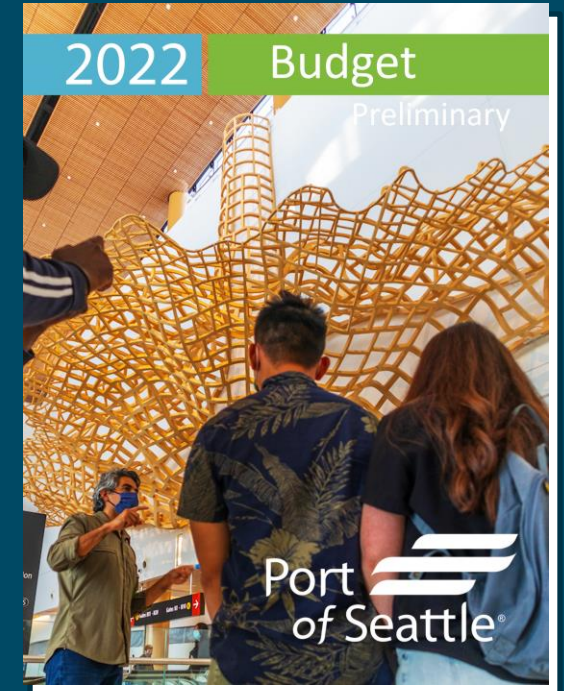


Stay Tuned, the 2021 Airport Open House is about to begin.

OPEN HOUSE AGENDA

2021: Leading the Recovery.....	Executive Director Stephen P. Metruck Commissioner Ryan Calkins
2022 Aviation Division: A New Chapter	Managing Director Lance Lyttle
Public Port, Community Benefit	Steve Metruck
Your Questions	

This presentation will be recorded and made available.





