

TRIBOROUGH BRIDGE AUTHORITY
RANDALL'S ISLAND
NEW YORK, N. Y.
TELEPHONE LEHIGH 4-5800

For Release Wednesday,
March 14, 1945

The Triborough Bridge Authority at a meeting held today approved a contract with a nation-wide investment banking group headed by Dillon, Read and Company for the sale of the largest revenue bond issue ever underwritten. The issue totaling \$110,000,000 comprises \$55,000,000 of 2% sinking fund bonds and \$55,000,000 of 2-1/4% serial bonds. The bonds are being offered at an average price of 101.938. The low interest rates were obtained because it has been established that the bonds are exempt from federal income tax by decision of the Circuit Court of Appeals which the United States Supreme Court refused to review.

The serial bonds become due at various dates from August 1, 1950 to February 1, 1975 and are priced to yield from 1.15% to 2.125%. The sinking fund bonds are priced to yield approximately 2.04% and are due on February 1, 1980. The new bonds provide a substantial saving to the Authority over the life of the bonds. In this refinancing, the maximum life of the bonds will not be increased beyond the present time limit, which is 1980. The savings will be applied to the amortization of bonds, thus permitting the Authority to extinguish the entire issue at the earliest possible date.

The bonds will be repaid from revenues derived from the operation of the Triborough, Bronx-Whitestone, Henry Hudson, Marine Parkway, and Cross Bay Parkway Bridges. The proceeds of the bond issue will permit the Authority to retire the outstanding bond

issue carrying interest at the rate of 2-3/4%, 3% and 3-1/4% and to proceed with major improvements and deferred maintenance of the system of bridges and approaches. The urgent need of providing for items of deferred maintenance immediately after the war requires no extended comment. The largest single item of construction is the widening of the roadways and the installation of stiffening trusses on the Bronx-Whitestone Bridge. This bridge at present has only two usable lanes in each direction. Traffic on this structure has exceeded what was anticipated at the time the bridge was built. The construction of additional arterial highways in Queens and the Bronx as a part of the postwar program of the city, state and federal governments will further increase the volume of traffic using this crossing. With the completion of this alteration, the bridge will provide three adequate lanes of traffic in each direction. The installation of the stiffening trusses has been recommended by competent engineers to carry the additional load and as a means of eliminating movements caused by gusty winds. Other proposed construction work on the various bridges includes the painting of all structures, reconstruction of pavements (including approaches and toll plazas), reconstruction of bulkheads adjacent to bridge structures, reconstruction of pile cribbing at bridge piers, and the improvement of toll collection facilities. The Authority plans to eliminate the balance of the traffic lights on the Henry Hudson Parkway between the George Washington Bridge and the Henry Hudson Bridge, and to plan a new approach to the Marine Parkway Bridge from the northeast. The preliminary estimate of cost of necessary postwar construction work is \$2,750,000.

In the circular used in the sale of the bonds, the Authority points to the vast arterial program of the city, state and federal governments in and about New York City. Funds for land acquisition and construction of a large part of the program have already been approved by the federal government. These improvements, plus the general increase in traffic anticipated

in the postwar period, give adequate assurance of increased revenues to the Authority. Among the more important projects which will directly affect traffic on the Authority's structures, which are scheduled for construction or improvement, are the following: MANHATTAN - East River Drive, Harlem River Drive and Henry Hudson Parkway. BROOKLYN AND QUEENS - Belt Parkway, Van Wyck Expressway, Brooklyn-Queens Expressway and Francis Lewis Boulevard. BRONX - Major Deegan Expressway, Bruckner Boulevard, Bronx River Parkway, Cross Bronx Expressway, Boston Road-Bronx River Expressway, and New England Thruway.