



Richard M. Daley, Mayor



Rosemarie S. Andolino, Commissioner

CDA Web Alert

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City Receives A Ratings on O'Hare International Airport Bonds

The City of Chicago has received favorable ratings from the nation's three largest rating agencies for its planned sale of O'Hare bonds that will fund the initial construction projects of the O'Hare Modernization Program's (OMP) Completion Phase.

Moody's Investors Service announced on Monday, January 10, 2011 that it has:

- Assigned an A2 rating to O'Hare's proposed \$701.7 million Passenger Facility Charge Revenue and Revenue Refunding Bonds, Series 2011;
- Assigned an A2 rating to O'Hare's proposed \$412.75 million Grant Receipts and Subordinate Lien Passenger Facility Charge Revenue Bonds, Series 2011A; and,
- Affirmed the A1 rating on O'Hare's outstanding Third Lien GARBs.

Fitch Ratings announced on Wednesday, January 12, 2011 that it has:

- Assigned an 'A-' rating of the proposed \$701.7 million Passenger Facility Charge Revenue and Revenue Refunding Bonds, Series 2011, and downgrades the rating on the airport's outstanding parity PFC revenue bonds to 'A-' from 'A+';
- Affirms the 'AA+' rating on the airport's outstanding First Lien GARBs and the 'AA' rating on the airport's outstanding \$ Second Lien GARBs; and,
- Downgrades the rating on O'Hare's \$5.1 billion outstanding Third Lien GARBs to 'A-' from 'A'.

Standard & Poor's announced on Thursday, January 13, 2011 that it:

- Assigned an 'A-' rating to the proposed Passenger Facility Charge Revenue and Revenue Refunding Bonds, Series 2011; and
- Assigned an 'A-' rating to the proposed Grant Receipts and Subordinate Lien Passenger Facility Charge Bonds, Series 2011A.
- Affirmed the A- on the Third Lien GARBs.

In their respective ratings Moody's, Fitch and S& P cited the following strengths of O'Hare International Airport:

- The airport's substantial traffic base as well as its central role in the national air transportation system;
- Management focus on cost-containment and delivery of the \$3.28 billion O'Hare Modernization Program (OMP) Phase 1 on schedule and within program budget;
- Large, diverse, economically strong O&D base with demonstrated high demand for air service;

- Unique dual hub for two major airlines, American and United, who maintain a strong presence at the airport despite some recent cutbacks in service.

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The Chicago Department of Aviation (CDA) is self-supporting, using no local or state tax dollars for operations or capital improvements at O'Hare and Midway International airports. Together, Chicago's airports generate more than \$45 billion in annual economic activity and create 540,000 jobs for the region. Please visit www.flychicago.com to learn more about the Chicago Department of Aviation.

The CDA continues to incorporate and expand sustainable initiatives for airport planning, operations and maintenance, and concessions and tenants in accordance with the CDA Sustainable Airport Manual (SAM) Version 2.0, released in November 2010. To view case studies, lessons learned and new technologies, and for more information on the SAM, please visit www.airportgoinggreen.org.

The O'Hare Modernization Program (OMP), introduced by Mayor Richard M. Daley in June 2001, transforms O'Hare's airfield from an outdated system of intersecting runways into a modern parallel runway configuration. The program will reduce overall delays at the Airport by 79 percent, and bad weather delays by 95 percent. It will create 195,000 new jobs and \$18 billion in additional economic activity each year. Please visit www.oharemodernization.org to learn more about the OMP.

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