Airport Budget Open House

October 2021



Stephen P. Metruck

Executive Director



Ryan Calkins

Commissioner

2021 Leading the Recovery



Economic Impact of the Port of Seattle



Capital Project Plan
\$3.7 Billion
2021-2025



All Port Activities
121,200
Area Jobs



SEA Airport
\$22.5 B



Commercial Fishing
\$1.4 B

Total Economic Activity

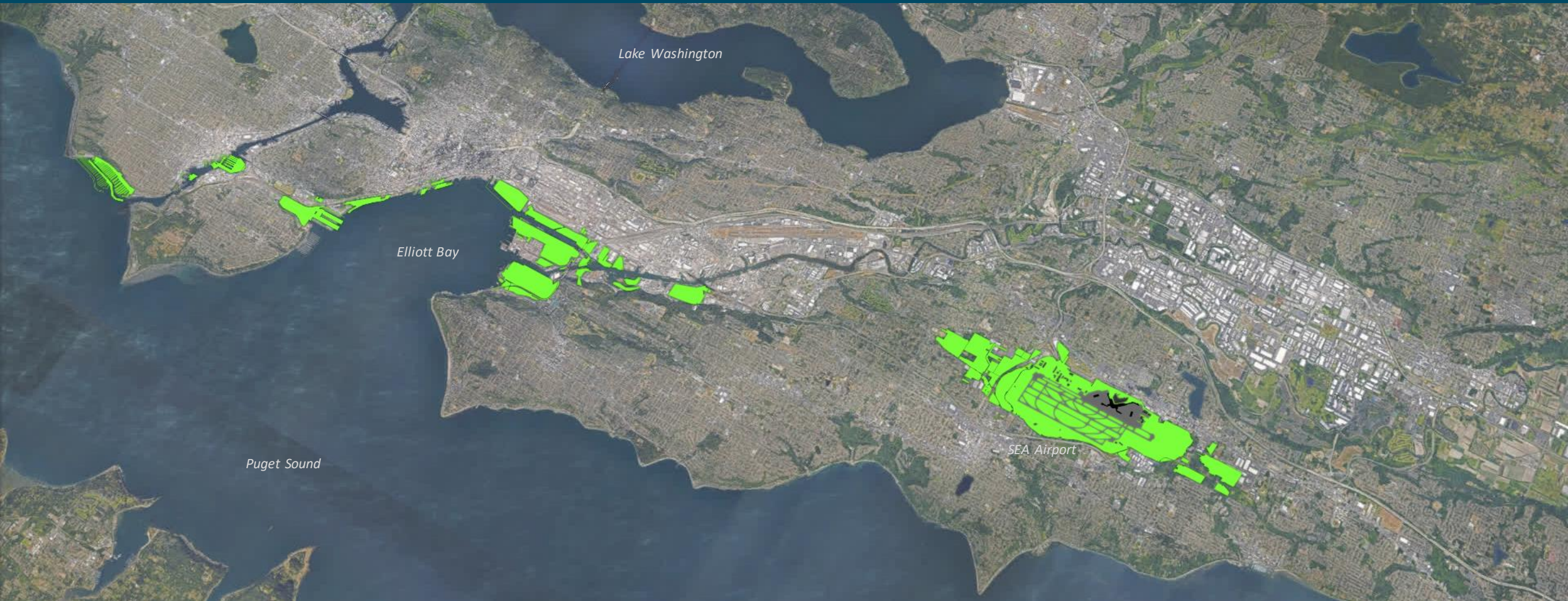


Maritime Int'l Trade*
\$16.3 B



Cruise
\$900 M

** In partnership with the Northwest Seaport Alliance*



2021 Restoring Operations*

SEA AIRPORT

Passengers
-26%



CRUISE SEATTLE

Passengers
-82%



Return to Long-Term Priorities



- ★ Position the Puget Sound Region as a Premier International Logistics Hub
- ★ Advance this Region as a Leading Tourism Destination and Business Gateway
- ★ Responsibly Invest in the Economic Growth of the Region and all its Communities
- ★ Be the Greenest and Most Energy Efficient Port in North America
- ★ Become a Model for Equity, Diversity and Inclusion
- ★ Be a Highly Effective Public Agency



Lance Lyttle

Managing Director, Seattle-Tacoma International Airport (SEA)

2022 Aviation Division: A New Chapter



Key Strategic Objectives

Customer Service



Achieve Skytrax 4 Star Rating by 2025



45 minutes from clock tower through the Security Checkpoint by 2025



Minimum Connect Time for International Passengers < 75 mins by 2022



Key Strategic Objectives

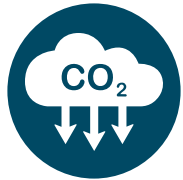
Sustainability



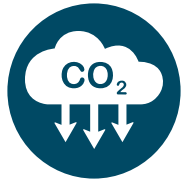
Accelerate and complete current sound insulation program by 2026



Support priorities of SEA Stakeholder Roundtable (StART) Steering Committee
Complete Ground Noise Study by Q3 2022



Reduce Scope 1 (+ 2) GHG emissions: 50% 2030 and carbon neutral or better by 2050*



Reduce Scope 3 GHG emissions: 50% by 2030 and 80% by 2050*



SWOT - Key Implications

- Path of recovery uncertain
- SEA well positioned with regional demand and strong hub airlines
- New facilities and technology offer opportunities to improve customer experience
- Maintain focus on community concerns
- SEA facing major capital program:
 - Need to add resources
 - Will put upward pressure on airline rates
- Use federal relief to achieve SEA financial objectives and moderate airline costs

