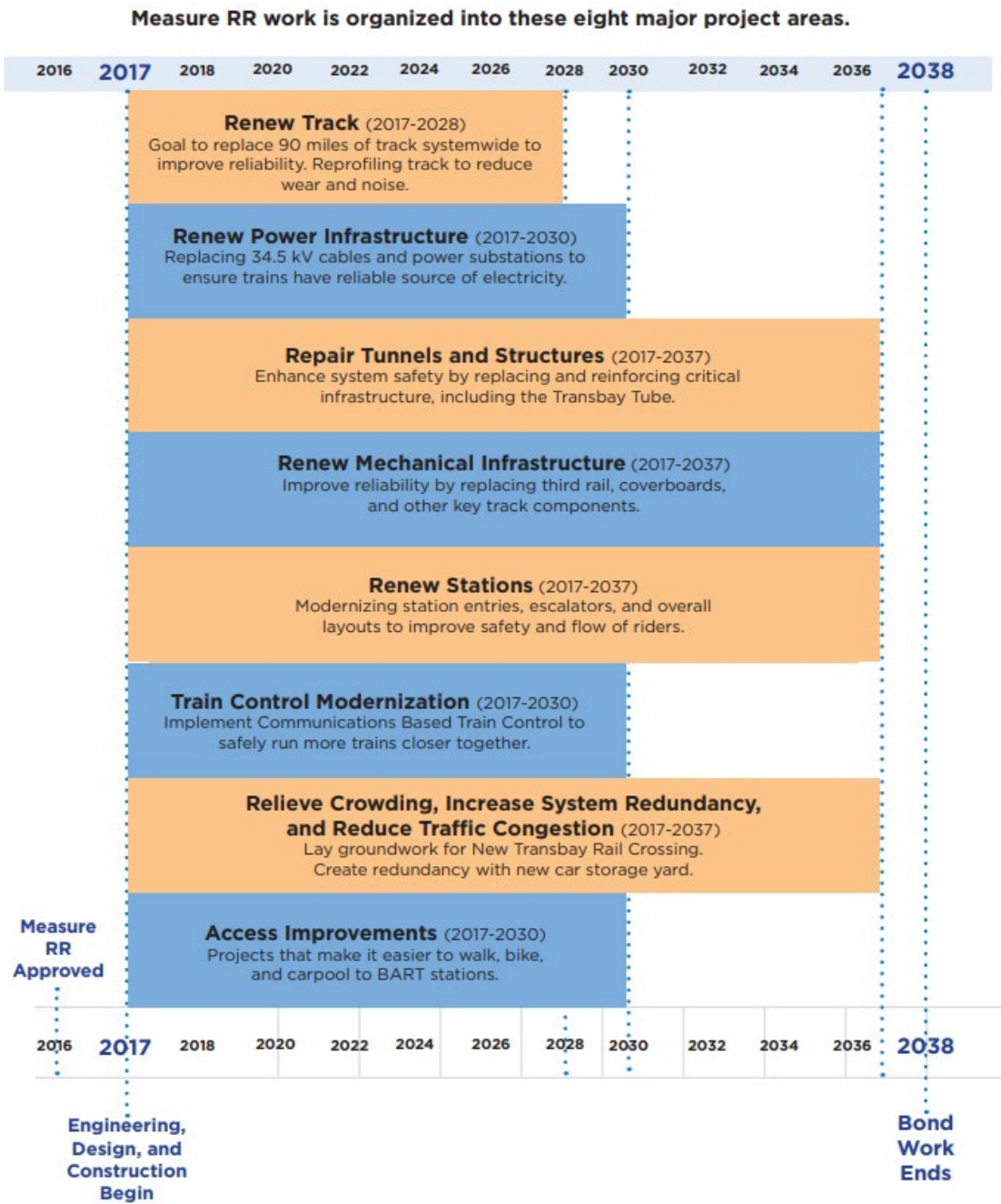
- Debt is secured by voter-approved property tax measures (Measure AA and Measure RR) and BART sales tax
- BART sells bonds to finance capital projects
- Consistent with the BART Debt Policy, to the extent possible, BART issues its bonds with the Green Bond designation
- BART manages its debt issuances to repay debt at a competitive rate over a long-term horizon
- BART periodically refunds (refinances) existing debt to achieve debt service savings when rates are advantageous

General Obligation Bonds

- Measure AA (Election of 2004)
 - Authorized issuance of \$980M in bonds to fund earthquake safety improvements – no remaining authorization.
 - The Earthquake Safety Program is complete as of 2024 and delivered critical projects, including the Transbay Tube Retrofit Project.
 - Board Motion: Measure AA refunding up to \$275M to achieve debt service savings
- Measure RR (Election of 2016)
 - Authorized issuance of \$3.5B in bonds to fund critical safety, reliability, and infrastructure improvements - \$1.4B remaining authorization.
 - More than half (58%) of the planned Measure RR work has now been completed as the program enters its eighth year
 - Board Motion: Measure RR \$700M issuance to continue funding capital projects

Measure RR Program Updates

- Through March 2024, \$1.81 billion of Measure RR funds have been invested in rebuilding projects
 - Nearly 100 projects in planning, design, or construction phases
 - 61 projects are complete
- Significant accomplishments in the last year include:
 - 400 fewer trains delayed due to rail replacement work
 - Replacement of a key portion of trackway between Rockridge and Orinda stations
 - Completion of construction for Oakland Yard tracks
 - Installation of Civic Center Station scissor stairs
- BART amplifies the impact of Measure RR – leverages nearly \$200 of other funds for every \$100 of Measure RR



Source: Measure RR Bond Oversight Committee Annual Report (June 2024). Updated annual report expected in October 2025.

