S&P Global Ratings

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Summary:

Philadelphia
Philadelphia Redevelopment Authority; General Obligation; General Obligation Equivalent Security; Joint Criteria

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Credit Profile		
US$79.395 mil city svc agmt rev bnds (federally taxable social bnds) ser 2023A dtd 05/18/2023 due 09/01/2041		
Long Term Rating	A/Positive	New
US$24.36 mil city svc agmt rev rfdg bnds (tax-exempt) ser 2023C dtd 05/18/2023 due 04/15/2026		
Long Term Rating	A/Positive	New
US$19.845 mil city svc agmt rev bnds (tax-exempt social bnds) ser 2023B dtd 05/18/2023 due 09/01/2043		
Long Term Rating	A/Positive	New
Philadelphia GO		
Long Term Rating	A/Positive	Outlook Revised

Credit Highlights

- S&P Global Ratings revised its outlook to positive from stable on the city of Philadelphia's outstanding general obligation (GO) bonds and city service agreement revenue bonds, and Philadelphia Authority for Industrial Development (PAID)'s lease revenue bonds issued for the city.
- At the same time, we affirmed our 'A' rating on the city's GO bonds outstanding, city service agreement revenue bonds, and PAID lease revenue bonds.
- We also affirmed our 'AA+/A-1+' rating on certain PAID debt, with TD Bank providing liquidity support.
- In addition, we assigned our 'A' rating and positive outlook to the Philadelphia Redevelopment Authority's (PRA) $79.395 million series 2023A city service agreement revenue bonds (federally taxable social bonds), $19.845 million series 2023B city service agreement revenue bonds (tax-exempt social bonds), and $24.36 million series 2023C city service agreement revenue bonds (tax-exempt) issued for Philadelphia.
- The outlook revision reflects our expectation that there is at least a one-in-three chance that we will raise the rating within the next two years if the city is able to maintain reserves at levels we consider strong to adequate, while making contributions to its Budget Stabilization Reserve (BSR) and returning to structural balance, in line with its current projections.

Security

The series 2023A and B bonds are secured by Neighborhood Preservation Initiative (NPI) service fee payments payable by Philadelphia to PRA under the NPI service agreement. The series 2023C bonds are secured by Neighborhood Transformation Initiative (NTI) service fee payments payable by Philadelphia to PRA under the NTI service agreement. Both the city's NPI and NTI service fees are payable solely from current revenues and are unconditional and absolute. The city council is required by the city charter to appropriate to pay the service fees in each fiscal year. 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.

Proceeds of the series 2023A and B bonds will finance certain costs related to the city's NPI program, which includes investments in affordable housing, neighborhood corridors, and neighborhood infrastructure. Proceeds of the series 2023C bonds will refund certain maturities of the city's series 2012 revenue refunding bonds for interest cost savings.

Credit overview

Philadelphia continues to benefit from substantial federal stimulus, which has led to the city's general fund balance to grow to an historical high of $779 million, or 14.6% of expenditures, on a budgetary basis in fiscal 2022. The city experienced significant revenue losses during the COVID-19 pandemic; therefore, the city categorized its full $1.4 billion American Rescue Plan (ARP) allocation as revenue replacement, rather than submitting specific qualifying expenditures for reimbursement. The city laid out plans to use the ARP funding as a glide path to structural balance, creating a drawdown schedule to utilize a portion of the ARP funds to close budget gaps each year, while city revenues rebound and management focuses on cost containment. Favorably, as city revenues recovered more quickly than anticipated, the city used less ARP revenue than originally projected for fiscal 2022 and 2023. However, due to the reliance on the one-time ARP funding, the city's general fund expenditures exceed its recurring revenue in fiscals 2023-2026. The size of the structural gap narrows each year, from around 6.5% in 2023 down to 2% by 2026, and fiscals 2027 and 2028 are projected to be approximately balanced. From 2024 through 2028, the city's plan to return to structural balance relies on strong annual base revenue growth of between 3.5% and 4.75% for both wage and sales taxes annually, while simultaneously holding overall expenditure growth below 2%. While we view these assumptions as potentially achievable, they may be difficult to execute, especially in a tight labor market where larger salary increases may be necessary to retain staff and avoid significant overtime costs.

