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Date: Thursday, October 6, 2022

Release #100622

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## **THE CITY OF NEW YORK ANNOUNCES SUCCESSFUL SALE OF \$1.35 BILLION OF GENERAL OBLIGATION BONDS, INCLUDING ITS FIRST SOCIAL BONDS**

The City of New York ("the City") announced the sale of \$1.35 billion of General Obligation Bonds, comprised of \$950 million of tax-exempt fixed rate bonds and \$400 million of taxable fixed rate bonds designated as Social Bonds. Proceeds of the tax-exempt bond sale will be used to fund capital projects. The taxable fixed rate Social Bonds will fund affordable housing. The Social Bonds received a second party opinion from S&P Global Ratings affirming alignment of the bonds with the ICMA Social Bond Principles.

During the retail order period for the tax-exempt bonds, the City received just under \$690 million of orders from retail investors, of which over \$490 million was usable. During the institutional order period, the City received approximately \$6.0 billion of priority orders, representing just over 13.1x the bonds offered for sale to institutional investors.

Strong investor demand for the tax-exempt bonds resulted in yields being reduced by 2-7 basis points from 2024 through 2039, and by 11-15 basis points in 2040 through 2046. Final yields ranged from 3.12% in 2024 to 4.39% in 2047.

During the order period for the taxable Social Bonds, the City received indications of interest totaling \$1.88 billion, representing 4.7x the bonds offered. Of those orders, more than \$380 million from 10 investors were identified as being entered for Social Bond specific accounts.

Given investor demand for the taxable bonds, the yield was reduced by 10 basis points to a final yield of 5.263% for the term bond maturing in 2052.

The proceeds of the sale of the taxable social bonds will be dedicated solely to reimburse City spending on affordable housing projects, supporting the creation of over 3,000 homes under the New York City Department of Housing Preservation and Development's (HPD) Extremely Low- and Low-Income Affordability (ELLA) program, Supportive Housing Loan Program (SHLP), and Senior Affordable Rental Apartments (SARA).

The tax-exempt fixed rate bonds were underwritten through a syndicate led by book-running lead manager Citigroup, with BofA Securities, J.P. Morgan Securities, Jefferies, Loop Capital Markets,

Ramirez & Co., RBC Capital Markets, Siebert Williams Shank, and Wells Fargo Securities serving as co-senior managers. The taxable fixed rate social bonds were underwritten through a syndicate led by joint lead managers Citigroup and Morgan Stanley.

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