

This document is a text-only reovery of the original PDF file. Any graphics that were in the original PDF are not included here.
If you need the original document, please contact the Commission Clerk at the Port of Seattle.

Item No. 10e_supp
Date of Meeting November 29, 2022
Introduction and Adoption of Resolution
No. 3809 Amending the Authorization for
Passenger Facility Charges (PFCs) –
effective January 1, 2023

Importance of PFCs

- PFCs are collected from passengers by airlines and submitted to airports for use as approved by application to the Federal Aviation Administration.
- Costs paid by PFCs are excluded from airline rate bases, thus lowering airline costs (CPE).
- SEA has been collecting PFCs since 1992. Resolution No. 3464 (2001) included an expiration date of 12/31/2022.
- Proposed action will permit the Port to continue collecting PFCs until the Port Commission decides to terminate collection.
- SEA anticipates collecting approximately \$95 million in PFCs in 2023.

Without these PFCs in 2023:

- CPE would increase by \$3.69
- Debt service coverage (calculated per terms of airline lease agreement) would decrease by .31

2

Annual PFC Collections \$94+ Million
Projected PFC Collections 2022-2031
\$120.0
\$105.8 \$107.9
\$99.7 \$101.7 \$103.7
\$100.0 \$93.9 \$94.1 \$95.8 \$97.7
\$93.5

\$80.0
\$ in Millions \$60.0
\$40.0

\$20.0

\$-
2022 2023 2024 2025 2026 2027 2028 2029 2030 2031

3

Primary PFC Usage is Debt Service Offset
Projected PFC Usage 2022-2031

\$120
\$109
\$104
\$101 \$103 \$103
\$100 \$99
\$100 \$96 \$96
\$93

\$80
\$ in Millions \$60
\$40

\$20

\$-

2022 2023 2024 2025 2026 2027 2028 2029 2030 2031
Third Runway Baggage STS/STEP IAF NSAT PAYGO Total

4

PFC History of Approval & Use

Approved for PFC

Year Application

Use Expenditures

1992 Application 1 (Closed) \$27.9 \$27.9

1994 Application 2 (Closed) 48.8 48.8

1996 Application 3 – Passenger Conveyance System (STS) 292.9 257.4

1998 Application 4 1,642.1 1,007.8

• Third Runway

• Concourse A Expansion (STEP)

2011 Application 7 – In-line Baggage 155.7 56.6

2017 Application 8 1,674.5 252.6

• International Arrivals Facility (IAF)

• North Satellite

TOTAL \$3,841.9 \$1,651.1

5

Background

Previous Resolutions Adopted by Commission:

• September 25, 2001 – Resolution No. 3464 – expiring December 31, 2022

• October 28, 1997 – Resolution No. 3253

• July 25, 1995 – Resolution No. 3199

• May 25, 1993 – Resolution No. 3143

• December 10, 1991 – Resolution No. 3099

6