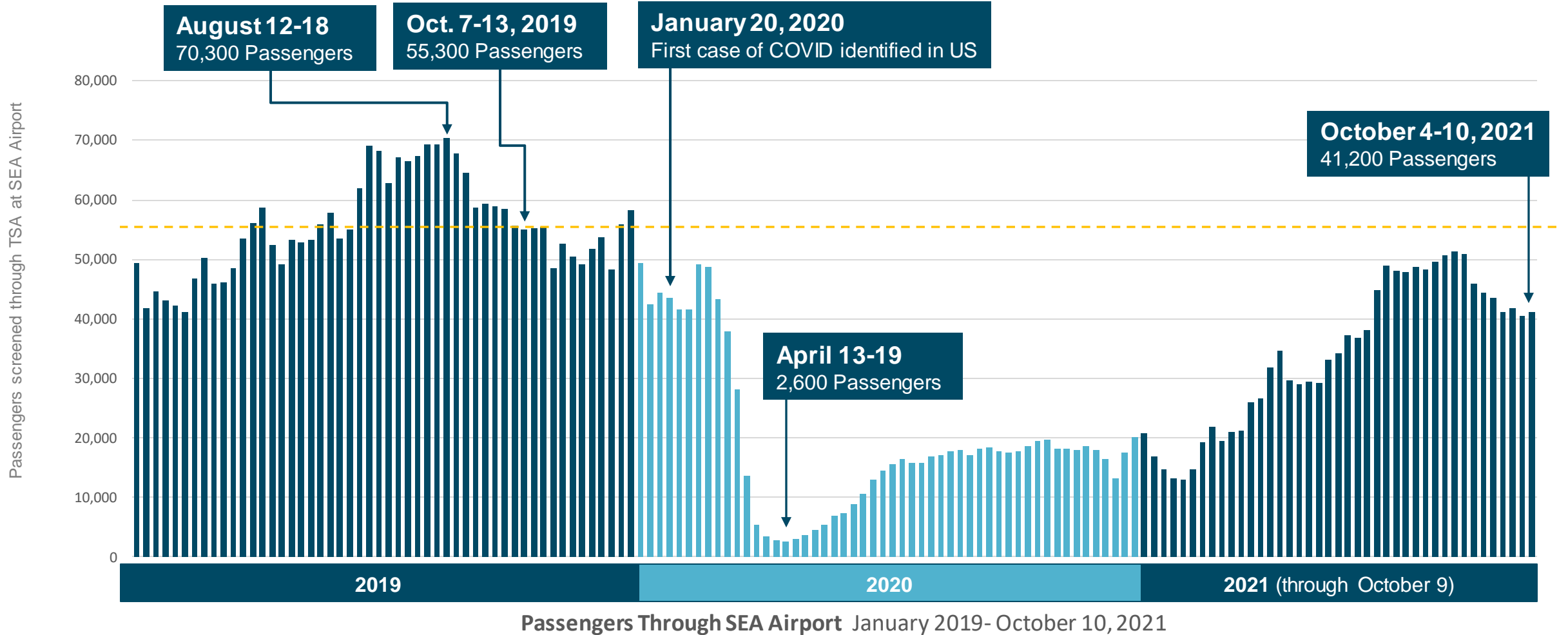


SEA Strategic Focus Remains the Same

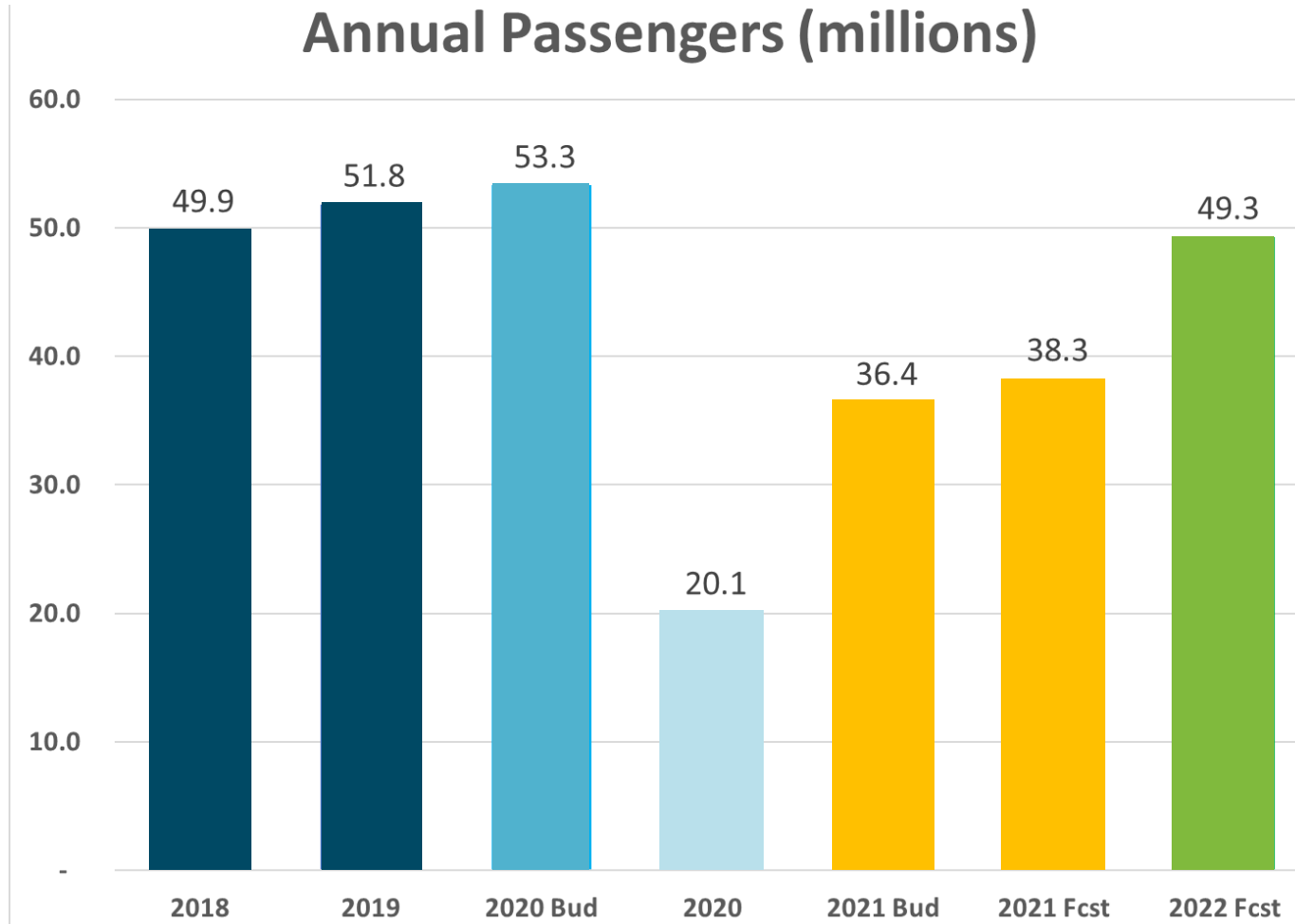
Aviation Areas of Strategic Focus

1. Health and Safety
2. Security
3. Employee Engagement
4. Community
5. Innovations and Efficiencies
6. Social Responsibility
7. Customer Experience
8. Environment and Sustainability
9. Financial Sustainability
10. Asset Management, Capital Development and Delivery

Airport Passengers Returning



Passenger Forecast Assumptions



2021 Forecast:

- Grow 91% vs. 2020
- Down 26% vs. 2019

2022 Budget:

- Grow 35% vs. 2021
- Down 5% vs. 2019

Overview:

- Domestic leisure market leading recovery
- Business and International recovery lagging

Where Revenue Comes From

Aeronautical Revenues



Landing Fees



Hangars

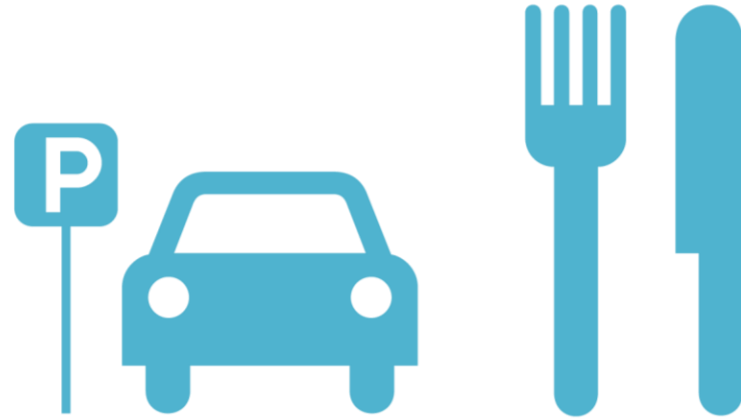


Terminal
Rents



Passenger
Facility Charge

Non-Aeronautical Revenues



Dining and Retail



Ground Transportation

COVID-19 Federal, State and Regional Recovery Coordination and Grants



Federal Advocacy



**State and Regional
Coordination**



CARES CRRSA, ARPA

Highlights of Proposed Budget Additions

- Significant portions of Airline Realignment project are accounted for as expense
- Phased starts for new FTEs throughout 2022
- Many continuing initiatives are re-approved annually to manage scope and cost
- Air service incentives are contractual obligations
- SEA hosting AAAE conference

Description	Amount in \$000
Airline Realignment	6,578
New FTEs: 81.6	5,478
Consolidated Services Contract	4,100
Planning	1,775
SAMP Environmental Review	1,500
ADR PM Consultants	1,220
Air Service Incentives	975
Asset Management Program	800
Utility Master Plan	700
STOC Furniture and Equipment	700
AAAE Conference Sponsorship	650
Window Cleaning	636
Pest Control Contract	627
Cargo Buildings Roof Coatings	563
Art Conservation	535
Cargo Building Fire Protection	500
Remaining 130 items	11,775
Total	39,112

