S&P Global
Ratings

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Summary:

Philadelphia
Philadelphia Industrial Development Authority; General Obligation; General Obligation Equivalent Security; Joint Criteria

Primary Credit Analyst:
Cora Bruemmer, Chicago + 1 (312) 233 7099; cora.bruemmer@spglobal.com

Secondary Contact:
Lisa R Schroeer, Charlottesville + (434) 529-2862; lisa.schroeer@spglobal.com

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Credit Profile		
US$135.375 mil city svc agmt rev rfdg bnds (federally taxable) (Philadelphia) ser 2021 due 04/15/2035		
Long Term Rating	A/Stable	New
Philadelphia Industrial Development Authority, Pennsylvania		
Philadelphia, Pennsylvania		
Philadelphia Auth for Indl Dev (Philadelphia) GO (MBIA) (National)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed

Rating Action

S&P Global Ratings assigned its 'A' rating to the Philadelphia Authority for Industrial Development (PAID), Pa.'s approximately $135.4 million city service agreement revenue refunding bonds. At the same time, we affirmed our 'A' rating on Philadelphia's general obligation (GO) bonds and PAID's lease revenue bonds issued for the city. We also affirmed our 'AA+/A-1+' rating on certain PAID debt, with TD Bank providing liquidity support. The outlook is stable.

Proceeds of the bonds will be used to restructure the fiscal 2021 maturities of the PAID series 1999B and 2012 bonds as well as the fiscal 2022 payments on the 2012 bonds. The 1999B bond payments will be amortized over fiscal years 2024-2028 and the 2012 bond payments will be amortized over fiscal years 2033-2035, resulting in a slight increase in debt service costs in those years. The restructuring will provide $75 million of general fund budgetary relief ($99 million across all funds) for fiscal 2021. We view the restructuring as a one-time measure to address unprecedented revenue declines stemming from COVID-19 shutdowns and social distancing, but also indicative of the limited budgetary flexibility of the city.

The 2021 bonds are secured by service fee payments payable by the city of Philadelphia to PAID under a service agreement. The city's service fee is payable solely from current revenues, and is unconditional and absolute. The city council is required by the city charter to appropriate to pay the service fee in each fiscal year. We rate the 2021 city service agreement revenue refunding bonds based on the application of our "Issue Credit Ratings Linked To U.S. Public Finance Obligors' Creditworthiness" criteria (published Jan. 22, 2018, on RatingsDirect). We rate the bonds at the same level as our view of the city's general creditworthiness, reflecting the lack of appropriation risk and that there are no significant limitations on the fungibility of resources.

Credit overview

Following several years of strong revenue growth, the COVID-19-related recessionary pressures have caused steep declines in Philadelphia's revenue and demanded increased spending on services, resulting in draws on fund balance in fiscal years 2020 and 2021. As a result, general fund reserves fell to $290 million (5.8% of expenditures) at the close of fiscal 2020 (June 30 year-end) and are projected to decline to $76 million (1.5%), including its reopening and recession reserve ($25 million) and excess funds earmarked for additional pension payments ($22 million), by the end of 2021. The 2021 budget is highly reliant on one-time fixes. Keys to the budget include using its general fund and rainy day fund reserves and the current debt restructuring. The city has made some structural adjustments through increased parking taxes, a small increase in the nonresident wage tax rate, and keeping other tax rates level that were slated to decline, but these have been relatively small adjustments compared to the size of the budget gap.

The stable outlook reflects our expectation that management will make the budgetary adjustments necessary to maintain, if not grow, reserves in fiscal 2022 and put the city back on a path to structural balance over the long term. Our outlook horizon is generally up to two years, but we will be watching over the next few months to see how the city's 2022 budget addresses the forecasted budget gap. Initial estimates from the city show a $450 million budget gap absent any revenue or expenditure adjustments and maintenance of a $50 million general fund balance. The estimated budget gap also does not include any additional federal stimulus revenue. We will be watching for how potential new federal aid would affect the budget. Preliminary estimates from the Government Finance Officers Assn. show that Philadelphia may receive up to $1.3 billion under the Biden Administration relief package, though we note that the package has not passed Congress yet and is subject to change.

