

ORDINANCE NO. 019-43

AN ORDINANCE ADOPTING  
REVISED CHICAGO TRANSIT  
AUTHORITY DEBT MANAGEMENT  
POLICY GUIDELINES

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WHEREAS, Pursuant to Section 12 of the Metropolitan Transit Authority Act, 70 ILCS 3605 ("Act"), the Chicago Transit Authority ("Authority") has the continuing power to issue revenue bonds; and

WHEREAS, On March 20, 2003, the Authority issued bonds for the first time since 1953, and on October 14, 2004 the Chicago Transit Board adopted the Authority's current Debt Management Policy Guidelines; and

WHEREAS, Staff has prepared an updated version of the Debt Management Policy Guidelines to reflect changes that have occurred in the municipal debt markets since the Authority's re-entry into the debt market in 2003; and

WHEREAS, As part of the Authority's current annual budget and five-year capital improvement plan, the Authority expects to issue additional debt and the Authority recognizes that the size, scope and timing of future projects in its capital improvement plans, cash flow sufficiency, and capital market opportunities will continue to necessitate the use of debt; and

WHEREAS, The Authority wishes to implement a process to periodically add firms of Bond Underwriting Professionals and Bond Financial Advisory Professionals to the Board-approved pools, subject to Board approval, for the remaining terms of the pools; and

WHEREAS, The Authority acknowledges that its credit worthiness/reputation in the global capital markets is an important asset and that the adoption of the revised Debt Management Policy Guidelines will serve as an important tool for management to enable the Authority to continue to protect this asset and optimize the cost of conducting the Authority's essential capital maintenance function; and

WHEREAS, Staff recommends the adoption of the revised Debt Management Policy Guidelines to guide the issuance and sale of debt by the Authority; now, therefore:

BE IT ORDAINED BY THE CHICAGO TRANSIT BOARD  
OF THE CHICAGO TRANSIT AUTHORITY:

SECTION 1. The Chicago Transit Board hereby adopts the revised Chicago Transit Authority Debt Management Policy Guidelines attached as Exhibit A hereto.

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SECTION 2. This ordinance shall be in full force and effect from and after its passage.

APPROVED:

PASSED:

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Chairman

May 8, 2019

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Assistant Secretary

May 8, 2019