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## PHL and American Agree to \$900 million Infrastructure Investment

The City of Philadelphia’s Division of Aviation, American Airlines and the other commercial air carriers operating at Philadelphia International Airport are pleased to announce they have reached agreement on a nearly \$900 million plan to continue critical improvements and to develop new infrastructure at PHL and Philadelphia Northeast Airport (PNE).

The projects include \$396 million in maintenance and repairs to the airfield and terminals that will continue to improve the passenger experience today while laying the groundwork for future development. In addition, the airlines’ commitment of \$200 million for a new Air Traffic Control tower fulfills a requirement of their 2015 Use and Lease Agreement with PHL to designate a capital project for investment.

The projects, which will be managed and delivered over the next 5 - 7 years by the Division of Aviation and American Airlines, reflect the airlines’ and especially American’s long-term commitment to PHL. American serves 73 percent of PHL’s passenger traffic.

The on-going projects will generate almost \$4 billion in regional economic output over a 5-year period, which equates to approximately 5,100 on-going jobs over the same 5-year period. This investment from companies based outside the region means a net new revenue for the benefit of the region’s citizens and businesses. This is a unique opportunity for Philadelphia’s businesses and workforce to grow.

While the bulk of the new projects will improve PHL’s airfield and terminals, Philadelphia Northeast Airport (PNE), which serves private and corporate aircraft rather than commercial carriers, will receive \$26 million in taxiway and runway rehabilitation and facility upgrades.

“We appreciate the significant support of American Airlines and all our airline partners as we work together to give our passengers an excellent traveling experience,” said PHL CEO Chellie Cameron. “We want our passengers to know that when they choose PHL today, they will receive efficient and comfortable service. As we grow in the future, it will only get better. Also, the direct and indirect jobs created by these projects will help keep the Philadelphia region thriving.”

“It is worth noting that these investments are not funded by taxpayer dollars. Instead, they are an investment in the region by the 15 airlines that serve the airport,” said American Managing Director Government and Airport Affairs Rhett Workman. “None of the airlines serving PHL are Pennsylvania-based companies, so this truly reflects wide recognition by out of state companies that the airport and the region it serves are a great investment.”

“American Airlines looks forward to our continued partnership at the airport to elevate the customer experience and further transform PHL into a premier global gateway in the Northeast,” said PHL Hub Vice President Cedric Rockamore. “We have made great strides along those lines over the past few years and the best is yet to come.”

These projects include the following (all amounts expressed in millions of dollars):

|  |                |
|--|----------------|
| Maintenance and Repair Projects                  | \$395.9        |
| New Air Traffic Control Tower                    | 197.5          |
| Terminal Modernization Program Enabling Projects | 96.5           |
| Fuel Farm Expansion                              | 94.6           |
| Deicing Facility Conversion                      | 43.2           |
| Terminal B Concession Redevelopment              | 32.8           |
| Land Acquisition                                 | 27.1           |
| Capital Equipment                                | 6.2            |
| <b>TOTAL:</b>                                    | <b>\$893.8</b> |

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Philadelphia International Airport is owned and operated by the City of Philadelphia. The Airport is a self-sustaining entity that operates without the use of local tax dollars. It is one of the largest economic engines in Pennsylvania, generating an estimated \$15.4 billion in spending annually and supporting more than 96,300 full-time jobs for the 11-county Philadelphia MSA.