

**Attachment 1: Sea-Tac Cargo Growth**

The primary driver for freight growth is new freighter business, with the combination of DHL relocated from Boeing Field that started June of 2016, and the new Prime Air service for Amazon that began May, 2016. Both of these new services operate with freighters, 4 per day for DHL and initially 1 but now 3 flights daily for Prime – to increase to 4 flights daily in November.

A secondary driver is inbound international freight, where the growth is occurring mostly on the belly side with carriers including EVA, Hainan, and Xiamen – a new passenger carrier in Q3 2016. International exports are nearly flat, with another record cherry export season muted by declines in other commodities including seafood.

With the very large increase in freighter activity compared to belly growth, the belly/freighter split which had been approaching 50/50 due to several years of new passenger service additions has now swung back toward 65% freighter and 35% belly cargo overall. Greater freighter activity has also increased the utilization of off-gate freighter hardstands.

Year-end 2017 total cargo is conservatively forecasted to reach 420,000 MT, an annual increase of 14.6%.

On-airfield cargo facilities are at or above capacity with 0% available vacancy. Airline stakeholders and staff are in discussions to expand the on-airfield cargo footprint at up to three locations. Airport staff will continue working with Real Estate to support development of off-airport properties north and south of the airport. Approximately 2.3 million square feet of industrial and cargo logistics-supportive space is completed or in development south of the airport, while another 750,000+ square feet is in development or proposed to the north, in addition to the completed 240,000 square foot multi-temperature facility that opened this summer in Burien.