Over the long term, we believe that challenges remain for the city as it has grappled with improving pension funding levels and addressing its pockets of poverty. Strong economic growth has underpinned much of the city's financial improvement in recent years. However, if its economic recovery is slower than currently anticipated or changes in commuter behavior result in a longer-term drag on city revenue, we could see downward rating pressure. Philadelphia's revenues are highly concentrated in wage and earnings tax, roughly 40% of which is derived from noncity residents, as well as business income and receipts tax (BIRT), which is likely to be more sensitive with the turn in the economic cycle than other revenues. The city's ability to navigate through this period while maintaining pension funding discipline, school district support, and sufficient operational flexibility are key to supporting the current rating.

The 'A' rating reflects our assessment of the city's:

- Strong economy, with access to a broad and diverse metropolitan statistical area (MSA), that benefited from recent years of growth but still has pockets of poverty;
- Strong management, with good financial policies and practices that will be necessary for weathering the revenue and expenditure fluctuations brought on by the pandemic;
- Very weak budgetary performance, with operating results that we expect will deteriorate in the near term relative to fiscal 2020, which closed with an operating deficit in the general fund and a slight operating deficit at the total governmental fund level; our assessment of budgetary performance also takes into account deferrals in capital projects and uncertainty regarding additional economic effects of COVID-19;
- Budgetary flexibility that we expect will weaken further in 2021 from 5.8% of operating expenditures in 2020 and which we view as very weak overall due to high fixed costs and potentially limited capacity to raise revenues in

outgoing years;

- Very strong liquidity, with total government available cash (including liquid investments) above 30% of total governmental fund expenditures and above 8.0x governmental debt service based on audited 2020; cash flow will also be facilitated by an intrayear tax revenue anticipation note (TRAN) issued in fiscal 2021;
- Weak debt and contingent liability position, with debt service carrying charges at 3.8% of expenditures and net direct debt that is 44.4% of total governmental fund revenue, as well as a large pension and other postemployment benefit (OPEB) obligation with low funded levels despite reforms and contributions above the required amounts; and
- Very strong institutional framework. The oversight of Pennsylvania Intergovernmental Cooperation Authority (PICA), has historically provided us with additional comfort regarding the city's ability to navigate fiscal challenges.

Environmental, social, and governance factors

Our rating incorporates our view regarding the health and safety risks posed by the COVID-19 pandemic. After years of growth, the city's finances have been directly weakened by the decline in revenues and the need to focus expenditures on addressing the health and safety of the population. We view its reliance on income taxes from commuters as an emerging social risk since the pandemic has forced many to shift to working from home, and it is unclear how this will change work patterns after the pandemic, potentially resulting in a longer-term drag on revenue. We also view the city's relatively weaker sociodemographic profile, including higher-than-average unemployment and poverty, as a social risk that could inhibit its ability to raise or collect revenue and also create a greater demand for services. We analyzed its environmental, and governance risks relative to its economy, management, financial measures, and debt and liability profile, and determined that all are in line with our view of the sector standard.

Stable Outlook

Downside scenario

We anticipate the city's reserves will weaken substantially in fiscal 2021; however, if Philadelphia is unable to maintain or grow those reserves in fiscal 2022, we could lower the rating. We will be watching for how the city's adopted 2022 budget addresses potential budget gaps and if there is a plan for long-term structural balance. Furthermore, if it is unable to continue to fund its pensions in line with its revenue recognition policy (RRP) resulting in deterioration of plan funding, we could also lower the rating.

Upside scenario

Given the head winds the city currently faces, we do not anticipate raising the rating during outlook horizon. However, if reserves were to be restored to 2019 levels and if there was evidence of structural balance in which the city's recurring revenues were keeping pace with expenditures, we could view the credit as stronger in the longer-term.

Credit Opinion

Strong economy

We consider Philadelphia's economy strong. The city, with an estimated population of 1.6 million, is in Philadelphia County in the Philadelphia-Camden-Wilmington MSA, which we consider to be broad and diverse. It has a projected per capita effective buying income (EBI) of 81.1% of the national level and per capita market value of $106,885. Overall, market value grew by 1.0% over the past year to $170.0 billion in 2021.