Historically, strong economic growth has underpinned much of the Philadelphia's financial improvement because of the city's reliance on more economically sensitive revenue streams. The city has a history of building reserves during economic expansion and drawing down on those reserves during economic contraction as service demands increase. The city has made small deposits to its BSR in the past, but it quickly drew upon these reserves at the onset of the pandemic. The existing city charter caps the BSR at 5% of general fund appropriations, a level it has never reached. However, to bolster its rainy day reserves, the city council passed a resolution to amend the Philadelphia city charter, which will go before voters May 16, 2023. The amendment would increase the city's deposits to its BSR to 1% of revenue when the city projects its general fund balance to be 5%-8%, and if it projects the general fund balance to be 8%-17%, all additional funds go to the BSR, up to 17%. Under this proposal, the city expects to make deposits to the BSR in fiscals 2023-2026, increasing and holding the BSR at $320 million (5%) through fiscal 2028. If the city can build the BSR and hold its reserves at higher levels, we would likely raise the rating.

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

- Significant tax base size and broad and diverse economy, but weaker poverty and unemployment metrics relative to other major U.S. cities;
- Strong management, with good financial policies and practices, coupled with a very strong institutional framework

benefiting from additional oversight from the Pennsylvania Intergovernmental Cooperation Authority (PICA);

- Improved budgetary performance and reserve levels, but large budget gaps in fiscal years 2023-2025 to be closed by one-time federal revenue; and
- High fixed costs and a large pension and other postemployment benefits (OPEB) obligation, with weak plan funded ratios, despite reforms and contributions above the required amounts.

Environmental, social, and governance

Philadelphia benefits from a governance structure opportunity, provided by PICA, that requires the city to submit quarterly budget-to-actual reports and annual, rolling five-year financial plans for approval. In cases where material challenges occur after the five-year plan's introduction, PICA requires the city to submit a revised plan.

We view social capital risks as a potential weakness in terms of long-term economic growth. Work patterns are continuing to change post-pandemic. Notably, the city's commuter tax still applies to nonresidents if work from home is considered an optional benefit rather than a requirement, which we believe may mitigate some of the future losses. The nonresident portion of the wage and earnings taxes was approximately 10% of 2022 general fund revenue. Additionally, social capital risks are reflected in the city's relatively weaker sociodemographic profile, including higher-than-average unemployment and poverty levels, which have inhibited its ability to raise or collect revenue and create a greater demand for services during economic downturns.

We view the city's environmental risks as neutral in our credit analysis, though we note that the city is addressing environmental risks through its Office of Sustainability, which was established in 2014, and various resiliency, adaptation, and climate justice plans, which are outlined in the city's Climate Action Playbook.

Outlook

The positive outlook reflects our view there is at least a one-in-three chance that over the next two years the city will hold its combined BSR and available general fund reserves at levels we consider strong, while simultaneously containing expenditure growth, such that it can achieve structural balance without federal stimulus.

Downside scenario

We could lower the rating if the city's financial operations are structurally imbalanced following the drawdown of its ARP funds, due to a softening in revenue or escalating expenditures, leading to much lower reserves. Furthermore, we could also lower the rating if the city is unable to continue to fund its pensions in line with its revenue recognition policy (RRP), resulting in deterioration of plan funding.

Upside scenario

We could raise the rating if there is evidence the city can maintain its combined BSR and general fund reserves at strong levels and if we view its operations as structurally balanced, with recurring revenues keeping pace with recurring expenditures.

Credit Opinion

Large and diverse economic base, but higher levels of poverty create greater service demand relative to peers

Philadelphia's recovery from the COVID-19 pandemic-related decline in economic activity was slower than the nation's in 2021, but it has begun to pick up steam, outpacing the U.S. in job growth during the first half of 2022. According to S&P Global Markit, several sectors of the economy, including construction, wholesale trade, and professional and business services, have fully recovered, and it estimates that the Philadelphia metro area realized 4.1% annual job growth in 2022, which is better than the 3.9% forecast for the nation. However, we expect job growth to slow in 2023, to just 0.9%, which is in line with the nation. Over the long term, we expect the city's broad and diverse base position it for slow to moderate growth, with university, pharmaceuticals, and biotechnology leading the way. S&P Global Ratings believes that the U.S. economy will fall into a shallow recession in 2023, although increased credit tightening stemming from recent events in the banking sector has elevated the likelihood of a hard landing. For more information, see "Economic Outlook U.S. Q2 2023: Still Resilient, Downside Risks Rise," published March 27, 2023, on RatingsDirect.

The city's revenue base benefits from the strength of the entire metropolitan statistical area (MSA) as commuter income taxes are a significant revenue stream (10% of 2022 general fund revenue). Commuter income taxes were curtailed somewhat due to increased working from home during the pandemic, and the city has assumed that 25% of nonresident wage and earnings taxes will not be collected over the course of its most recent five-year plan due to commuter behavior changes. S&P Global Markit notes that, historically, high wage and business tax rates may have dampened economic growth prospects, but the city has been steadily lowering its tax rates and its cost of living is moderate relative to those of peers, so there may be some more upside potential.

