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Chicago Starts Search for New Municipal Bond Underwriters.

Chicago is looking for a new roster of underwriters to oversee its municipal bond sales after the exit of two key market players opened up opportunities for other firms.

The nation's third-largest city kicked off the search for candidates to handle new debt raises for anything from general obligations to its airports on Wednesday when it issued a [request for qualifications](#). Responses are due by June 18 and the tentative award date is Aug. 4.

While issuers regularly reboot pools every few years, the most recent rounds are notable because the last two years has seen one of the biggest talent shifts within municipal finance after Citigroup Inc. and UBS Group AG phased out the business. Those exits will give other banks the chance to step in and fill the gap.

The review also comes during a volatile period for the muni market and a challenging time for Mayor Brandon Johnson, as Chicago's annual deficits are expected to top \$1 billion in each of the next two years.

In January, Chicago was downgraded one notch by S&P Global Ratings to BBB, the second lowest level of investment grade. The credit rater cited Chicago's "sizable structural budgetary imbalance." The city's ratings from the three largest bond rating firms are all investment grade but the cut in January halted its upward credit trajectory.

Chicago Financial Officer Jill Jaworski said the request is part of its regular procurement process because the four-year period for the last pool selection is ending.

Senior managers' services would include assisting the city in obtaining ratings and compiling rating agency presentations, according to the posting.

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