

The Virgin Islands Consortium

Finance Authority's Upcoming Highway Bonds Receive Top Rating From Standard And Poor's

Business / **Published On December 02, 2015 04:02 PM /**

Staff **December 02, 2015**



ST. THOMAS -- On November 24 of this year, Standards & Poor's ratings services assigned an "A" rating with a stable outlook for the Virgin Islands Public Finance Authority's (VIPA) upcoming federal Grant Anticipation Revenue Vehicles ("GARVEE") bonds, a press release Government House issued on Wednesday has revealed. The latest rating reaffirms the initial rating outlook in 2014.

This is the highest rating of any bonding program currently offered by the VIPA, and is among the stronger rated credits in the Caribbean, according to the release. The ratings of other bonding programs under the VIPA ranges from BBB- to BBB+, all with stable outlooks, the release added.

It further stated that on October 7, Governor Kenneth Mapp revived the current bond offering to be presented under the GARVEE program when [he signed Bill No. 31-0073 into law](#). As [previously reported](#), the GARVEE bonds (Series 2015 Bonds) will fund approximately \$91 million of critical highway infrastructure projects with \$40 million allocated to the Veterans Drive Highway Project here, and \$51 million of the proceeds directed to fund key highway projects on St. Croix -- including the Melvin Evans Highway. The anticipated closing of this bond transaction is December 15, 2015, according to the release.

"With the offering of the Series 2015 Bonds, this signifies the beginning, and continuation, of major road construction projects in both districts that would provide jobs to our residents, deliver an economic boon to the territory, but more importantly, will enhance our transportation safety and relieve traffic congestion on some of the territory's most essential roadways," said Mr. Mapp, who's also chairman of the VIPA's board.

Road projects construction is scheduled to commence within the first quarter of 2016, the release concluded.