Budget Summary with Grant Impacts

Budget Summary (\$ in 000's)	2019 Actual	2020 Budget	2021 Budget	2021 Forecast	2022 Proposed Budget	Incr (Decr) Change from 2020 \$ %	
Operating Revenue							
Aeronautical Revenues	357,598	401,342	386,668	300,332	413,527	12,185	3.0%
Non-Aeronautical Revenues	269,037	283,167	189,548	184,024	241,146	(42,021)	-14.8%
Total Operating Revenues	626,636	684,510	576,215	484,356	654,673	(29,837)	-4.4%
Total Operating Expenses	355,245	377,306	339,908	341,260	397,714	20,408	5.4%
Net Operating Income	271,390	307,203	236,308	143,095	256,959	(50,245)	-16.4%
Federal Relief			37,899	160,666	76,058	76,058	
Federal Relief (Concessions)				5,355	21,419	21,419	
NOI (After Federal Relief Grants)	271,390	307,203	274,207	309,116	354,435	47,232	15.4%
Debt Service Coverage	1.68	1.80	1.36	2.15	1.91	0.11	6.0%
ADF Cash Balance - Months of O&M	10	10	12	14	14	4	40.0%
CPE	12.86	13.92	19.62	14.01	15.35	1.43	10.3%
Non-Aero NOI (\$ in 000s)	143,917	154,660	82,742	82,517	108,048	(46,611)	-30.1%
Enplaned passengers (in 000s)	25,874	26,667	18,216	19,190	24,648	(2,018)	-7.6%
Capital Expenditures (in 000s)	573,598	513,131	491,202	483,342	514,812	1,681	0.3%

Improving
Bottom Line



Improving
Key Measures

Actuals include pension credit.

Non-Aero revenue shown including concessionaire grant reductions.

