



San Francisco Bay Area Rapid Transit District

Investor Presentation

Sales Tax Revenue Bonds (**Green Bonds**)

\$120,730,000* 2017 Refunding Series A

\$67,365,000* 2017 Refunding Series B (Federally Taxable)

December 7, 2017

*Preliminary, subject to change

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Summary of Financing

TRANSACTION DETAILS	2017A	2017B
Par Amount*	\$120,730,000	\$67,365,000
Tax Status	Tax-Exempt	Federally Taxable
Final Maturity*	2034	2023
Structure	Fixed-rate, current interest serial bonds	
Optional Redemption*	The 2017 Bonds are expected to be callable at par on July 1, 2027	
Use of Proceeds	<ul style="list-style-type: none"> ▪ Advance refund outstanding portions of the District's Series 2010, Series 2012A and Series 2012B Sales Tax Revenue Bonds ▪ Pay costs of issuance associated with issuing the 2017 Bonds 	
Security	The Series 2017 Bonds are special obligations of the District, payable from and secured by a pledge of sales tax revenues derived from a seventy-five percent (75%) portion of a transactions and use tax levied by the District in Alameda and Contra Costa Counties and the City and County of San Francisco in an amount equal to one-half of one percent (0.5%) of gross retail receipts	
Credit Ratings	Standard & Poor's: AA+ (stable) Fitch: AA+ (stable)	
Green Bonds	The 2017 Bonds are Climate Bond Certified by the Climate Bonds Initiative, BART's second such bond issuance	
PRICING SCHEDULE		
Pricing Date*	Thursday, December 14, 2017	
BPA Signing*	Thursday, December 14, 2017	
Closing Date*	Thursday, December 28, 2017	

*Preliminary, subject to change



BART District Overview

- Created in 1957 to provide regional rapid transit service in the San Francisco Bay Area
- Tax base includes the counties of Alameda, Contra Costa and San Francisco (the “BART Counties”)
- Governed by an elected nine-member Board of Directors
- System ridership served 124.2 million passengers annually and averaged 423,395 weekday trips in FY 2017
- The BART system comprises 109 miles of double track, 46 stations, and approximately 49,000 parking spaces connecting the urban centers of the three BART Counties and northern San Mateo County
 - The newest station, Warm Springs, opened on March 25, 2017
 - The Silicon Valley extension will connect BART to Santa Clara County; It is expected to be completed in 2018 with new BART stations opening in Milpitas and San Jose (at Berryessa)

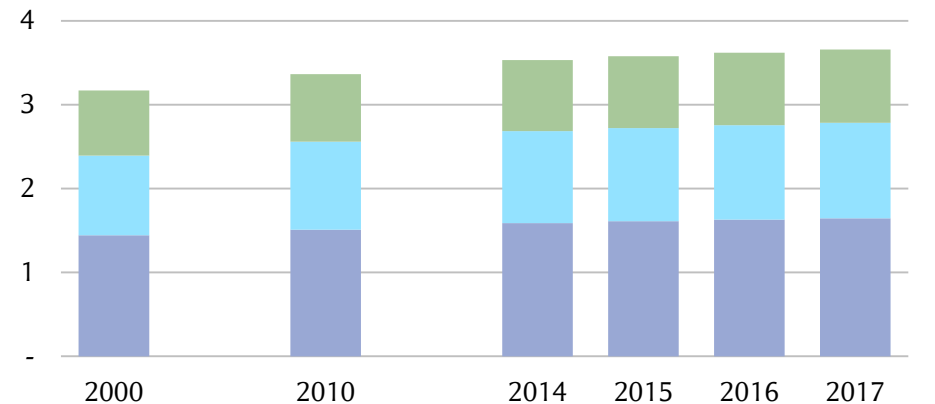


Source: BART.gov – 2017 Fact Sheet

The BART Counties are the Economic Center of the Bay Area

- The District's population has grown by 9% since 2010
- The unemployment rate in each BART County has remained below the State average in recent years
- Per capita personal income in each BART County is higher than the State or national average

Population by County (millions)