Prior to the onset of COVID-19's economic effects, Philadelphia demonstrated healthy job growth and boasted one of the most diverse economies in the nation. According to IHS Markit, relative to other metropolitan areas, payroll declines related to the COVID-19 recession have not been as bad and Philadelphia is showing signs of recovery already. However, lower-income workers, which are more likely to live within the city than in the wealthier surrounding suburbs, have been disproportionately affected by the COVID-19 recession and are more likely to need increased city services until a more full-fledged recovery is realized.

Philadelphia's labor force participation has historically been weaker than peers and this has been exacerbated by COVID-19. The city's unemployment rate was elevated above 15% from April through August of 2020. It has come down some to 9.3% based on preliminary December 2020 figures, but is still higher than the state and national rates. The annualized 2020 unemployment rate is not finalized, but based on our criteria, an annualized rate over 10% could result in a weakening of our view of the city's economy.

The city benefits from the strength of the entire MSA as commuter income taxes are a significant revenue stream, but this has been curtailed somewhat due to increased working from home during the pandemic. We view the economic recovery of the city and the return to more normal work patterns as key to near-term improvement in city revenue.

We note that Philadelphia's population has held pockets of deep poverty, and we believe the city has both short- and long-term demands for service levels given its comparatively low per capita EBI. These statistics feed into our view of both the service-level needs and the ability to tap into the population for additional revenues.

Strong management

We view the city's management as strong, with good financial policies and practices under our Financial Management Assessment (FMA) methodology, indicating financial practices exist in most areas, but that governance officials might not formalize or monitor all of them on a regular basis. We have revised our FMA to good from strong because the city will no longer be in line with its general fund balance target in fiscal 2021 without a clear plan for restoring the reserves.

Management practices include the following:

- Management develops revenue and expenditure assumptions during budget preparation based on an evaluation of past trends, adjusted for internal and external forecasts.
- Officials use regional economic models and IHS information for revenue forecasting and consult with regional Federal Reserve Bank officials. The city submits quarterly budget-to-actual and cash-flow reports to elected officials and PICA.
- Philadelphia annually produces formal rolling five-year financial plans that elected officials review and PICA approves. The five-year plan factors in all known effects on revenue and expenditures and expected tax-rate reductions and labor-cost increases, as well as identifying risks to the plan. In cases where material challenges occur after the five-year plan's introduction, PICA requires the city to submit a revised plan.
- Management updates its six-year capital improvement program annually and identifies funding sources for each

project.

- The city's formal investment policy requires monthly monitoring and reporting of holdings to the treasurer's office, coupled with quarterly meetings to evaluate performance.
- The city's debt policy targets the maintenance of level debt service and principal amortization of tax-supported debt at 50% within 10 years. Net direct debt should not exceed 3.5% of total AV. In addition, the city updated its debt policy in 2019 to create target levels for its long-term obligations relative to general fund expenditures: 6% for tax-supported debt (excluding POBs); 7% for tax-supported debt service plus other fixed payments; and 20% for tax-supported debt, other fixed costs, and pension costs combined.
- Philadelphia adopted an amendment to the home-rule charter, calling for a budget stabilization reserve and it targets maintaining a general fund balance between 6% and 8% of revenue. It reached its policy target in 2018 for its reserves and exceeded it in 2019. On a budgetary basis, reserves fell just below 6% in 2020 (5.8%), but are expected to fall well below its policy in 2021 (0.5% to 1.5%).

While PICA was originally expected to terminate in 2023, the city is exploring options for a potential continued role for the authority. The oversight remains a strength, in our view.

Very weak budgetary performance

Philadelphia's budgetary performance is very weak, in our opinion. The city had deficit operating results in the general fund of negative 4.0% of expenditures, and slight deficit results across all governmental funds of negative 0.9% in fiscal 2020 on a budgetary basis. Relative to 2019, fiscal 2020 revenues were essentially flat due to strong growth prior to the pandemic and $100 million in CARES Act funding. Expenditures, on the other hand, increased 5.5% over 2019 due to inflationary costs as well as increased demand for services during the pandemic. Our assessment accounts for the fact that we expect budgetary results could deteriorate from 2020 results in the near term. Weakening our view of Philadelphia's budgetary performance is the city's deferral of significant expenditures, which we think inflates the budgetary result ratios.

