



# City of Philadelphia

## MAYOR'S OFFICE OF COMMUNICATIONS

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Tuesday, June 30, 2015

FOR IMMEDIATE RELEASE

### MAYOR NUTTER SIGNS LEGISLATION AUTHORIZING NEW USE AND LEASE AGREEMENT FOR PHILADELPHIA INTERNATIONAL AIRPORT

*Philadelphia, June 30, 2015* – Mayor Michael A. Nutter signed a bill authorizing a new five-year Airport-Airline Use and Lease Agreement between Philadelphia International Airport (PHL) and its partner airlines, which will take effective on July 1, 2015.

“Philadelphia International Airport is truly an engine of economic growth; it generates \$14.4 billion in spending for our regional economy and accounts for more than 140,000 jobs,” said Mayor Nutter. “In addition, our city’s major economic sectors: education, medicine & research, hospitality and the growing startup & technology scene, all depend on efficient and cost-effective air travel. This new agreement will allow the Airport to modernize operations so that we can continue to provide high quality service to the more than 30 million passengers that travel through PHL annually to more than 130 destinations around the world.”

The new Agreement, which also includes options for two 1-year extensions, was approved earlier this month in City Council. The new lease, valued between \$2.8 billion and \$4.1 billion in existing and new commitments, will enable the Airport to continue to fund projects to enhance and modernize operations and provide effective and efficient service to passengers.

Over the proposed five- to seven-year term, airlines that service the Airport will pay an estimated total of \$1.3 billion to \$2.1 billion in new rates and charges. Revenue generated through the collection of rates and charges is reinvested in the city-owned Airport, covering the cost of Airport operations and financing capital improvement projects.

Stephen Johnson, American Airlines Executive Vice President for Corporate Affairs, also signed an authorizing document on behalf of American Airlines. PHL is served by 29 carriers, including American Airlines, which merged with US Airways in 2014. American Airlines is the largest carrier and operates an international hub at PHL.

“This new Agreement is the result of months of negotiations with our airline partners to reach a common goal,” said PHL CEO Mark Gale. “It is a blueprint for continued growth, facility improvement and economic development.”