Strong city management and robust financial oversight

City management practices include the following:

- Revenue and expenditure assumptions developed during budget preparation, based on an evaluation of past trends as well as external economic models for revenue forecasting.
- Development of robust, annual five-year financial plans that elected officials review and PICA approves. In cases where material challenges occur after the five-year plan's introduction, PICA requires the city to submit a revised plan.
- Quarterly budget-to-actual and cash flow reports submitted to elected officials and PICA.
- A six-year capital improvement program, updated annually, that identifies funding sources for each project.
- A formal investment policy that requires monthly monitoring and reporting of holdings to the treasurer's office, coupled with quarterly meetings to evaluate performance.
- A debt policy that includes various quantitative targets, including: level debt service; 50% of tax-supported principal amortized in 10 years; net direct debt less than 3.5% of total assessed value (AV); 6% of general fund expenditures for tax-supported debt (excluding pension obligation bonds [POBs]); 7% of general fund expenditures for tax-supported debt service, plus other fixed payments; and 20% of general fund expenditures for tax-supported debt, other fixed costs, and pension costs combined.

- A target of maintaining between 6% and 8% of general fund revenue in reserve, coupled with the city's home-rule charter that calls for a BSR up to 5% of revenue. However, reserves have historically fallen below its target, and the BSR had a $0 balance at the close of fiscal 2022. We will be watching to see how the city is able to build and maintain its BSR.

The city also benefits from a very strong institutional framework, bolstered by oversight from PICA, which was recently extended until 2047.

Better than projected financial performance due to faster revenue recovery and reserves bolstered by federal stimulus

Most of the city's top revenue sources are more sensitive to economic swings, resulting in positive financial performance during economic expansion and financial pressure during economic downturns. As the city's economic recovery accelerated in fiscal 2022, the city's top five revenue streams--wage and earnings taxes, property taxes, business income and receipts taxes (BIRT), realty transfer taxes, and sales taxes--exceeded their fiscal 2019 pre-pandemic levels. Wage and earnings taxes (28% of 2022 revenue) increased by 14% over 2021 levels, despite reductions in both resident and commuter tax rates. BIRT (12% of revenue) was up 38%, and realty transfer taxes (9% of revenue) increased by a dramatic 76%. As a result, the city only transferred $250 million of its ARP funds to its general fund, less than half of what the city anticipated in its original drawdown schedule. The city was also able to make more than $226 million of one-time contributions to its pension fund, above its budgeted amount. Adjusting out the one-time revenue and expenditures, we estimate that the year would have closed with more than an 8% operating surplus on a budgetary basis.

For the current fiscal year 2023, the city continued to lower its resident wage tax rate (3.79%, from 3.8398% in 2022), commuter wage tax rate (3.44%, from 3.4481%) and BIRT net income rate (5.99%, from 6.2%) to make Philadelphia a more competitive place to live and work. Current estimates indicate recurring revenues will exceed 2022 levels, despite the rate cuts. The city also plans to use $335 million of ARP funding to supplement the general fund, included under the line item "revenue from other funds of the city." The city estimates total 2023 expenditures will increase by more than 13% over 2022, but that includes about $71 million of one-time items. Due to the city's strong reserve levels, the city estimates it will deposit $65 million into its BSR. The city projects that combined BSR and available general fund reserves will be $682 million (11% of expenditures).

In the fiscal 2024 proposed budget, the city is assuming a more moderate pace of revenue growth, at just under 4% for wage/earnings taxes and sales taxes and 2% for realty transfer taxes. It is forecasting a 0.8% decline in its BIRT, given the potential for an economic downturn. The city is also proposing another reduction in tax rates, with the resident wage tax rate reduced to 3.7565% and the BIRT net income rate cut to 5.83%, the lowest rates in 35 years. Additionally, the city is removing various parking revenue and expenditures from the general fund and into a transportation special revenue fund to better track capital and grants funding, which will slightly reduce the size of the general fund. The budget includes $390 million of ARP funding to supplement the general fund. Projections hold expenditures nearly flat, which we believe is achievable, given the city settled its labor contracts through fiscal 2024 and 2023 estimates, including some one-time expenditures that would not carry forward to 2024. The budget includes a $42 million deposit to the BSR. If the 2024 budget holds, the combined BSR and available general fund reserves would drop slightly to $631 million (10.5% of expenditures).

