



CITY OF CHICAGO • OFFICE OF THE MAYOR



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S&P UPGRADES MIDWAY AIRPORT RATINGS FOR PASSENGER RECOVERY

*S&P Global Ratings Upgrades Chicago Midway International Airport
Revenue Bond Ratings to 'A' From 'A-' Touting Strong Passenger Recovery*

CHICAGO – Mayor Lori E. Lightfoot announced, today, Standard & Poor's (S&P) Global Ratings has upgraded Chicago Midway Airport (MDW) revenue bonds to 'A' from 'A-' and rated its outlook as 'stable.' The City has now received eleven rating upgrades and three outlook upgrades over the past six months.

"This new S&P upgrade validates the City's recovery, saves taxpayers money by lowering the City's costs of borrowing money, and is yet another sign of Chicago's strong fiscal stability," said Mayor Lightfoot. "Furthermore, this upgrade also symbolizes our commitment to improving the infrastructure of our airports. This hard work is starting to bear fruit, and I look forward to seeing its full impact on our city."

According to the S&P report, "the stable outlook reflects our view of MDW's generally recovered activity levels, that we expect will be sustained or continue to improve, coupled with the airport maintaining financial metrics consistent with an adequate financial risk profile as it issues additional debt to fund its capital improvement plan (CIP)."

Midway's recent capital improvements through the Midway Modernization Program include the security checkpoint expansion project, which doubled passenger throughput from approximately 2,500 passengers per hour to more than 5,000 per hour.

"As the Midway Modernization Program and O'Hare 21 capital improvement projects continue to advance, the Chicago Department of Aviation (CDA) remains committed to being a strong fiscal steward of our region's most vital economic engines," said CDA Commissioner Jamie L. Rhee. "The news from S&P Ratings is validation of all that hard work, and I thank Mayor Lightfoot and her finance team for their continued partnership in securing a strong fiscal outlook for our city."



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S&P Ratings revenue bond rating highlighted the airport's key credit strengths:

- Southwest Airlines' second-largest hub and as a large-hub airport in the strong Chicago metropolitan statistical area (MSA) providing low-cost carrier service to its predominantly domestic traveler base;
- Large and economically healthy service area, which encompasses the Chicago MSA, supported by a large population, strong economic activity as measured by GDP per capita, and ample employment opportunities;
- Very strong management and governance, as evidenced by an experienced, proactive, and effective management team.

The ratings agency's assessment reflects their expectation that Midway will maintain stable and adequate financial performance due to the fully residual nature of its airline use and lease agreements.

"I applaud the Mayor, CFO Bennett, and Commissioner Rhee on yet another financial success story," said Finance Committee Chairman Scott Waguespack. "The fiscal health of our airports is a powerful measure of our economy city-wide. Midway is a world-class airport, with the finances to prove it."

Since August 2022, the City of Chicago has received eleven ratings upgrades across its General Obligation bonds, Sales Tax Securitization Corporation bonds, Water, Sewer, O'Hare credits and now, Midway revenue bonds.

"Over the last several years, the City has achieved several significant financial milestones, and now we are receiving independent acknowledgement of this from the rating agencies and bond investors," said Chief Financial Officer Jennie Huang Bennett. "O'Hare is only one of two airports to come out of the pandemic with two better ratings than it had pre-pandemic. Midway's upgrade is another demonstration of the strong Chicago economy which supports the transportation activity of the region."

Midway International Airport's terminal with three concourses serve more than 20 million passengers annually, making it the twenty-ninth busiest airport in the country. Last December, a division of Global Traveler magazine dubbed Midway as "Best Family Friendly Airport."

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