

# Beginning Passenger Service from Scratch

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September 14, 2019



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# Paine Field, Everett, Washington

- Snohomish County owned
- Largest export site in USA (Boeing)
- Largest building in the world
- Extremely busy widebody airport
- More carriers operating than any other airport in the world
- ....but no commercial pax service



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# Quick timeline

- 2008 – Carrier interest (triggers grant assurance obligations)
- 2009 – 2019 – FAA environmental reviews
  - EA 2009-2012
  - Supplemental EA 2016-2018
  - Unsuccessful Ninth Circuit challenge
- 2014 – Negotiation and execution of agreement with Propeller Airports
- 2017 – First carrier commitment
- 2019 – Initiation of passenger service
  - Terminal fully occupied at opening – 24 ops/day



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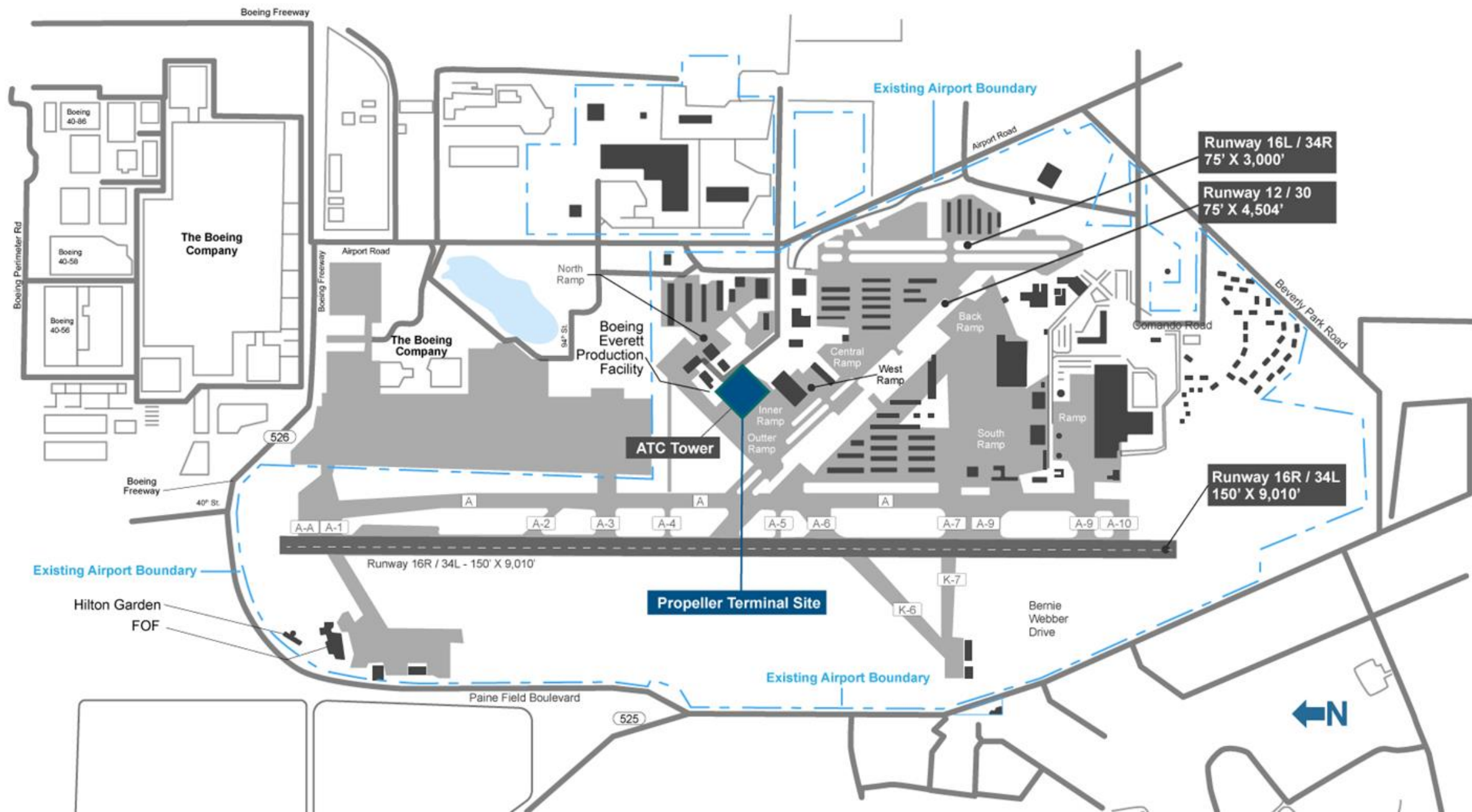
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Terminal





# Basic deal points

- 10-acre site
- 30-year exclusive lease for commercial terminal
  - Two 10-year extensions
  - First right of refusal on expansion / new service
- Revenue share
  - Years 1-5 – 2.5% gross
  - Years 5-50 – 5% gross



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# Easy\* issues

- Politics
- Terminal design, build, financing, operations, maintenance
- Financial obligations
- Carrier contracts, service, obligations
  - No ULA
  - Transferrable, marketable slots only
- Ground servicing
- FAA regulatory oversight

\* = anticipated, negotiated, understood



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# Harder issues

- Environmental review
- TSA / LEO
- Ingress / egress
- TNCs off site
- New sponsor regulatory obligations
  - Ground transportation
  - ARFF
  - ACDBE
  - Off site improvements (traffic mitigation)
- Transparency standards, protocols



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