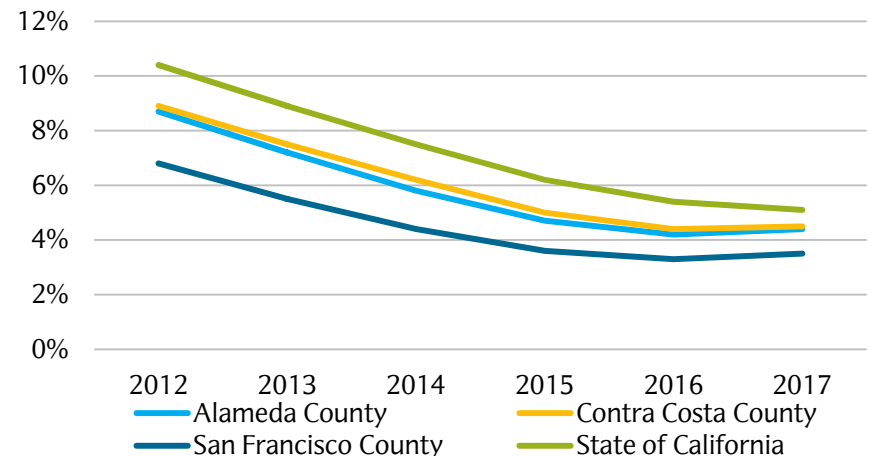
■ Alameda County ■ Contra Costa County ■ City & County of San Francisco
Source: California Department of Finance

Wealth Levels by County

Location	2015 Per Capita Personal Income
Alameda County	\$61,879
Contra Costa County	\$66,348
City and County of San Francisco	\$103,529
State of California	\$53,741
United States of America	\$42,095

Sources: U.S. Department of Commerce, Bureau of Economic Analysis

Unemployment in District Counties is Low



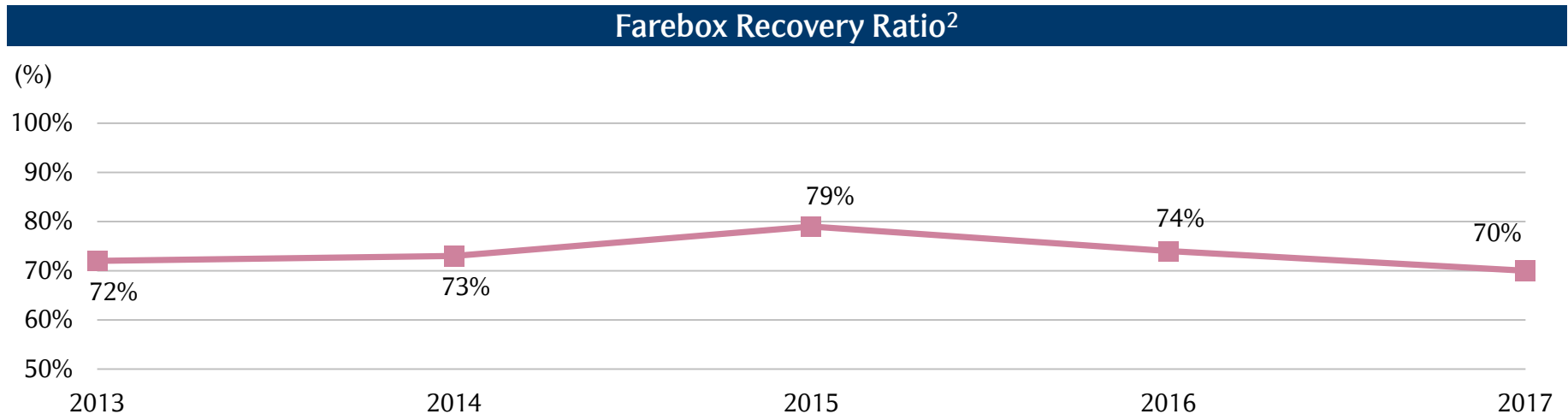
Source: California Employment Development Department (as of August 2017)

Strong Average Weekday Ridership & Farebox Recovery Ratio

Ridership has been particularly strong through the Transbay Tunnel under the San Francisco Bay, growing 43% between 2010 and 2016