Measure RR is Transforming the Rider Experience



Communications-Based Train Control

- Replace legacy, 50+ year old fixed block system with modern communications-based train control system
- Will allow BART to safely run more trains per hour



Market Street Escalators & Canopies

- Making it easier to access BART by replacing 41 escalators at four downtown SF stations.
- Install canopies at entrances to four downtown SF stations



Traction Power Renewal

- Replacing decades old equipment to boost service reliability
- Installation of new traction power substation and 34.5 kV cable

Historical Measure AA and Measure RR Tax Rates

	Annual Tax Rate per \$100,000 in AV		
Fiscal Year	Measure AA	Measure RR	Combined
2005/06	4.80		
2006/07	5.00		
2007/08	7.60		
2008/09	9.00		
2009/10	5.70		
2010/11	3.10		
2011/12	4.10		
2012/13	4.30		
2013/14	7.50		
2014/15	4.50		
2015/16	2.60		
2016/17	8.00		
2017/18	6.30	2.10	8.40
2018/19	5.20	1.80	7.00
2019/20	7.40	4.60	12.00
2020/21	7.10	6.80	13.90
2021/22	2.50	3.50	6.00
2022/23	5.30	8.70	14.00
2023/24	4.80	8.60	13.40
2024/25	4.70	10.10	14.80
2025/26*	4.30	10.90	15.20

- Actual tax rates for both Measure AA and Measure RR well below maximum tax rate identified in the ballot measures
 - Measure AA projected maximum was \$12.79
 - Measure RR projected maximum was \$17.49
- Average Measure AA annual tax rate per \$100,000 AV since inception is \$5.48
- Average Measure RR annual tax rate per \$100,000 AV since inception is \$5.78

Sales Tax Revenue Bonds

- BART has issued \$984M in bonds, of which \$516M currently outstanding
- Sales Tax Revenue Bond proceeds may be used for operating or capital uses
- Backed by 75% of a half-cent sales tax collected in Alameda, Contra Costa, and San Francisco counties
- Future bond issuances would increase debt service and reduce sales tax revenues available to support the operating budget
- Board Motion: Sales Tax Revenue Bond refunding up to \$85M to achieve debt service savings

Summary of Outstanding Debt

- As of August 2, 2025, 63% of authorized debt has been issued
- The District is responsible for annual debt service payments based on the outstanding principal – annual debt service for FY25 totals \$213M
 - \$60M Debt Service for Sales Tax Revenue Bonds
 - \$153M Debt Service for GO Bonds

	Authorized (\$)	Issued (\$)	Remaining Authorization (\$) ²	Outstanding Principal Balance (\$)
Measure AA General Obligation Bonds	980,000,000	980,000,000	-	542,860,000
Measure RR General Obligation Bonds	3,500,000,000	2,060,000,000	1,440,000,000	1,791,560,000
Sales Tax Revenue Bonds	N/A	984,260,000		515,570,000
TIFIA Loan	544,642,843	150,000,000	394,642,843	150,000,000
Total		4,174,260,000	1,834,642,843	2,999,990,000

NOTES:

(1) Outstanding debt as of 8/2/2025

(2) Pending Board authorization of Measure RR (Election of 2016) 2025 Series E Bond Issuance/Sale, remaining authorization for Measure RR GO Bonds will be \$740,000,000.

BART Maintains High Credit Ratings

- Credit ratings signal the financial health of an agency to investors and directly impact the interest rates on bonds, higher ratings mean lower borrowing costs for BART projects
- BART’s credit ratings remain within the high-grade category
- The credit rating reflects BART’s current creditworthiness, while the outlook indicates the likely direction of the rating in the near-term

Bond Type	Attribute	Moody's	Standard & Poor's	Fitch	KBRA
General Obligation	Rating	Aa1	AA-	AAA	
	Outlook	Stable	Negative	Stable	
Sales Tax Revenue	Rating		AA+	AA	AA+
	Outlook		Negative	Negative	Stable
TIFIA	Rating			AA-	AA
	Outlook			Negative	Stable

NOTE: Updated credit ratings expected August 2025, no change in rating or outlook anticipated.

Rating Scale	
Moody's	Standard & Poor's/ Fitch/ KBRA
Aaa	AAA
Aa1	AA+
Aa2	AA
Aa3	AA-
A1	A+
A2	A
A3	A-
Baa1	BBB+
Baa2	BBB
Baa3	BBB-

Board Motions

- A. Authorizing and approving the issuance and sale, if sufficient savings are achieved, of not to exceed \$275 million aggregate principal amounts of the Measure AA Refunding Series H Bonds, and authorizing the preparation, execution and delivery of agreements and documents in connection therewith.
- B. Authorizing and approving the issuance and sale of not to exceed \$700 million aggregate principal amount of the Measure RR Series E Bonds, and authorizing the preparation, execution and delivery of agreements and documents in connection therewith.
- C. Authorizing and approving the issuance and sale, if sufficient savings are achieved, of not to exceed \$85 million aggregate principal amount of the 2025 Refunding Series A Bonds, and authorizing the preparation, execution and delivery of agreements and documents in connection therewith.