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**MAYOR EMANUEL INTRODUCES HISTORIC PLAN TO TRANSFORM O'HARE INTERNATIONAL AIRPORT AND CREATE BILLIONS IN ECONOMIC DEVELOPMENT**

*Marking the largest terminal expansion plan in O'Hare's history, \$8.5 billion eight-year capital program to deliver better gate capacity and connectivity, thousands of jobs for the community, and an improved passenger experience by 2026*

Mayor Rahm Emanuel today introduced a historic plan between the City of Chicago and its airline partners that will create tens of thousands of jobs and transform O'Hare International Airport with the biggest terminal expansion ever, adding 25 percent more gate capacity, modernizing existing terminals and improving passengers' experience.

"This plan is not just a game changer for O'Hare, it is a turning point for Chicago that will create tens of thousands of jobs for Chicagoans and strengthen our great city's position as a national and global leader in travel, tourism and trade for generations," said Mayor Emanuel. "My goal is to make O'Hare the best airport in the country, and I want to thank our airline partners for recognizing the value of this investment. We are looking forward to moving full steam ahead on this transformational plan that represents a watershed moment in Chicago's economic future."

The project will create 60,000 construction jobs through 2026 and ensures one of the City's economic engines is positioned to drive significant growth for the region in the years and decades to come. Through the plans outlined in the agreement, passengers traveling through O'Hare will enjoy better customer service, fewer delays, more choices for travel, and a seamless journey to their destination.

"This agreement is a win for O'Hare and our customers, thanks to the investments the City and our airline partners are making to ensure our top connected airport is positioned to grow for the future," said Chicago Department of Aviation Commissioner Ginger S. Evans. "Our plans will put O'Hare at the forefront of the industry, providing the absolute best value when it comes to customer service, efficiency and innovation. At the same time, we are committed to ensuring O'Hare's economic power also strengthens our community, and will ensure that our investments bring more opportunities for all Chicagoans."

Today's announcement marks the first major capital improvements to O'Hare's terminals in more than 25 years. A new Terminal Area Plan for O'Hare will completely redevelop the terminals and concourses, with Terminal 5 to undergo an upgrade and expansion, Terminal 2 to be largely demolished and rebuilt to include a brand new international arrivals facility, and renovations made to Terminals 1 and 3. These changes will expand gate capacity and set in motion a wide range of other improvements to significantly enhance airline performance and the overall passenger experience.

"As Chicago's hometown airline, we are looking forward to continuing our investment in O'Hare and building our largest hub into the world-class airport this world-class city deserves," said Oscar Munoz, United's chief executive officer. "The improvements in our new agreement will help ensure we provide a superior travel experience for the more than 36 million United customers who fly through O'Hare each year. We thank Mayor Emanuel and Commissioner Evans for their ongoing support, and we look forward to collaborating further on this exciting project."

Through a new capital program valued at more than \$8.5 billion, O'Hare's facilities will receive a major upgrade with the following benefits to passengers:

- A new world-class international terminal, called the O'Hare Global Terminal, will streamline customs and immigration processing using advanced technologies, creating a seamless experience for connecting passengers;
- O'Hare will rival U.S. hub competitors by becoming home to the first Global Alliance Hub in the country, giving passengers an easier connection to international destinations upon arrivals;
- State-of-the-art security screening that will further reduce wait times and allow passengers more time to relax, shop, and dine;
- Three new state-of-the-art baggage systems; and
- New self-service technologies to make the flight check in process faster and easier for passengers.

"Delta's ties to the Chicago market go back to the early days of commercial aviation more than 80 years ago and today our presence is vital to Delta's strategy of connecting major business centers across the world for our customers," said Holden Shannon, Delta's Senior Vice President – Corporate Real Estate. "Delta supports these necessary O'Hare enhancements, including those at Terminal 5, where in the coming years we look forward to offering our SkyTeam customers a world-class product with the most convenient facilities on the airport."

The upgrades are set to grow O'Hare's overall terminal square footage by more than 60 percent, from 5.5 to 8.9 million square feet, and increase gate frontage by 25 percent. More gate capacity will enable O'Hare and its airline partners to reduce delays by improving access to gates for arriving aircraft. This will also enable O'Hare to handle a wider range of aircraft more efficiently, including larger aircraft that allows more passengers to be served at O'Hare.

“Spirit Airlines is proud to be a part of moving O’Hare International Airport forward. Spirit has invested resources over the past 18 months to reach a collaborative solution to propel the airport to the next level. We believe this plan will lead to a diverse, competitive and passenger-friendly airport,” said Ted Christie, President and Chief Financial Officer of Spirit Airlines. “We would like to thank the City of Chicago and the Chicago Department of Aviation for their tremendous work which will further O’Hare as a world-class travel hub.”

“Alaska Airlines is proud to serve the Chicagoland area. As we work to continue our integration with Virgin America, we’re excited to finalize a new lease with the City of Chicago that provides for the modernization and expansion at one of our important markets, O’Hare International Airport,” said Matt Shelby, Alaska Airlines’ managing director of airport affairs and development. “This agreement will provide Alaska with preferential gates that are needed to keep providing our award-winning service.”

To support these critical infrastructure improvements, the City is seeking authority to issue up to \$4 billion in bonds to help facilitate the start of these capital projects. This authority will provide flexibility to help the City and the Airlines minimize total financing costs and time bond issuances relative to expenditures and market conditions. The bonds will not be backed by taxpayer dollars; rather, they will be funded from O’Hare Aviation revenues, which include landing fees, terminal rent, and other fees paid by airlines, as well as non-airline sources, such as charges for parking and revenues from concessions in the terminals. The City plans to seek additional borrowing authority in the future as these capital projects move forward.

As O’Hare adds gates and improves its terminals, passenger volumes are expected to keep pace with a strong demand for air travel worldwide, which, according to aviation experts, will double to 14 billion air travelers in the next decade. By 2026, O’Hare is expected to serve nearly 100 million passengers, up from nearly 80 million served today. The economic impact on the region will be greater, with O’Hare 21 expected to provide at least \$50 billion in economic contribution to the region, and to enable at least 460,000 jobs in the next eight years.

“This project will take real steps toward realizing western access at O’Hare, including employee parking and the first phase of a connecting tunnel. I appreciate the seriousness with which the City and the airlines are addressing this issue, which is good for the airport, local residents and the regional economy,” said DuPage County Chairman Dan Cronin.

With construction planned to begin next year, the Chicago Department of Aviation (CDA) and its partners across the city will establish a comprehensive workforce development program to connect residents to construction jobs and other airport employment opportunities. As projects are awarded, CDA will ensure that community hiring plans are in place and meaningful participation by MBE and WBE firms is achieved as a result of new contract provisions and programs instituted by the City of Chicago.

O’Hare’s expansion plans are being pursued by the City and the airlines as part of a new Use and Lease agreement, designed to replace the existing 35-year agreement that expires in May 2018. The new agreement establishes a more modern business arrangement to support O’Hare’s growing operations, with revised terms aligned to current industry standards.

The investments announced today are a part of Mayor Emanuel's O'Hare 21 vision, which is currently underway, to modernize O'Hare International Airport by building more efficient, higher capacity facilities to support a modern, growing O'Hare. Terminal upgrades announced today will complement several O'Hare 21 projects underway today, including: the Terminal 5 and Terminal 3 gate expansion projects; the hotel development and expansion; construction on the new Multimodal Facility; and Runway 9C/27C, to be completed in 2020.

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