Average Weekday Passenger Trips						
FY Ending June 30	2012	2013	2014	2015	2016	2017 ¹
East Bay	83,377	87,787	86,254	89,108	87,892	84,946
West Bay	102,603	108,726	107,682	112,492	112,889	106,814
Transbay	180,585	195,780	205,210	221,519	232,613	231,636
Average Total Weekday Trips	366,565	392,293	399,146	423,119	433,394	423,395
Annual Change	6.2%	7.0%	1.7%	6.0%	2.4%	(2.3%)

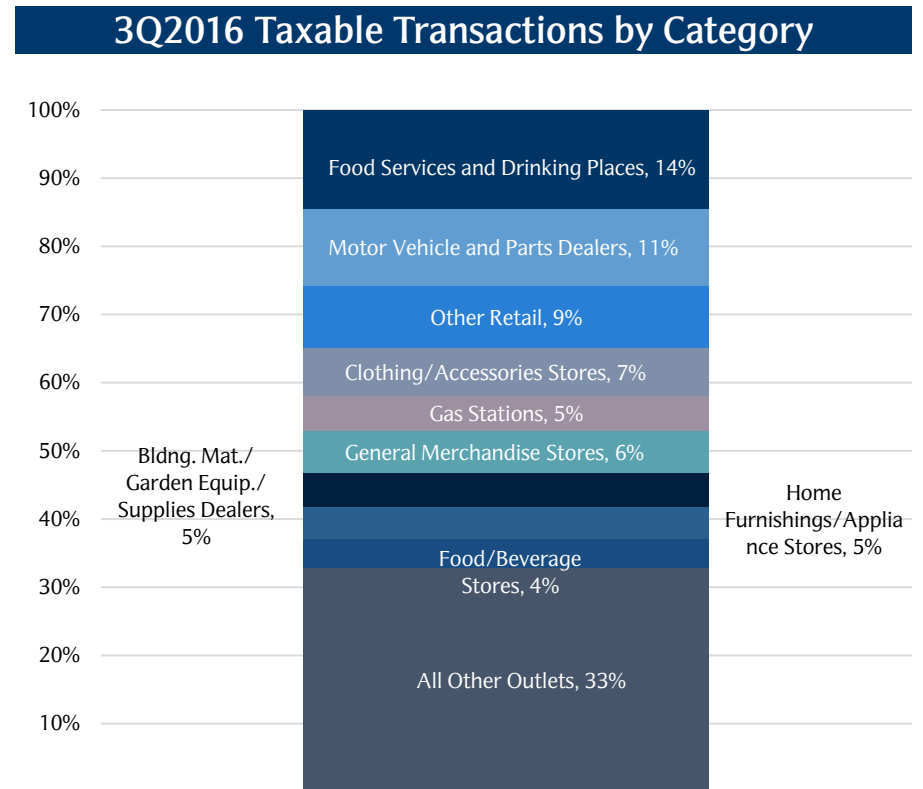
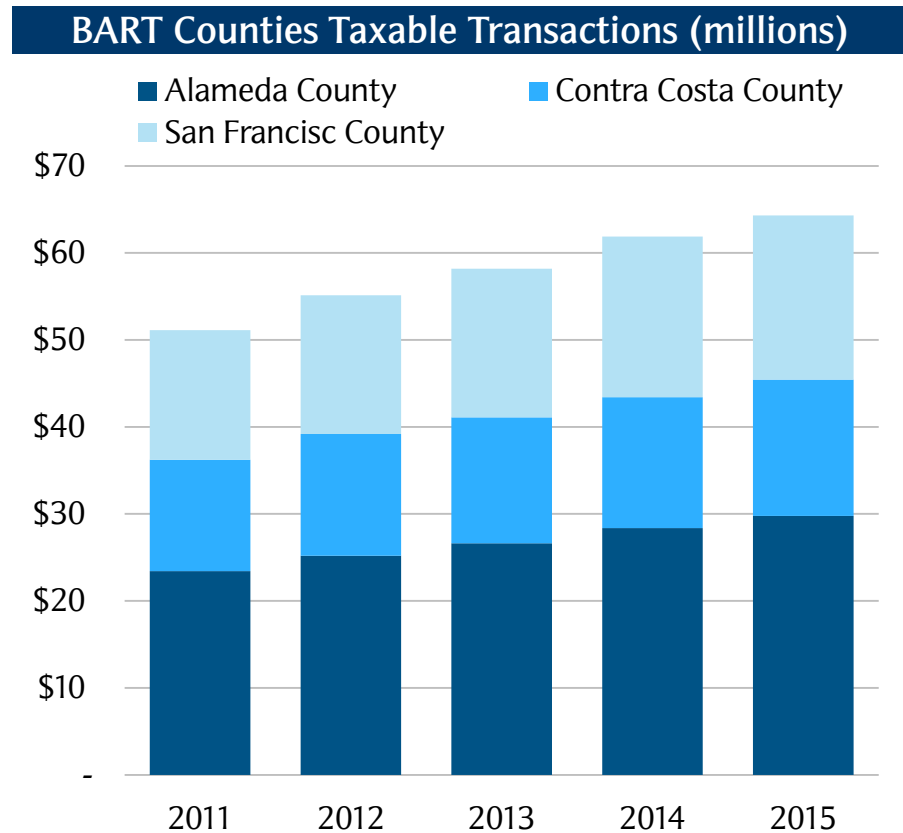
¹Half of fiscal year, for period July 1, 2016 to December 31, 2016



