BART's Bond Measure: The Facts

On November 8, voters in San Francisco, Alameda and Contra Costa counties will have an opportunity to decide whether to authorize BART to issue $3.5 billion in general obligation bonds, to be repaid by district property owners. At least two thirds of the total votes must be "yes" to pass the ballot measure. BART will use the money to rebuild a transit system that's now 44 years old. Below are some facts to help you decide.

HOW DOES THE BOND MEASURE WORK?

If the bond measure passes, BART will have the authority to issue up to $3.5 billion of general obligation bonds. A bond works like a type of loan – investors loan money to BART so it can invest in rebuilding the BART system and then BART must repay the investors back with interest on the amount borrowed. BART will raise the money to pay back the bonds through property taxes.

HOW MUCH WILL PROPERTY OWNERS PAY?

The amount of money a property owner would pay depends on a number of factors including the assessed value of their property, the amount of bonds outstanding in a particular year, and the interest rates on the bonds. BART estimates the average yearly tax rate over the life of the bond program could be $8.98 per $100,000 of assessed value (AV). BART estimates that the yearly tax rate would range from 80 cents per $100,000 AV to $17.49 per $100,000 AV. *(see detailed charts below)*

To use a real-life example: before voters approved the BART Seismic Safety measure in 2004, BART projected yearly tax rates of $4.85 to $12.79 per $100,000 of a property's assessed value over the life of the bond. With 75% of the bonds sold, the actual yearly tax rates have ranged from $2.60 (current year) to $9.00 per $100,000 of assessed value – below BART's original projections.

HOW LONG WOULD PROPERTY OWNERS BE PAYING FOR THE BONDS?

BART anticipates that each bond will be paid off within 30 years after it is issued, but BART won't issue all of the bonds at the same time. Why borrow money before you need it? Instead, BART projects it will issue the $3.5 billion in bonds in equal installments every two years for eighteen years as the funds are needed to rebuild the aging system. This means that, from start to finish, BART estimates property owners could be helping BART pay off the bonds for 48 years.

WHY DID BART DECIDE TO SEEK MONEY THROUGH A BOND MEASURE?

BART estimates it will cost at least $9.6 billion over the coming 10 years to rebuild a core system that's now 44 years old. The Agency has secured approximately half of the $9.6 billion. Although BART raises money through its fares and existing sales and property taxes, it's not nearly enough to pay for rebuilding. BART's elected Board of Directors decided the most responsible way to begin tackling the $9.6 billion backlog was to let voters decide whether to reinvest in the backbone of the Bay Area's public transportation network.

HOW CAN I LEARN MORE?

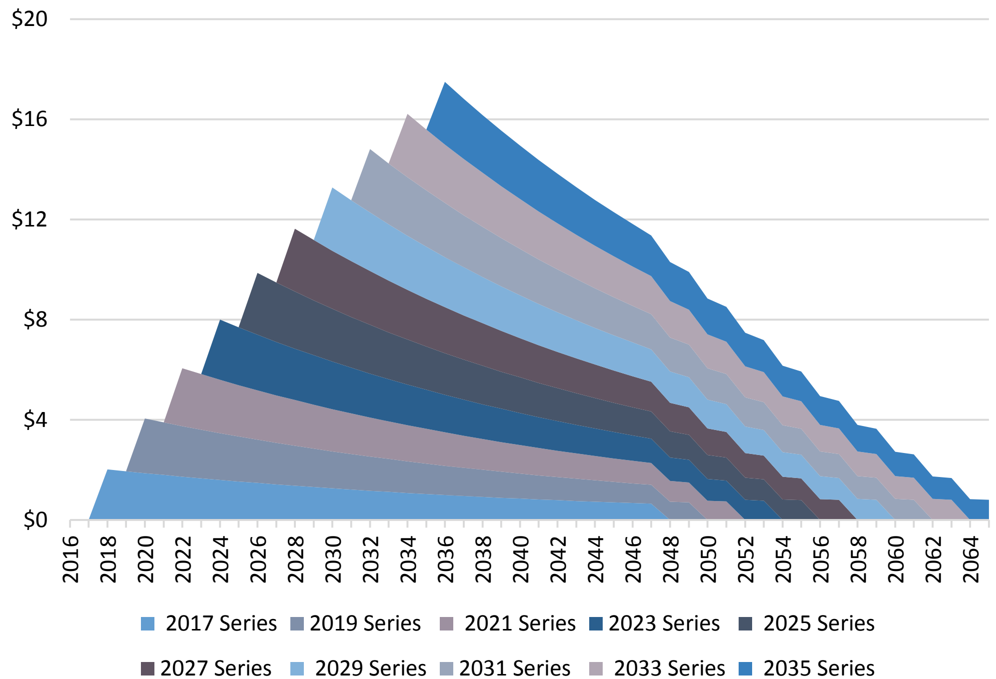
Visit the Better BART website at www.bart.gov/BetterBART. Also, you can contact us to request a personal presentation from BART to you and your group by emailing us at BetterBART@bart.gov.