The city anticipates using the remainder of its ARP funding, approximately $449 million, by the deadline of December 2024, which would fall during the city's 2025 fiscal year. The five-year forecast shows a 3% increase in revenue in 2025 while holding expenditures flat, which we believe may be somewhat optimistic. It has built in contingencies of $42 million for labor and $30 million for reopening and recession; however, if inflationary pressures persist, we anticipate there may be additional expenditure pressure beyond these contingencies. The forecast projects the combined BSR and available general fund reserves would increase to $786 million (13.1% of expenditures) in 2025, bolstered by the ARP funds, but will then decrease to approximately 7% of expenditures by the close of the forecast. We view the city's financial flexibility to be weak, given the projected lower level of reserves, coupled with the city's limited capacity to reduce expenditures due to high fixed costs and service demands. While the city has the statutory authority to raise additional revenues, we believe there are practical limitations to raising revenue, as it has been focused on how to reduce various tax rates to lower the cost of business. However, if the city can maintain its combined reserves at higher levels, our assessment of the city's flexibility could improve, leading to a higher rating.

Weak debt and liability profile due to large pension and OPEB liabilities and high fixed costs

The city's net direct debt profile is moderate, but we view its overall liability profile as weak due to its large pension obligations. Approximately 69% of general fund-supported debt is scheduled to be repaid in 10 years; however, amortization of the city's total direct debt (including revenue debt) is slower, with approximately 51% repaid in 10 years. The city's general fund-supported debt service payments are scheduled to decrease significantly in 2030 once its POBs have fully amortized, which could provide some additional flexibility in its budget for capital or operations.

In our view, the various liquidity facility agreements supporting service and lease-agreement debt do not expose the city to nonremote contingent liability risk, because, with certain limited exceptions, the service agreements expressly prohibit the acceleration of service fees. 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 believe the city's swaps create a nonremote contingent liability risk due to the wide margin between its rating and the 'BBB-' rating trigger. Nor does it have any collateral posting obligations to its counterparties for the swaps.

Philadelphia participates in the following pension and OPEB plans:

- City of Philadelphia Municipal Pension Fund (as of June 30, 2022):
- Plan fiduciary net position as a % of the total pension liability: 56.08%.
- Net pension liability: $5.434 billion.
- City of Philadelphia single-employer OPEB Plan (as of June 30, 2021):
- Plan fiduciary net position as a % of the total OPEB liability: 0%.
- Net OPEB liability: $2.156 billion.

The city's weak pension plan funding levels remain a credit pressure, despite continued reforms and higher contributions. It continues to make contributions in line with its RRP, which directs sales tax revenue and increased employee contributions to fund its pension plan above the state-required minimum municipal obligation (MMO), which was also more than our guideline for minimal funding progress in 2022. The city has gradually lowered its discount rate by 0.05% annually over the last several years, and lowered it again to 7.35% from 7.40%, effective July 1,

2023. However, 7.35% is still high relative to S&P Global Ratings' guideline of 6.0%, a rate that we believe mitigates contribution volatility; therefore, in a market downturn, we believe the city could be pressured to increase its pension contributions. The plan is amortized for a closed period and mortality rates have been updated, which we believe are stronger planning components. One of the keys to Philadelphia reaching its funding goal will be continued strong, above-MMO contribution levels, which it has done since 2013, to mitigate market fluctuations and potentially lower-than-targeted investment returns.

As of the recently released July 1, 2022, actuarial analysis, pension plan funding improved to 57.6%, using a 7.40% discount rate assumption. Under current assumptions, the plan is expected to be 80% funded by 2030 and 100% funded by 2036; however, we view some of these assumptions to be aggressive and that such significant improvement in plan funding will likely require more time to come to fruition.

The city funds OPEB on a pay-as-you-go basis, which leaves it somewhat vulnerable to rises in health care costs. The plan is a self-administered, single-employer, defined-benefit plan, and the benefits are to provide health care for five years after separation for its eligible retirees. The fixed five-year provision window somewhat mitigates these risks, in our view.

Key credit metrics--Philadelphia

	Most recent	Historical information		
		2022	2021	2020
Strong economy				
Projected per capita EBI % of U.S.	80			
Market value per capita ($)	128,203			
Population			1,588,749	1,591,394
County unemployment rate (%)			9.2	
Market value ($000)	203,683,051	171,044,302	169,955,220	
Ten largest taxpayers % of taxable value	2.2			
Adequate budgetary performance				
Operating fund result % of expenditures		8.1	(2.4)	(4.0)
Total governmental fund result % of expenditures		3.6	0.9	(0.9)
Weak budgetary flexibility				
Available reserves % of operating expenditures		14.6	6.3	5.8
Total available reserves ($000)		780,285	298,494	290,672
Very strong liquidity				
Total government cash % of governmental fund expenditures		53	29	31
Total government cash % of governmental fund debt service		1759	711	800
Strong management				
Financial Management Assessment	Good			
Weak debt & long-term liabilities				
Debt service % of governmental fund expenditures		3.0	4.1	3.8
Net direct debt % of governmental fund revenue	41			
Overall net debt % of market value	3.6			