Customer Service Focus



Maintain Essential Services - FlyHealthy@SEA



FACE COVERINGS ARE REQUIRED



200+ PROTECTIVE BARRIERS



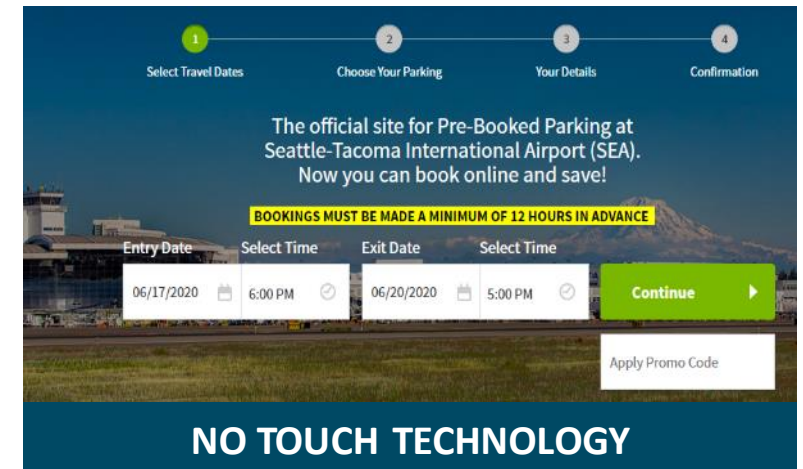
DINING AND RETAIL PROTOCOLS



FREQUENT SANITATION



250+ HAND SANITIZERS



NO TOUCH TECHNOLOGY

Making your trip predictable



Reserve Parking



Virtual Queuing



Online Ordering

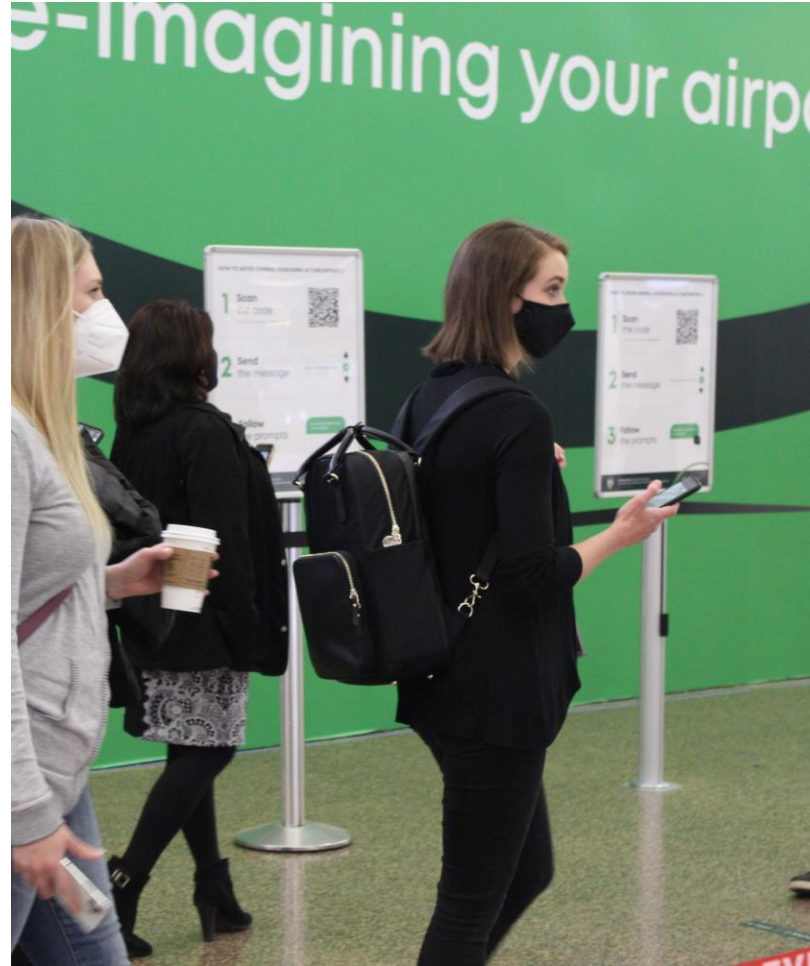


SEA App



Reserve Parking

Spot Saver (Virtual Queueing)





ORDERSEA
powered by grab

SKIP THE WAIT

ORDER NOW FROM YOUR PHONE
CHOOSE **PICK-UP** OR **DELIVERY** TO YOUR GATE

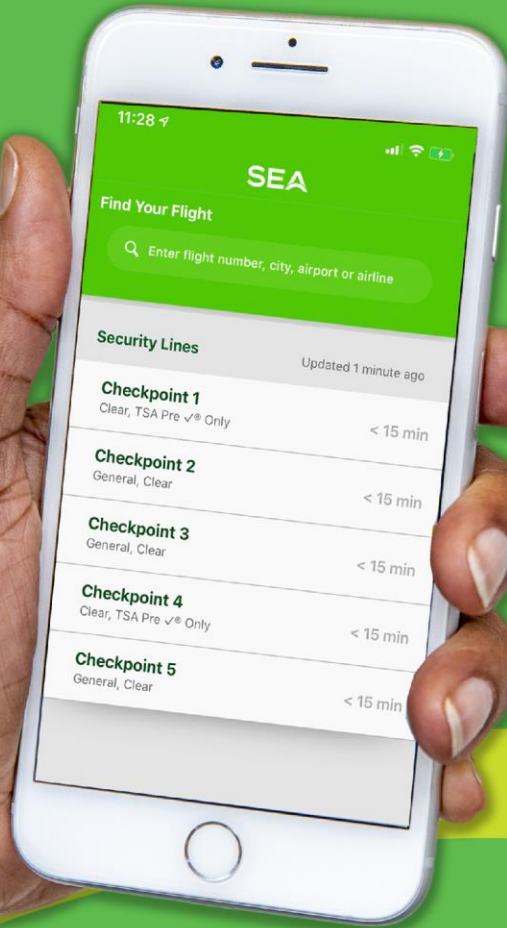


OrderSEA.org



Get the **SEA Airport App**

Track flights, search shops,
transportation, and
much more.



