



SAN DIEGO
INTERNATIONAL
AIRPORT

Passenger Facility Charge Application



April 15, 2010

Overview

- New PFC Application (#8)
- Requesting \$1,118,567,229 in impose and use authority
- Requesting collection at a \$4.50 level
- Funding for current construction costs (PAYGO) and debt service for The Green Build

PFC Status

Current Application	Collection Start	Estimated Collection End	Authorized Amount
09-07-C-00-SAN	December 2009	October 2012	\$85,181,950
Proposed New Application	Proposed Collection Start	Estimated Collection End	Proposed Application Amount
10-08-C-00-SAN	October 2012	April 2036	\$1,118,567,229



PFC Application Timeline

Date	Event Description
March 15, 2010	Carrier Notification of PFC Consultation Meeting
April 15, 2010	Airline Consultation Meeting
April 21, 2010	Public Notification of PFC Application
May 17, 2010	Receive Airline Certifications/Responses
July 16, 2010	Application Submittal to FAA
August 16, 2010	Receive FAA Preliminary Approval
October 14, 2010	Receive FAA Final Agency Approval
October 1, 2012	New PFC Charge Effective Date



Request to Exclude a Class of Carrier

SDCRAA will request in its PFC application that the following Air Taxi/Commercial operators filing FAA Form 1800-31 in 2008 be exempted from collection of the PFC:

Carrier	Enplanements
Aero Jet Services LLC (J7EA)	123
Bakersfield Air Charter, Inc. (PCGA)	7
Chantilly Air, Inc. (ZH9A)	2
Chicago Jet Group LLC (X42A)	1
Corporate Flight International, Inc. (KBAA)	8
Executive Flight, Inc. (EPDA)	15
Executive Jet Management, Inc. (EJM)	123
Executive Travel Air LLC (KNQA)	2
Flight Services Group, Inc. (O2GA)	2
Florida Jet Service, Inc. (FJ7A)	3
Flying M Aviation, Inc. (HROA)	6
Jet Solutions LLC (J7SA)	179
Jetchoice 1 LLC (J1QA)	29
Maverick Aviation LLC (MV8A)	2
Modesto Executive Air Charter, Inc. (CUXA)	27
Pro Airways Llc (ZKFA)	4
S P Aviation, Inc. (SPOA)	14
Seven Delta Romeo (N9DA)	13
	560

Total Enplanements 9,389,327
 % of Enplanements 0.01%

PFC 8 – Summary

PFC Use	Amount
Terminal – PAYGO	\$60,214,729
PFC Bond Principal:	
Construction Fund	426,306,454
Reserves and Cost of Issuance	36,973,546
PFC Bond Interest	595,072,500
Total PFC 8	\$1,118,567,229



Use of PFCs

PAYGO and Bond Principal

Project Element	Project Requirement	Less: AIP Grants	Less: Local Funds 1>	Less: Previous PFC Authorizations	PFC PAYGO Amount	PFC Bond Principal Amount
Airside	\$ 55,018,553	\$ 31,425,870	\$ -	\$ 9,789,927	\$ -	\$ 13,802,756
Terminal	582,098,921	1,096,000	252,127,397	34,789,554	60,214,729	235,000,000
Roads	187,717,198	-	-	10,213,500	-	177,503,698
Parking and Administrative	39,841,845	-	39,841,845	-	-	-
Total Green Build Project	\$ 864,676,518	\$ 32,521,870	\$ 291,969,242	\$ 54,792,981	\$ 60,214,729	\$ 426,306,454

1> Local Funds include Airport cash and debt not paid for with PFCs or AIP Grants



Terminal Space PFC Eligibility

Terminal Square Footage	431,555
PFC Eligible Square Footage	259,429
% PFC Eligible	60.1%
Terminal Project Element	\$582,098,921
PFC PAYGO	60,214,729
PFC Bond Principal	<u>235,000,000</u>
Total PFC Usage	\$295,214,729
% PFC Applied	50.7%

Revenue Bonds

**PFC Funded Portion
of
Debt Service on
SDCRAA GARBs**

Sources:

Airport Revenue Bonds	\$	463,280,000
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Uses:

Construction Fund	\$	426,306,454
DSRF		33,656,788
Capitalized Interest		-
Cost of Issuance:		
- Underwriter's		
Discount		2,316,400
- Legal & FA Fees		750,000
- Feasibility/Traffic Forecast		150,000
- Other		100,000
Bond Insurance		-
Contingency		358
Total	\$	463,280,000

