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[City of Chicago's \\$1.7 Billion Financing of COVID-19 Recovery Plan Wins Bond Buyer's Deal of the Year.](#)

Siebert Williams Shank shepherds transaction boosting communities hardest hit by pandemic

New York, NY -News Direct- Siebert Williams Shank

A significant bond transaction by the city of Chicago and its Sales Tax Securitization Corporation (STSC) in February 2023 is winner of The Bond Buyer Deal of the Year award. The announcement was made at the financial publisher's December 5th annual gala held in New York City and attended by leaders from across the municipal finance industry.

Chicago took home the top prize among 10 finalists for its \$1.7 billion financing of initiatives aimed at Black and Latinx communities disproportionately affected by the COVID-19 pandemic. Siebert Williams Shank & Co. (SWS), the country's #1 minority-and-women-owned, non-bank financial firm, teamed with STSC in issuing the bonds to help finance the Chicago Recovery Plan, designed to amplify once-in-a-generation federal funding geared toward a sustainable economic recovery from the pandemic.

The city's first social-designated bonds, paired with a cross-credit refunding tender, will address initiatives related to affordable housing, homelessness support services, environmental justice, and community development. Altogether, the money brings new resources to Chicago neighborhoods that struggle with disinvestment and inequality.

City of Chicago Debt Manager Brendan White, who accepted the award said, "Because of our commitment to getting to structural balance and climbing the pension ramp, we were able to afford to pay for these transformative social projects with our fiscal discipline and finally use the STSC to sell high rated bonds to retail investors."

"Our editorial board has chosen a deal that embodies many of the qualities we look for in a Deal of the Year winner," said Mike Scarchilli, editor in chief of The Bond Buyer. "It's a new type of financing for a traditional area of government. It involved a tender refunding that achieved otherwise unattainable goals. It attracted record-setting interest from non-traditional municipal investors. And it's a substantially transformed issuer, with this impressive transaction serving as the exclamation point at the end of its turnaround story."

Chicago took on the ambitious financing after receiving 10 rating upgrades and three positive outlook revisions, by rating agencies, in recognition of a financial turnaround that saw its return to investment-grade rating. SWS served as a Joint Bookrunner on the winning transaction, which was previously named as the Deal of the Year in the Midwest Region category.

"I want to congratulate the financial leaders of the City of Chicago and its Sales Tax Securitization Corporation, for this quite exceptional recognition bestowed on them by Bond Buyer," said Gary Hall, President of Public Finance and Infrastructure at SWS. "Siebert Williams Shank was proud to

have been selected by Chicago to serve as a Joint Bookrunner to lead this transaction. The recognition by Bond Buyer is a true reflection of the technical acumen and strength of the team that moved this deal forward. Siebert Williams Shank was also pleased to have been engaged on other top national deals receiving awards.”

Each year, The Bond Buyer Deal of the Year awards recognize innovation in municipal finance across the country. Along with Hall, the SWS bankers who worked on the \$1.7 billion transaction included Ramon Ortega, Mike Fadel, John Carter, Pat Moran, Jamiyl Fleming, Sherm Swanson, and Ed Tishelman (while at UBS Financial Services Inc.).

SWS was additionally recognized for its involvement in three other transactions that were among the Top 10 finalists: the city of Atlanta’s \$370 million inaugural issuance of social bonds (Southeast Region winner), and the state of Oregon’s \$989 million new-money financing for statewide capital funding needs (Far West Region winner).

Additionally, the redevelopment of international Terminal 6 at John F. Kennedy International Airport was selected as the Private Partnership Financing category winner. The Terminal 6 project is led by JFK Millennium Partners, which includes certain equity owners of SWS.

The Chicago transaction highlights the city’s steadfast commitment to equitable capital investment intended to create meaningful change in Chicago communities, and its emphasis on utilizing innovative financing alternatives to achieve its mission.

Over 10 separate series of bonds, spanning two credits — Chicago’s own general obligation, and that of the Sales Tax Securitization Corporation — the city’s \$1.7 billion financing bolstered major themes of the Chicago Recovery Plan. In addition to the social-designated bonds, which were oversubscribed in retail orders alone, the STSC also executed a cross-credit refunding tender of Chicago GOs for additional savings. With a 22% acceptance rate on over \$2 billion of bonds tendered, the STSC reduced aggregate debt service costs and achieved net present value savings of over \$55 million on the tender series.

The Deal of the Year finalists were named in 10 categories, one in each of The Bond Buyer’s five regional areas of the United States, along with five in additional categories. The Bond Buyer’s editorial board considers a range of factors when judging entries for the Deal of the Year, including creativity, the ability to execute a complex transaction under challenging conditions, the ability to serve as a model for other financings, and the public purpose for which a deal’s proceeds were used.

Dually headquartered in New York, NY and Oakland, CA, SWS is an independent non-bank financial services firm that offers investment banking, sales and trading, research, and advisory services. SWS counts 74 Fortune 100 companies among its clients.

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