



Rating Action: Moody's affirms VMIG 1 on San Diego County Regional Transp. Comm., CA's Series 2008C

Global Credit Research - 10 Oct 2017

New York, October 10, 2017 -- Summary Rating Rationale

Moody's Investors Service has affirmed the VMIG 1 rating assigned to the San Diego County Regional Transportation Commission, CA's (the Commission) Sales Tax Revenue Bonds, Series 2008C (the Bonds). The long-term rating on the Bonds will remain Aa2.

Effective November 2, 2017 the Bonds will be supported by a substitute standby bond purchase agreement (SBPA) provided by Bank of America, N.A. (the Bank). The short-term rating is based on (i) the short-term Counterparty Risk Assessment (CR Assessment) of the Bank, (ii) the long-term rating of the Bonds, and (iii) Moody's assessment of the likelihood of an early termination of the SBPA without a mandatory tender. Events which could lead to the immediate termination of the SBPA without a mandatory tender are directly related to the credit quality of the Commission. Accordingly, the likelihood of any such event is reflected in the Aa2 long-term rating of the Bonds.

Factors that Could Lead to an Upgrade

- Not applicable.

Factors that Could Lead to a Downgrade

- Downgrade of the short-term CR Assessment of the Bank.
- Downgrade of the long-term rating of the Bonds.

Methodology

The methodologies used in this rating were Variable Rate Instruments Supported by Conditional Liquidity Facilities published in March 2017 and US Public Finance Special Tax Methodology published in July 2017. Please see the Rating Methodologies page on www.moody's.com for a copy of these methodologies.

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