Capital Projects



Capital Improvement Plan Benefits

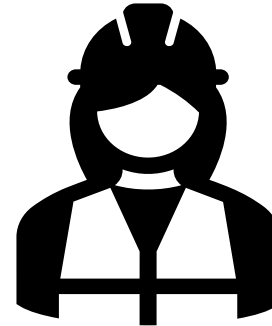
**Asset
Stewardship**



**Financial
Sustainability**



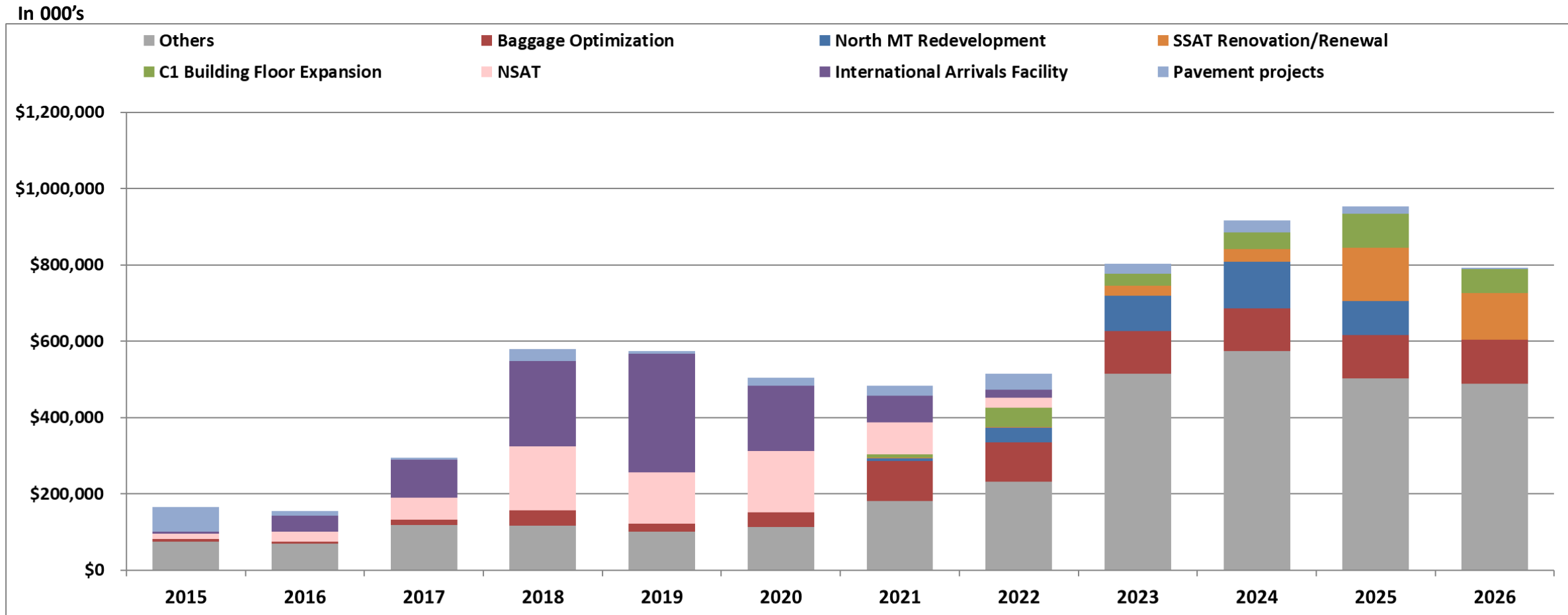
**Economic
Development**



**Environmental
Sustainability**



Capital Program Will Grow



Spending forecast does not include Sustainable Airport Master Plan near term projects

In Design



C-1 Building Expansion

Scope: Add 4 floors to the existing 3 floor C1 Building.
Includes: Airport Dining and Retail space, office space, and lounge space.

Schedule: Q1 2021 – Q4 2027

Design Complete Q1 2023
Early Work Packages Start Q2 2022
Full Construction Starts Q2 2023
Substantial Completion Q4 2027



Proceeding to 30% Design

North Main Terminal Redevelopment Program

Scope: Alaska Airlines is sponsoring and managing a tenant reimbursable to redevelop of their Ticketing and other support areas of the Main Terminal to improve passenger check-in, bag drop and security screening capacity.

This program will be seeking full design authorization at the next Commission Meeting (10.26.2021)