For fiscal 2021, the city is currently projecting a $332 million (6.7%) deficit. Relative to 2020 actuals, its 2021 revenues are down 4.8%; however, compared to budget, revenues have mostly been in line with assumptions. The city's general fund revenues are diverse, but more reliant on economically sensitive streams. Its largest general fund revenues include wage and earnings taxes (33% of 2020 general fund revenue), real property taxes (14%), BIRT and net profits tax (11%), real property transfer tax (7%), and sales tax (4%). The city's wage and earnings tax revenue is derived from city residents (approximately 60% of taxable income) and noncity residents (40%). Current 2021 projections show declines in the following taxes relative to 2020:

- 6.0% wage tax,
- 3.5% property tax,
- 9.9% realty transfer tax,
- 0.1% sales tax, and
- 9.8% BIRT.

On the expenditure side, the city has brought its expenses down 2.0% from 2020, but they are up roughly 2.7% relative to budget. Much of the reduction from 2020 is through one-time fixes, including deferrals of capital projects and the current restructuring of its POBs. The city is also assuming $50 million in COVID-19-related expenditures in the second half of the year. Management reports that these costs may be offset by a reimbursement from FEMA, the CDC, or the Biden Administration relief package that is currently being considered by Congress, but these potential revenues are not included in the projections. Without any new aid, the city's second-quarter 2021 forecast shows reserves falling to just $29 million.

The decline in reserves is concerning should the economic effects of the pandemic continue past fiscal 2021 without any additional federal aid. The city anticipates releasing its fiscal 2022 budget proposal in mid-April, at which time we will likely have more information about the amount, if any, of additional federal aid as well as the shape of the recovery and speed of vaccination roll-out. If significant budget gaps persist, we could see downward pressure on the rating.

The city's financial statements are audited according to generally accepted accounting principles (GAAP), but management also reports results on a budgetary basis due to the significant amount of BIRT payments received in advance of being earned. Philadelphia has reported and prepared its five-year financial plan for PICA on a budgetary basis for more than 10 years due to city-adopted legislation that resulted in the shifting of the city's BIRT collections--roughly one-half of annual receipts--to the subsequent fiscal year on a modified-accrual basis. We adjust the city's GAAP results to reflect the budgetary basis because we believe BIRT receipts should be recognized in the fiscal year in which they are collected, and we view the budgetary basis as representative of the city's revenue profile. Moreover, we believe the disclosure provided on a budgetary basis is robust and well vetted.

One issue to watch will be regarding PICA's current tenure that is anticipated to end when the bonds mature in 2023. As written, the PICA legislation terminates the PICA-related city wage tax when the bonds are paid off. To date, the surplus PICA revenue flowed to the city. State involvement is necessary with respect to PICA's role and revenue, but should the city decide to raise revenues independently of PICA's role, it would only need to address the city council. The city is assuming that the PICA tax would return to being a portion of its wage tax as it was prior to PICA oversight.

Very weak budgetary flexibility

Philadelphia's budgetary flexibility is very weak, in our view, with an available fund balance that we anticipate could fall in the near term to as low as 1% of expenditures from its fiscal 2020 level of 5.8% of operating expenditures, or $290.7 million. Impairing budgetary flexibility, in our view, is limited capacity to reduce expenditures and limited capacity to raise revenues due to consistent and ongoing political resistance.

The deficit in 2020 resulted in general fund reserves falling to 5.8% of expenditures on a budgetary basis. We view Philadelphia's overall budgetary flexibility as very weak when given our expectations for 2021, which show reserves falling to $29 million (1% of expenditures), as well as the city's relatively limited ability to raise revenue or cut expenditures. The city also has reserves designated for reopening and recession ($25 million) and an additional pension contribution above the amount included in its RRP ($22 million). If these reserves are not used, the fund balance would be $76 million (1.5%), which we would still view as weak and provide very little cushion for fiscal 2022 if economic pressures persist.

We view Philadelphia to have a limited capacity to reduce expenditures due to its high fixed costs, which for pensions alone are budgeted to be 13.5% of 2021 general fund expenditures. We also believe the city could face potential resistance to additional revenue-raising and this could be a focus for future budget discussions. Its reliance on its reserves and one-time fixes to address the 2020 and 2021 deficits supports our view that the city has limited flexibility to make structural adjustments to either revenue or expenditures.