Bond Measure Financing and Schedule

	$3.5 Billion
Total Par Amount	$3,500,000,000
All-In True Interest Cost*	5.00%
Maximum Annual Debt Service*	$227,689,000
Average Annual Debt Service*	$142,299,625
Assumed AV Growth Rate*	4.00%
Maximum Tax Rate ($/$100,000 AV)*	$17.49 (FY 2036)
Minimum Tax Rate ($/$100,000 AV)*	$0.80 (FY 2065)
Average Tax Rate ($/$100,000 AV)*	$8.98

*Estimated values

Estimated Annual Tax Rate ($/100,000AV)*



	Assessed Valuations						
	Alameda County	Contra Costa County	City and County of San Francisco	Total AV	$3.5B GO Bond Debt Service	Tax Rate	Tax Rate ($/$100,000)
2015	$ 222,493,000,000	$ 166,144,000,000	$ 182,608,000,000	$ 571,245,000,000			
2016	$ 231,392,720,000	$ 172,789,760,000	$ 189,912,320,000	$ 594,094,800,000			
2017	$ 240,648,428,800	$ 179,701,350,400	$ 197,508,812,800	$ 617,858,592,000			
2018	$ 250,274,365,952	$ 186,889,404,416	$ 205,409,165,312	$ 642,572,935,680	13,010,000	0.00202%	$ 2.02
2019	$ 260,285,340,590	$ 194,364,980,593	$ 213,625,531,924	$ 668,275,853,107	13,009,500	0.00195%	$ 1.95
2020	$ 270,696,754,214	$ 202,139,579,816	$ 222,170,553,201	$ 695,006,887,231	28,188,250	0.00406%	$ 4.06
2021	$ 281,524,624,382	$ 210,225,163,009	$ 231,057,375,330	$ 722,807,162,721	28,191,750	0.00390%	$ 3.90
2022	$ 292,785,609,358	$ 218,634,169,529	$ 240,299,670,343	$ 751,719,449,230	45,536,500	0.00606%	$ 6.06
2023	$ 304,497,033,732	$ 227,379,536,311	$ 249,911,657,156	$ 781,788,227,199	45,534,250	0.00582%	$ 5.82
2024	$ 316,676,915,081	$ 236,474,717,763	$ 259,908,123,443	$ 813,059,756,287	65,053,250	0.00800%	$ 8.00
2025	$ 329,343,991,684	$ 245,933,706,473	$ 270,304,448,380	$ 845,582,146,538	65,051,000	0.00769%	$ 7.69
2026	$ 342,517,751,352	$ 255,771,054,732	$ 281,116,626,316	$ 879,405,432,400	86,737,500	0.00986%	$ 9.86
2027	$ 356,218,461,406	$ 266,001,896,922	$ 292,361,291,368	$ 914,581,649,696	86,731,000	0.00948%	$ 9.48
2028	$ 370,467,199,862	$ 276,641,972,799	$ 304,055,743,023	$ 951,164,915,684	110,593,250	0.01163%	$ 11.63
2029	$ 385,285,887,856	$ 287,707,651,711	$ 316,217,972,744	$ 989,211,512,311	110,597,500	0.01118%	$ 11.18
2030	$ 400,697,323,371	$ 299,215,957,779	$ 328,866,691,654	$ 1,028,779,972,803	136,606,500	0.01328%	$ 13.28
2031	$ 416,725,216,306	$ 311,184,596,090	$ 342,021,359,320	$ 1,069,931,171,715	136,606,000	0.01277%	$ 12.77
2032	$ 433,394,224,958	$ 323,631,979,934	$ 355,702,213,693	$ 1,112,728,418,584	164,799,000	0.01481%	$ 14.81
2033	$ 450,729,993,956	$ 336,577,259,131	$ 369,930,302,240	$ 1,157,237,555,327	164,805,500	0.01424%	$ 14.24
2034	$ 468,759,193,714	$ 350,040,349,496	$ 384,727,514,330	$ 1,203,527,057,541	195,160,000	0.01622%	$ 16.22
2035	$ 487,509,561,463	$ 364,041,963,476	$ 400,116,614,903	$ 1,251,668,139,842	195,158,250	0.01559%	$ 15.59
2036	$ 507,009,943,921	$ 378,603,642,015	$ 416,121,279,499	$ 1,301,734,865,436	227,679,750	0.01749%	$ 17.49
2037	$ 527,290,341,678	$ 393,747,787,696	$ 432,766,130,679	$ 1,353,804,260,053	227,671,750	0.01682%	$ 16.82
2038	$ 548,381,955,345	$ 409,497,699,204	$ 450,076,775,906	$ 1,407,956,430,455	227,672,750	0.01617%	$ 16.17