Key credit metrics--Philadelphia (cont.)				
	Most recent	Historical information		
		2022	2021	2020
Direct debt 10-year amortization (%)	51			
Required pension contribution % of governmental fund expenditures		7.5		
OPEB actual contribution % of governmental fund expenditures		1.1		
Very strong institutional framework				

EBI--Effective buying income. OPEB--Other postemployment benefits.
Data points and ratios may reflect analytical adjustments.

Related Research

- Through The ESG Lens 3.0: The Intersection Of ESG Credit Factors And U.S. Public Finance Credit Factors, March 2, 2022

Ratings Detail (As Of April 20, 2023)		
Philadelphia GO		
Long Term Rating	A/Positive	Outlook Revised
Philadelphia GO		
Long Term Rating	A/Positive	Outlook Revised
Philadelphia GO		
Long Term Rating	A/Positive	Outlook Revised
Philadelphia GO (AGM)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia GO (AGM)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia GO (AGM)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia GO (AGM)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia GO (AGM)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia GO (AGM)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia GO (AGM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia GO (AGM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia GO (AGM) (SEC MKT)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised

Ratings Detail (As Of April 20, 2023) (cont.)		
Philadelphia GO (AGM) (SEC MKT)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia GO (BAM)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia GO (BAM)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia Industrial Development Authority, Pennsylvania		
Philadelphia, Pennsylvania		
Philadelphia Auth for Indl Dev (Philadelphia) GOEQUIV (AGM)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia Auth for Indl Dev (Philadelphia) GOEQUIV (AGM)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia Auth for Indl Dev (Philadelphia) GOEQUIV (AGM)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia Auth for Indl Dev (Philadelphia) GOEQUIV (AGM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia Auth for Indl Dev (Philadelphia) GOEQUIV (AGM) (SEC MKT)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia Auth for Indl Dev (Philadelphia) GOEQUIV (AGM) (SEC MKT)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia Auth for Indl Dev (Philadelphia) GO (MBIA) (National)		

Ratings Detail (As Of April 20, 2023) (cont.)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia Auth for Indl Dev (Philadelphia) JOINTCRIT		
Long Term Rating	AA+/A-1+	Affirmed
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia Indl Dev Auth (Philadelphia) GO		
Long Term Rating	A/Positive	Outlook Revised
Unenhanced Rating	NR(SPUR)	
Philadelphia Indl Dev Auth (Philadelphia) GO		
Long Term Rating	A/Positive	Outlook Revised
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV		
Long Term Rating	A/Positive	Outlook Revised
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV		
Long Term Rating	A/Positive	Outlook Revised
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV (AMBAC & AGM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV (AMBAC)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV (BAM)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV (BAM) (SEC MKT)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia Indl Dev Auth (Philadelphia) GO		
Long Term Rating	A/Positive	Outlook Revised
Philadelphia Indl Dev Auth (Philadelphia) GO (AGM)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia Municipal Authority, Pennsylvania		
Philadelphia, Pennsylvania		
Philadelphia Mun Auth (Philadelphia) GO		
Long Term Rating	A/Positive	Outlook Revised
Philadelphia Mun Auth (Philadelphia) GO city agmt (AGM)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia Mun Auth (Philadelphia) GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia Mun Auth (Philadelphia) (BAM)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia Redevelopment Authority, Pennsylvania		
Philadelphia, Pennsylvania		
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV		

Ratings Detail (As Of April 20, 2023) (cont.)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV (BAM) (SEC MKT)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia Redev Auth (Philadelphia) GO		
Long Term Rating	A/Positive	Outlook Revised
Philadelphia Redev Auth (Philadelphia) GO		
Long Term Rating	A/Positive	Outlook Revised
Philadelphia Redev Auth (Philadelphia) GOEQUIV		
Long Term Rating	A/Positive	Outlook Revised
Philadelphia Redev Auth (Philadelphia) GOEQUIV		
Long Term Rating	A/Positive	Outlook Revised
Philadelphia Redev Auth (Philadelphia) (BAM)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia Redev Auth (Philadelphia) (Neighborhood Transformation Initiative) GO (BAM)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised
Philadelphia Redev Auth (Philadelphia) (Taxable) GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Outlook Revised

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.