Very strong liquidity

In our opinion, Philadelphia's liquidity is very strong, with total government available cash at 30.7% of total governmental fund expenditures and 8.0x governmental debt service in 2020. In our view, the city has exceptional access to external liquidity if necessary.

We do not believe the various liquidity facility agreements supporting service and lease-agreement debt expose the city to nonremote contingent liability risk. With certain limited exceptions, service agreements expressly prohibit the acceleration of service fees supporting debt service on the related obligations or credit facility payments. The exception is debt issued to fund the city's stadium projects; in those cases, agreements allow for term but not principal acceleration.

Furthermore, we do not view the city's swaps as a nonremote contingent liability risk due to the wide margin between its rating and the 'BBB-' rating trigger. Nor does the city have any collateral posting obligations to its counterparties for the swaps.

Weak debt and contingent liability profile

In our view, Philadelphia's debt and contingent liability profile is weak, reflecting our view of its low funded ratio for its pensions. Total governmental fund debt service is 3.8% of total governmental fund expenditures, and net direct debt is 44.4% of total governmental fund revenue.

We view Philadelphia as having a weak debt and contingent liability position, reflecting our view of its low funded ratio for its pensions. The city's net direct debt is moderate. The current financing pushes out some of its debt service payments but does not materially affect its amortization schedule. Approximately 72% of general fund-supported debt is scheduled to be repaid in ten years; however, amortization of the city's total direct debt, including revenue debt, is slower with approximately 50% repaid in ten years. Its general fund-supported debt service payments are scheduled to decrease significantly in 2030, which could provide the city some additional flexibility in its budget for capital or operations.

Pension and other postemployment benefits

- The crux of our assessment of the liability profile is the city's large pension obligation with a plan that has evolved through pension plan reforms as well as higher contribution rates, but the low funded level remains a concern.
- The city has reformed its pension plan, lowered its discount rate, and contributed above its required contributions in recent years, but progress remains slow given the size of the liability.
- While the city provides OPEBs and only funds them on a pay-as-you-go basis, which does leave it somewhat vulnerable to rises in health care costs, it has a fixed five-year provision window, which somewhat mitigates these risks, in our view.

Philadelphia participates in the following plans (information as of June 30, 2020):

- City of Philadelphia Municipal Pension Fund: 48.3% funded, with a net pension liability (NPL) of $6.2 billion.
- City of Philadelphia single-employer OPEB plan: 0% funded, with total OPEB liability of $1.9 billion.

The city's weak pension plan funding levels remain a credit pressure despite continued reforms and higher contributions. The city made contributions in line with its RRP in 2020, which was in excess of our guideline for minimal funding progress, as well as static funding. It has made contributions above the RRP in prior years and planned to contribute $22 million above the RRP in 2020, but held back the extra $22 million for now, given the steep declines in general fund reserves.

Preliminary analysis provided by the city shows plan funding improving to 51.9% as of the July 1, 2020 actuarial valuation, using a 7.50% discount rate assumption. Under current assumptions, the plan is expected to be 80% funded by 2029 and 100% by 2033; however, we view some of these assumptions to be aggressive and that notable improvement in plan funding will likely require more time to come to fruition. The city lowered its discount rate to 7.55%, and is expected to lower it again to 7.50%, but this is still high relative to S&P Global Ratings' guideline of 6.0%, which we consider a rate that mitigates contribution volatility, so in a market downturn, the city could be pressured to increase its pensions contributions. The plan is amortized for a closed period and mortality rates have been updated, which we believe are stronger planning components. We believe that one of the keys to Philadelphia reaching its funding goal will be continued strong, above-MMO contribution levels, which help mitigate the potential for market-rate fluctuations and the lower-than-targeted investment returns.

The city funds OPEBs on a pay-as-you-go basis. The plan is a self-administered, single-employer, defined-benefit plan and the benefits are to provide health care for five years subsequent to separation for its eligible retirees. Some union-represented members might be able to defer their benefits. Nevertheless, the amount Philadelphia pays will be fixed at the amount the member would have paid at the separation date.

Very strong institutional framework

The institutional framework score for Philadelphia is very strong. (For more information on our view of institutional frameworks see our "2020 Update Of Institutional Framework For U.S. Local Governments" Nov. 10, 2020.)

