



December 22, 2009

Mr. Brian Bailey  
Department of Local Government Finance  
100 North Senate Avenue, N-1058(B)  
Indianapolis, IN 46204

Dear Mr. Bailey:

We are responding to your letter dated, December 13, 2009 requesting required information for Gary/Chicago International Airport Authority's (the "Airport Authority) Distressed Unit Appeal petition submitted on December 8, 2009. Enclosed are the additionally requested items:

- Nonbinding recommendation letter of the Lake County Council for all units in Lake County dated September 25, 2009.
- See the attached U.S. Census Bureau's current population schedule for the City of Gary. Current population for the City of Gary is 95,920. We do not anticipate any increase in the population in the next three to four years.
- Enclosed are financial schedules of revenue and expenditures for year of 2008 and year-to-date through November 30, 2009. Also enclosed is a schedule projecting outstanding claims, contracts and purchase orders anticipated to be encumbered by December 31, 2009 (as of this date).
- The current and projected growth in assessed value of property for the Airport Authority is as follows:
  - 3/1/2008 \$2,267,757,921 (per 1782 notice/budget order)
  - 3/1/2009 \$2,311,296,000
  - 3/1/2010 \$2,417,567,000
  - 3/1/2011 \$2,529,067,000
- The Airport Authority requests relief from the circuit breaker tax credits in 2010 as outlined in its budget Forms 4B, which is on track with its financial plan submittal to the DUAB last year (December 2008). The relief requested is 50% of the estimated circuit breaker tax credits projected for 2010.

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Additionally, we just became aware that the U.S. Steel property tax appeal is not going to be considered further and a proposed settlement to refund U.S. Steel an amount (not yet known) over the next four years is being considered. The 16-Line Statements (Form 4Bs) previously submitted with the DUAB petition and financial plan has not reflected the Airport Authority's portion of the refund over the next three years. We plan to submit revised Form 4Bs at least five days before the DUAB hearing on January 6, 2010, if such refund amounts are determinable.

If you should have any questions with the enclosed information, please let Chris Curry, Airport Director, Nikki Thorn, Airport Finance Manager or myself know.

Sincerely,



Karl J. Cender

Enclosures

cc: Mr. Ryan Kitchell  
Mr. Chris Curry  
Ms. Nikki Thorn