



OFFICE OF THE MAYOR
CITY OF CHICAGO

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CONTACT:

Mayor's Press Office

312.744.3334

press@cityofchicago.org

**CITY OF CHICAGO TO EXPLORE REVENUE OPPORTUNITY FOR TAXPAYERS THROUGH
POTENTIAL MIDWAY LEASE**

Will Test Market Conditions and Possible Revenue Generation from Potential Lease of Midway Airport; City will Only Proceed if Specific Conditions are Met and Chicago Taxpayers Receive a Fair and Equitable Deal

The City of Chicago's Chief Financial Officer announced today that the City will take the step of delivering a Preliminary Application, timetable and draft Request for Qualification (RFQ) to the United States Federal Aviation Administration (FAA) pursuant to the FAA's Airport Privatization Pilot Program. This step preserves Midway's slot in the FAA pilot program and will allow City officials to gain a better understanding of market conditions and revenue generation possibilities for the potential lease of Midway Airport.

"I have instructed my team to take this next step to gain a complete understanding as to whether and how the potential lease of Midway Airport could benefit our taxpayers and airport travelers. No final decisions have been made, but we can't make a decision until we evaluate fully if this could be a win for Chicagoans," said Mayor Rahm Emanuel. "I am exploring all options on behalf of taxpayers, and I have made it clear I will only consider moving forward if certain conditions and criteria are met, including ownership remaining with taxpayers and a Travelers' Bill of Rights. We all know the parking meter deal was bad for taxpayers and the City, and I have instructed my staff to ensure we mandate significant changes that protect us from the mistakes made with the parking meter deal."

The materials that will be delivered prior to the December 31, 2012 deadline will outline several specific guidelines and objectives including a "Travelers' Bill of Rights." The "Travelers' Bill of Rights" outlines those things that all travelers through Midway Airport will be able to expect no matter what happens with the leasing process to ensure that any

lease agreement the City pursues has only a positive effect on the experience that travelers have while at Midway airport.

Any agreement must also fully embrace the labor protections created by State law to ensure an environment where workers are respected and treated fairly and where every employee at Midway has the opportunity to work either for the new manager, with comparable pay and benefits as they enjoy today, or transfer to another position in the City.

"I am pleased to hear that the City government is looking at this opportunity carefully and examining the possibilities," said Thomas Villanova, President of the Chicago and Cook County Building and Construction Trades Council. "I am enthusiastic at the prospect of increased jobs for construction workers using the proceeds from a potential deal, and I commend the Mayor on his effort to be conscious of the needs of union members at the airport as he considers a potential transaction. We look forward to working with the Mayor to evaluate this opportunity and create jobs and opportunity for Chicagoans."

The RFQ was additionally met with support from the airline industry, specifically from Southwest Airlines. Midway is the biggest airport for Southwest and the airline is interested in understanding the market opportunities at the facility, with a focus on the potential of locking in long-term, low-cost facilities. Southwest believes that the potential for a deal like this could have positive implications on service expansion and pricing of travel.

"Chicago has long been a great partner to Southwest Airlines. We join the City in the commitment to maintain Midway's role as one of the nation's premier, low cost, and affordable airports and the center of significant and growing operations for Southwest," said Gary Kelly, CEO and President, Southwest Airlines Co. "Like the City, we want to better understand the market opportunity and the impact on our business and passengers. We look forward to exploring this opportunity with the City.

Additional guidelines detailed in the draft RFQ include:

- Long-term lease of fewer than 40 years – The length of the lease will be less than 40 years – significantly shorter than other transactions.
- Long-term cash flow stream for long-term capital needs – Any transaction must be structured to provide an ongoing source of funds for capital needs.

- Revenue Share – Initial proceeds will be used to pay off debt issued by the City dating back to 1996 to rebuild the new Midway Airport. The City will retain ownership of Midway Airport and receive a percentage fee that will grow over time.

Additionally, Mayor Emanuel has announced that he will create a Blue Ribbon Committee comprised of representatives from the City Council along with business, labor and civic leaders. The Committee will be asked to select an independent advisor to review all aspects of the transaction, including the procurement process, key terms of the transaction, impact on labor and traveling public, valuation and alternative structures. The Committee will be required to deliver a written report prior to Council consideration and to present their report to the public. City Council will be encouraged to give this monitor specific areas to review during the process.

The RFQ will identify qualified bidders with an interest in delivering value to the City. Responses to the RFQ are expected to be due in the first quarter of 2013. Review of the potential bidders will be conducted in the spring.

Once released, the RFQ will be made available on the City's website.

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