²Defined as total passenger revenues divided by total operating expenses

Strong Sales Tax Revenue Base

- Taxable transactions in the BART Counties totaled \$64.3 billion in FY2015
- Sales tax growth has been robust since 2009, with taxable transactions in the BART counties increasing by 43.1%
- BART Counties represented over 10% of the State's total taxable transactions in CY2015

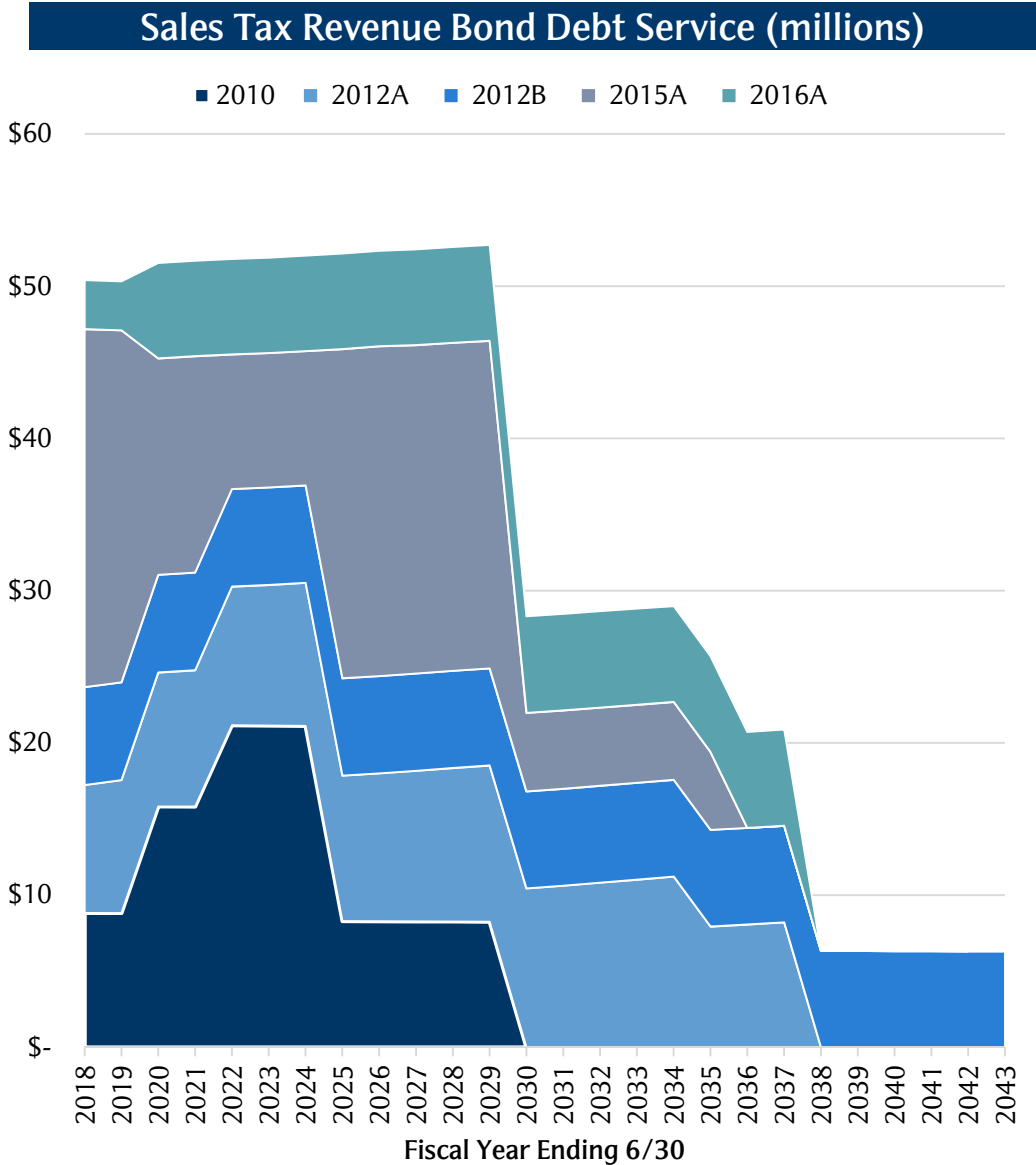


Source: California State Board of Equalization

Outstanding Sales Tax Revenue Debt

- \$571 million in outstanding sales tax revenue bonds
- Conservative debt profile with 100% fixed rate bonds

Outstanding Sales Tax Revenue Bonds			
Issue	Original Principal	Amount Outstanding	Final Maturity
Series 2010	\$129,595,000	\$115,095,000	2028
Series 2012A	130,475,000	117,060,000	2036
Series 2012B	111,085,000	99,635,000	2042
Series 2015A	186,640,000	155,655,000	2034
Series 2016A	83,800,000	83,800,000	2036
TOTAL		\$571,245,000	



Source: BART



Debt Service Coverage Ratio has Grown Steadily Since 2012

- Current year debt service has been strong in recent years, driven by strong growth of Sales Tax Revenues
- Current debt service coverage ratio is 4.9x (before issuance of refunding bonds)
- **The District currently has no plans to issue additional new money Sales Tax Revenue Bonds**

Historical Sales Tax Revenue Debt Service Coverage					
	FY2013	FY2014	FY2015	FY2016	FY2017
Sales Tax Revenues (\$ 000s)	208,561	221,149	233,148	241,547	247,185
General Fund Debt Service (Sales Tax and Premium Fare Bonds) (\$ 000s)	62,442	58,240	55,958	48,611	50,448
Debt Service Coverage Ratio	3.3x	3.8x	4.2x	5.0x	4.9x