Assumptions:

Principal Amortization (years)		30
Issued:		10/1/10
First Interest Payment:		1/1/11
First Principal Payment		7/1/13
Coupon		6.00%
DSRF		YES
Cap I Period (months)		-
Underwriter's Discount (per bond)	\$	5.00
Bond Insurance (% of total DS)		0.00%

The Green Build – Project Purpose and Need

Following FAA approval of the aviation forecast in June of 2005, the SDCRAA initiated the preparation of an Airport Master Plan to:

- *Accommodate existing/future operations*
- *Avoid severe congestion in terminals*
- *Improve Level of Service for passengers in terminal*

The Green Build is the initial project which will provide the following AMP identified improvements:

- *Expand existing Terminal 2 West with 10 new jet gates*
- *Construct new aircraft parking and replacement of Remain-Over-Night aircraft parking apron*
- *Construct new apron and aircraft taxi lane*
- *Construct new second level road/curb and vehicle circulation serving Terminal Two*

Forecast Gate Demand

A comprehensive analysis was conducted:

- *Review of the forecast of aviation activity*
- *Analysis of existing facilities and their operational characteristics*
- *Assembly of a gated design day schedule¹*

The gated design day schedule is meant to present a plausible future scenario for flight activity at SDIA based on the accepted forecast of aviation activity.

Current Number of Gates: 41

Requirement per Analysis: 51

¹ The design day is an average weekday of the peak month.

Forecast Remain-Over-Night Parking Demand

RON positions are apron parking positions for aircraft that are not adjacent to the terminal building.

- The location of SAN contributes to its role as a “spoke airport”
- Spoke airports have a high demand for Remain-Over-Night parking

The last aircraft arriving at night and leaving first the next morning are parked overnight at a terminal passenger gate. If the number of overnight aircraft exceeds the number of available gates, these additional aircraft must be parked at RON positions. The gated design day schedule used to determine the aircraft gate facility requirement also determined a requirement for three additional RON positions by 2015.

Current RON Parking Positions: 20

Provided by Airside Improvement Project Element:

- 8 new positions
- 2 relocated positions

Forecast RON Parking Positions: 28

Forecast Curbside/Roadway Demand

The Airport Master Plan estimated deficiencies associated with the terminal curbside based on existing passenger distributions among terminals. An additional deficit was determined based on the assumption of 10 new gates at Terminal 2 West.

Location	Current	Forecast Requirement	Provided by Project
Private Vehicle Curbside	1,360	1,130	1,455
Transit Plaza Curbside	1,460	1,605	2,205

Objectives of The Green Build

- Meet current and future demand at SDIA
- Enhance capacity for expected passenger growth thru the terminal expansion element with added gates and other passenger facilities
- Enhance capacity for expected aviation activity growth thru airfield improvements including 10 new RON positions near the new gates / terminal. This will decongest airfield and improve circulation.
- Furnish opportunities for enhanced competition between or among air carriers as a result of the above improvements



The Green Build – Airside Improvements Element



Construct aircraft apron, additional remain over night aircraft parking positions, and airfield operational improvements.

Justification: Capacity / Increased Competition - To accommodate air service demand (forecast growth through 2015) while improving Levels of Services, Airport safety and security, and enhancing Airport access .

Element Cost: \$55,018,553

PFC Bond Principal: \$13,802,756



The Green Build – Terminal Expansion Element



Construct 10 new gates and passenger loading bridges, hold rooms, as well as airline functions, concessions, secure and non-secure public areas and non-public areas for offices, mechanical rooms, loading docks, and maintenance/storage.

Justification: Capacity / Increased Competition - To accommodate air service demand (forecast growth through 2015) while improving Levels of Services, Airport safety and security, and enhancing Airport access .

Element Cost: \$582,098,921

PFC Paygo: \$60,214,729

PFC Bond Principal: \$235,000,000



The Green Build – Roadway Improvements



SMART CURB ARRIVAL ROAD LOOKING WEST - LIGHT COLUMNS OPTION

Construct a dual-level roadway to relieve curb-front traffic congestion by separating arriving and departing passengers. Provides a 'smart curb' to allow most passengers to check in, print boarding passes and check baggage before entering the terminal at an easy-to-use curbside kiosk.

Justification: Capacity - To accommodate air service demand (forecast growth through 2015) while improving Levels of Services, Airport safety and security, and enhancing Airport access .



Element Cost: \$187,717,198
PFC Bond Principal: \$177,503,698