



SFMTA
Municipal
Transportation
Agency

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****Statement from SFMTA Chairman of the Board, Tom Nolan re: the Agency's Credit Rating Increase for Second Consecutive Year****

San Francisco—Tom Nolan, Chairman of the Board of the San Francisco Municipal Transportation Agency (SFMTA), today issued the following statement following Standard & Poor's Ratings Services' announcement to raise the SFMTA's long-term rating to 'AA-' from 'A+' on the Agency's outstanding revenue bonds. This rating increase is the second in as many years.

"The increase in our credit rating is an excellent example of the market's confidence in the financial health of the city's transportation agency and is further proof that the city's infrastructure is a good investment. This upgrade comes as the city is poised to act on the SF2030 Transportation Task Force's recommendations to invest \$3 billion in transportation infrastructure over the next 15 years, if approved by voters," said Nolan.

According to Standard and Poor's the increased rating is a reflection of:

- Very low industry risk, with low cyclical volatility of earnings during economic cycles, and very low competition;
- Extremely strong economic fundamentals, with extremely strong per capita income and no significant employment concentration;
- Strong management and governance policies and practices, with very strong financial policies;
- Very strong debt service coverage and liquidity; and
- Low debt burden.

The Transportation Task Force recommended three potential tools for new revenue to generate \$3 billion by 2030, including a vehicle license fee increase of 1.35 percent, sales tax increase of 0.5 percent, and two General Obligation Bonds, each for \$500 million, all subject to voter approval. The recommendation would make capital investments in road repaving, improving transit reliability and reducing crowding, and making streets safer for people who walk and bicycle.

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Established by voter proposition in 1999, the SFMTA, a department of the City and County of San Francisco, oversees the Municipal Railway (Muni), parking and traffic, bicycling, walking and taxis. With five modes of transit, Muni has approximately 700,000 passenger boardings each day. Over 1 million people get around this city each day and rely on the SFMTA to ensure safe and reliable travel by transit, walking, bicycling, taxi and driving.

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