

# **Proposition C**

# **Refunding and New Money Bonds**

**Finance, Budget and Audit Committee**  
**March 19, 2026**

# BACKGROUND AND PURPOSE

## Background

- The Long Range Transportation Plan assumes the use of short-term borrowing and long-term bonds to deliver capital projects
- Debt Policy requires continuous review its outstanding obligations for economic, cost-effective opportunities, or other “non-economic” reasons to issue refunding obligations

## Purpose

1. To fund or reimburse up to \$350 million of eligible capital projects
2. To refund \$31 million of Proposition C Series 2016-A on their upcoming call date of 7/1/2026 for debt service savings

# BOND STRUCTURE AND NEXT STEPS

## Bond Structure

- Bonds will be sold to investors on a negotiated basis through underwriters selected from the approved underwriter bench
- Bonds will be issued at a fixed rate with maturities ranging from 2027 – 2051

## Next Steps

- Obtain credit ratings on the Proposition C Bonds
- Complete legal documentation and initiate the pre-marketing efforts
- Negotiate the sale of the Proposition C Bonds with the underwriters

## RECOMMENDATION

Adopt a Resolution (Attachment A) that authorizes the issuance and negotiated sale of up to \$450 million of Proposition C Bonds in aggregate principal amount of Proposition C Sales Tax Revenue Senior Bonds (the “Bonds”), in one or more series, to finance capital projects, refund the Proposition C Senior Sales Tax Revenue Refunding Bonds, Senior Bonds, Series 2016-A (the “Refunded Bonds”), and to take of all other actions necessary in connection with the issuance of the Bonds.