Related Research

- Through The ESG Lens 2.0: A Deeper Dive Into U.S. Public Finance Credit Factors, April 28, 2020

Ratings Detail (As Of March 5, 2021)		
Philadelphia city svc agmt bnds (Rebuild Prog)		
Long Term Rating	A/Stable	Affirmed
Philadelphia lease rev rfdg bnds		
Long Term Rating	A/Stable	Affirmed
Philadelphia GO		
Long Term Rating	A/Stable	Affirmed
Philadelphia GO		
Long Term Rating	A/Stable	Affirmed

Ratings Detail (As Of March 5, 2021) (cont.)		
Philadelphia GO (AGM)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia GO (AGM)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia GO (AGM)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia GO (AGM)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia GO (AGM)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia GO (AGM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia GO (AGM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia GO (AGM) (SEC MKT)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia GO (BAM)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia GO (BAM)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia Industrial Development Authority, Pennsylvania		
Philadelphia, Pennsylvania		

Ratings Detail (As Of March 5, 2021) (cont.)		
Philadelphia Auth for Indl Dev (Philadelphia) GOEQUIV (AGM)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia Auth for Indl Dev (Philadelphia) GOEQUIV (AGM)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia Auth for Indl Dev (Philadelphia) GOEQUIV (AGM)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia Auth for Indl Dev (Philadelphia) GOEQUIV (AGM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia Auth for Indl Dev (Philadelphia) GOEQUIV (AGM) (SEC MKT)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia Auth for Indl Dev (Philadelphia) GOEQUIV (AGM) (SEC MKT)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia Auth for Indl Dev (Philadelphia) JOINTCRIT		
Long Term Rating	AA+/A-1+	Affirmed
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia Indl Dev Auth (Philadelphia) GO		
Long Term Rating	A/Stable	Affirmed
Unenhanced Rating	NR(SPUR)	
Philadelphia Indl Dev Auth (Philadelphia) GO		
Long Term Rating	A/Stable	Affirmed
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV		
Long Term Rating	A/Stable	Affirmed
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV (AMBAC & AGM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV (AMBAC)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia Indl Dev Auth (Philadelphia) GO		
Long Term Rating	A/Stable	Affirmed
Philadelphia Indl Dev Auth (Philadelphia) GO (AGM)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia Indl Dev Auth (Philadelphia) (Afford Hsg Preserv Prog Proj)		
Long Term Rating	A/Stable	Affirmed
Philadelphia Mun Auth, Pennsylvania		
Philadelphia, Pennsylvania		
Philadelphia Mun Auth (Philadelphia) GO		
Long Term Rating	A/Stable	Affirmed
Philadelphia Mun Auth (Philadelphia) GO city agmt (AGM)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia Mun Auth (Philadelphia) GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia Mun Auth (Philadelphia) (BAM)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia Redev Auth, Pennsylvania		
Philadelphia, Pennsylvania		

Ratings Detail (As Of March 5, 2021) (cont.)		
Philadelphia Redev Auth (Philadelphia) city service agreement rev bnds		
Long Term Rating	A/Stable	Affirmed
Philadelphia Redev Auth (Philadelphia) city service agreement rev bnds		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia Redev Auth (Philadelphia) rev rfdg bnds (Philadelphia) ser 2015A		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia Redev Auth (Philadelphia) GO		
Long Term Rating	A/Stable	Affirmed
Philadelphia Redev Auth (Philadelphia) GOEQUIV		
Long Term Rating	A/Stable	Affirmed
Philadelphia Redev Auth (Philadelphia) GO equiv (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia Redev Auth (Philadelphia) GO (BAM) (SEC MKT)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed
Philadelphia Redev Auth (Philadelphia) (Neighborhood Transformation Initiative) GO		
Long Term Rating	A/Stable	Affirmed
Philadelphia Redev Auth (Philadelphia) (Neighborhood Transformation Initiative) GO (BAM)		
Unenhanced Rating	A(SPUR)/Stable	Affirmed

Many issues are enhanced by bond insurance.

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.standardandpoors.com for further information. Complete ratings information is available to subscribers of RatingsDirect at www.capitaliq.com. All ratings affected by this rating action can be found on S&P Global Ratings' public website at www.standardandpoors.com. Use the Ratings search box located in the left column.