2039	$ 570,317,233,559	$ 425,877,607,172	$ 468,079,846,943	$ 1,464,274,687,674	227,672,500	0.01555%	$ 15.55
2040	$ 593,129,922,902	$ 442,912,711,459	$ 486,803,040,820	$ 1,522,845,675,181	227,675,750	0.01495%	$ 14.95
2041	$ 616,855,119,818	$ 460,629,219,917	$ 506,275,162,453	$ 1,583,759,502,188	227,686,500	0.01438%	$ 14.38
2042	$ 641,529,324,610	$ 479,054,388,714	$ 526,526,168,951	$ 1,647,109,882,275	227,678,000	0.01382%	$ 13.82
2043	$ 667,190,497,595	$ 498,216,564,262	$ 547,587,215,709	$ 1,712,994,277,566	227,679,250	0.01329%	$ 13.29
2044	$ 693,878,117,499	$ 518,145,226,833	$ 569,490,704,338	$ 1,781,514,048,669	227,677,250	0.01278%	$ 12.78
2045	$ 721,633,242,199	$ 538,871,035,906	$ 592,270,332,511	$ 1,852,774,610,616	227,689,000	0.01229%	$ 12.29
2046	$ 750,498,571,887	$ 560,425,877,342	$ 615,961,145,812	$ 1,926,885,595,040	227,680,000	0.01182%	$ 11.82
2047	$ 780,518,514,762	$ 582,842,912,436	$ 640,599,591,644	$ 2,003,961,018,842	227,671,750	0.01136%	$ 11.36
2048	$ 811,739,255,352	$ 606,156,628,933	$ 666,223,575,310	$ 2,084,119,459,596	214,674,000	0.01030%	$ 10.30
2049	$ 844,208,825,567	$ 630,402,894,091	$ 692,872,518,322	$ 2,167,484,237,979	214,665,250	0.00990%	$ 9.90
2050	$ 877,977,178,589	$ 655,619,009,854	$ 720,587,419,055	$ 2,254,183,607,499	199,486,750	0.00885%	$ 8.85
2051	$ 913,096,265,733	$ 681,843,770,249	$ 749,410,915,817	$ 2,344,350,951,799	199,491,000	0.00851%	$ 8.51
2052	$ 949,620,116,362	$ 709,117,521,058	$ 779,387,352,450	$ 2,438,124,989,870	182,145,000	0.00747%	$ 7.47
2053	$ 987,604,921,017	$ 737,482,221,901	$ 810,562,846,548	$ 2,535,649,989,465	182,145,500	0.00718%	$ 7.18
2054	$ 1,027,109,117,857	$ 766,981,510,777	$ 842,985,360,410	$ 2,637,075,989,044	162,627,000	0.00617%	$ 6.17
2055	$ 1,068,193,482,572	$ 797,660,771,208	$ 876,704,774,826	$ 2,742,559,028,606	162,630,250	0.00593%	$ 5.93
2056	$ 1,110,921,221,874	$ 829,567,202,056	$ 911,772,965,819	$ 2,852,261,389,750	140,942,000	0.00494%	$ 4.94
2057	$ 1,155,358,070,749	$ 862,749,890,138	$ 948,243,884,452	$ 2,966,351,845,340	140,937,500	0.00475%	$ 4.75
2058	$ 1,201,572,393,579	$ 897,259,885,744	$ 986,173,639,830	$ 3,085,005,919,154	117,091,750	0.00380%	$ 3.80
2059	$ 1,249,635,289,322	$ 933,150,281,174	$ 1,025,620,585,423	$ 3,208,406,155,920	117,088,750	0.00365%	$ 3.65
2060	$ 1,299,620,700,895	$ 970,476,292,421	$ 1,066,645,408,840	$ 3,336,742,402,156	91,072,250	0.00273%	$ 2.73
2061	$ 1,351,605,528,931	$ 1,009,295,344,118	$ 1,109,311,225,194	$ 3,470,212,098,243	91,071,500	0.00262%	$ 2.62
2062	$ 1,405,669,750,088	$ 1,049,667,157,882	$ 1,153,683,674,202	$ 3,609,020,582,172	62,883,750	0.00174%	$ 1.74
2063	$ 1,461,896,540,092	$ 1,091,653,844,198	$ 1,199,831,021,170	$ 3,753,381,405,459	62,879,000	0.00168%	$ 1.68
2064	$ 1,520,372,401,696	$ 1,135,319,997,965	$ 1,247,824,262,017	$ 3,903,516,661,678	32,523,750	0.00083%	$ 0.83
2065	$ 1,581,187,297,764	$ 1,180,732,797,884	$ 1,297,737,232,497	$ 4,059,657,328,145	32,523,750	0.00080%	$ 0.80
					$ 6,830,382,000		
Minimum Tax Rate						**FY 2019**	**$ 0.80**
Maximum Tax Rate						**FY 2036**	**$ 17.49**
Average Tax Rate							**$ 8.98**