



NEW YORK CITY COMPTROLLER
SCOTT M. STRINGER

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NEW YORK CITY TRANSITIONAL FINANCE AUTHORITY ANNOUNCES SALE OF \$1.6 BILLION REFUNDING BONDS

Debt Service Savings Totaling Over \$370 Million in Fiscal Years 2021 and 2022

The Mayor's Office of Management and Budget, the Office of New York City Comptroller Scott Stringer and the New York City Transitional Finance Authority ("TFA") announced the sale of approximately \$1.6 billion of future tax secured subordinate refunding bonds, comprised of approximately \$1.3 billion of tax-exempt fixed rate bonds and \$275 million of taxable fixed rate bonds.

The refunding achieves approximately \$374 million in total debt service savings, with approximately \$230 million and \$141 million of debt service savings in Fiscal Years 2021 and 2022, respectively. Refunding savings on a present value basis total \$367 million or 18.6% of the refunded par amount.

During the two-day retail order period for the tax-exempt bonds, TFA received \$516 million of orders from individual investors, out of which approximately \$498 million was usable. During the institutional order period, TFA received approximately \$3.9 billion of priority orders, representing 4.7x the bonds offered for sale to institutional investors. Given the strong demand, yields were reduced by 2 - 3 basis points for maturities in 2021 and 2022, 1 - 3 basis points for maturities in 2024 through 2027, 1 - 4 basis points for maturities in 2030 through 2036, 4 basis points for the 5% bond maturing in 2037, 5 basis points for the 3% bond maturing in 2037, 11 basis points for the 2038 maturity and 6 basis points for the 2039 maturity. Final yields ranged from 0.26% in 2021 to 1.64% for the 5% bond maturing in 2037, 1.81% for the 4% bond maturing in 2038 and 2.10% for the 3% bond maturing in 2039.

The tax-exempt bonds were underwritten through TFA's underwriting syndicate led by book-running lead manager BofA Securities, with Citigroup and Ramirez & Co., Inc. serving as co-senior managers.

TFA also sold \$275 million of taxable fixed rate bonds, comprised of two subseries, via competitive bid. The first subseries of approximately \$128 million of bonds maturing in 2021 through 2027 attracted eleven bidders, with Wells Fargo winning at a true interest cost of 0.680%. The second subseries of approximately \$147 million of bonds, which mature in 2032 through 2039 and are also callable at par in 2030, attracted nine bidders, with UBS winning at a true interest cost of 2.133%.