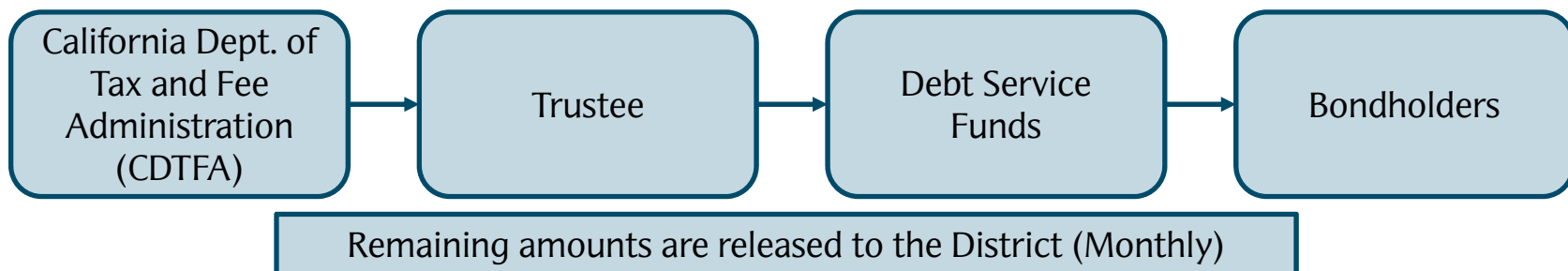
Source: BART

Sales Tax Revenue Bonds Legal Structure

Overview

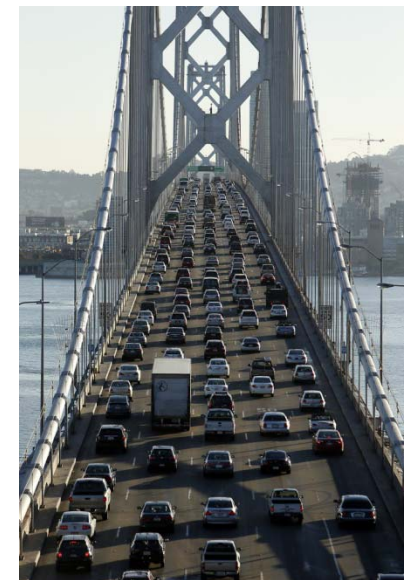
- 1990 Indenture to be discharged upon 2017 refunding
- 2012 Indenture will secure all sales tax debt
- Pledged Revenue: gross sales tax 75% of 0.5% District Sales Tax
- Additional Bonds Test
 - $1.5x \geq$ MADS
 - $1.5x \geq$ Forecasted Sales Tax Revenues in next 5 fiscal years
- No DSRF for this issue
- No sunset on Sales Tax

Sales Tax Revenue Bonds Flow of Funds



BART's Contribution to Environmental Sustainability

- 1.8 billion passenger miles traveled in 2016
- 2016 Average Weekday Trips: 433,394
- 2016 Average Trip Length: 14.7 miles
- Gasoline saved from all riders for one typical weekday: 139,116 gallons
- Emissions avoided from all riders for one typical weekday: 2.7 million pounds of CO₂
- Traction Power in 2016: 283,325,856 kWh
- BART trains are 100% electric; in 2017 approximately 97% of that power will come from low- and zero-carbon sources, including solar and hydro
- In 2010, the U.S. Dept. of Transportation reported BART to be the USA's cleanest major transit system in its class, emitting fewer pounds of CO₂ per passenger mile than any other transit system



BART's 2017AB Green Bonds Are Climate Bond Certified

- The Climate Bonds Initiative's ("CBI") Climate Bonds Standard is a screening tool for investors and governments which allows them to easily prioritize climate and green bonds with confidence that the funds are being used to deliver climate change solutions
- First Environment, Inc. has provided independent verification that the bonds conform to CBI's Low Carbon Land Transport Standard and meet international standards for:
 - Climate integrity
 - Management of proceeds
 - Transparency and annual reporting
- BART is the first transit agency in the Western US to obtain Climate Bond Certification from the Climate Bonds Initiative
- This is the District's second issued certified by CBI



Plan of Finance*

- **Advance refund all outstanding Series 2010 Bonds**
 - Requires tax-exempt and taxable refunding bonds
- **Advance refund a portion of the Series 2012A Bonds**
 - Tax-exempt refunding bonds
- **Advance refund a portion of the Series 2012B Bonds**
 - Tax-exempt refunding bonds
- **Target 5% minimum PV debt service savings**

Preliminary Amortization Schedule		
Maturity	2017A	2017B (Taxable)
7/1/2018		\$1,200,000
7/1/2019		\$8,200,000
7/1/2020		\$8,745,000
7/1/2021		\$15,870,000
7/1/2022		\$17,775,000
7/1/2023	\$8,575,000	\$15,575,000
7/1/2024	\$11,960,000	
7/1/2025	\$12,415,000	
7/1/2026	\$13,000,000	
7/1/2027	\$13,570,000	
7/1/2028	\$14,160,000	
7/1/2029	\$7,385,000	
7/1/2030	\$7,655,000	
7/1/2031	\$7,920,000	
7/1/2032	\$8,210,000	
7/1/2033	\$8,520,000	
7/1/2034	\$7,360,000	
TOTAL	\$120,730,000	\$67,365,000

*Preliminary, subject to change

Schedule*

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
December 4	5	6	7 Board Approval Post POS	8
11	12	13	14 Pricing Period	15
18	19	20	21	22
25 <i>Christmas</i>	26	27	28 Closing	29

Marketing / Pricing Activity

Marketing Period

*Preliminary, subject to change

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