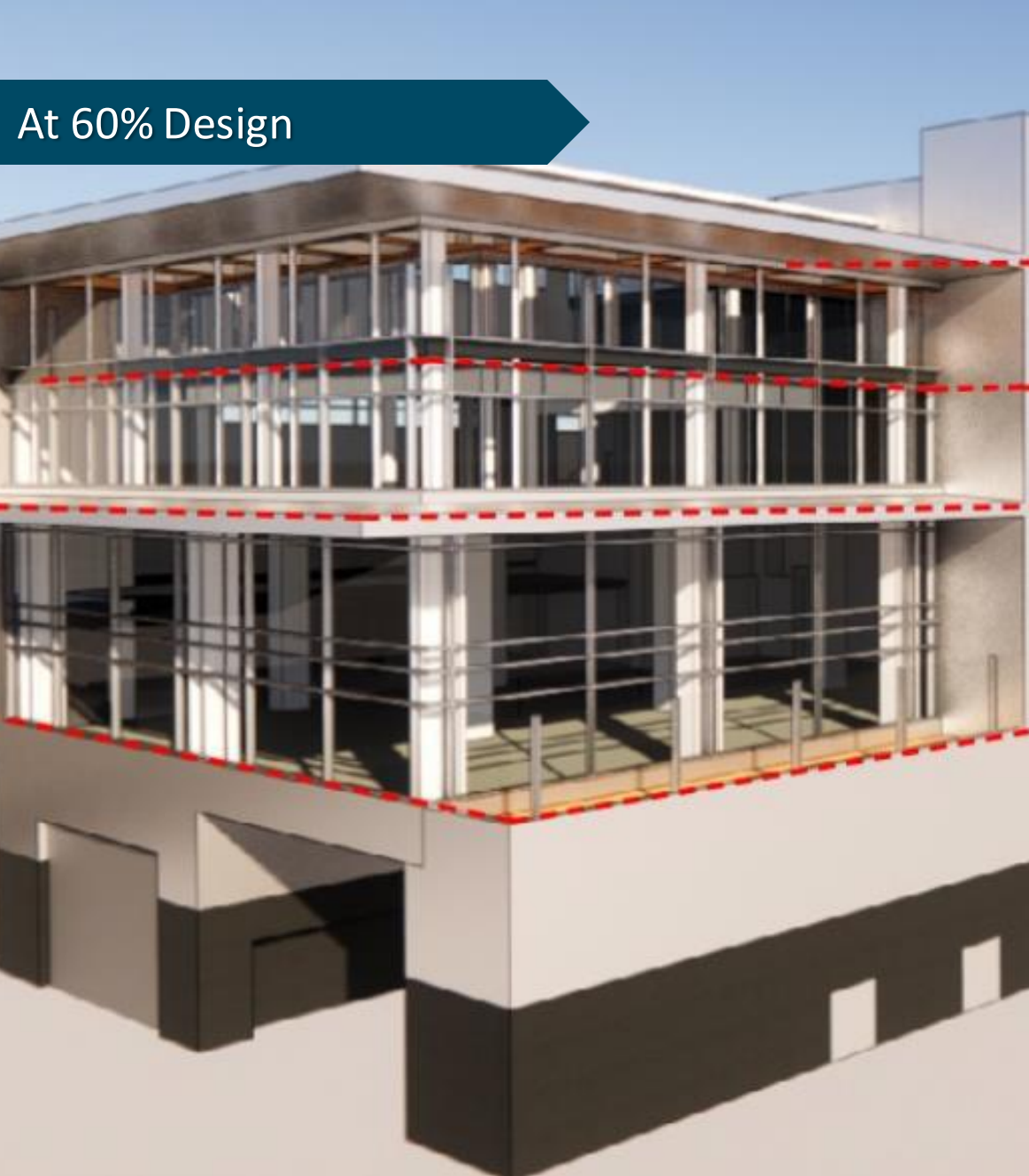
Schedule: Q1 2021 – Q4 2024

Design Start Q3 2021

Phase 1 Construction Q1 2022 (Enabling Work)

Phase 2 Construction Q4 2022

At 60% Design



Concourse A Lounge Expansion Projects

Scope: Delta Air Lines is sponsoring and managing a tenant reimbursable project to build new structure at the end of concourse A to support an expanded Club @ SEA and new Delta Sky Club.

Schedule: Q2 2021 – Q3 2023

In PDD Development



South Satellite Renovation Program

Scope: This project will seismically and structurally strengthen the SSAT, complete the effort of bringing all its' building systems up to date, completely replace the lower-level FIS facility, and remodel and expand the retail, dining and club space on the upper floors of the facility.

Schedule: Q4 2021 – 2030

Design Begin Q1 2023

Construction NTP Q1 2025

Substantial Completion Q4 2029



Concourse A Duty Free

Scope: Design and construct a walk-through Duty Free on the A concourse, adjacent to the new IAF exit for connecting passengers. This project will provide 11,000 sq. ft. of new Duty Free space.

This project will be seeking funding to complete the Project Definition Document at the next Commission Meeting (10.26.2021)

Schedule: Q2 2022 – Q3 2026

PDD Completion Q2 2022

Design Begins Q3 2022

Construction Q3 2023

Completion Q3 2026



Starting PDD 2022

Main Terminal Improvements Program

Current CIP Funding in Capital Plan: \$396M

Scope Includes: Smoke control and sprinkler installation, ceiling, lighting, mezzanine security improvements, restroom renovations, ceiling signage, sewer & domestic water improvements.

Program Additional Funding Estimate: \$404M

Scope Includes: Baggage level optimization plan implementation, bag claim devices renewal and replacement, elevator renewal and replacement, new signage, updated standards/requirements, aesthetic visioning implementation, sustainability and innovation program allowances.

Program Schedule Duration to 2033

Total Program Budget: \$800M

Community Noise Mitigation

Project	Estimated Cost	Year
Single-Family Home Sound Insulation	\$16 Million	2021-2026
Condominium Sound Insulation	\$22 Million	2022-2024
Apartment Sound Insulation	\$133 Million	2022-2026
South Approach Transition Zone Voluntary Acquisition	\$3 Million	2023-2026
Places of Worship Sound Insulation	\$26 Million	2023-2026



Public Port, Community Benefit



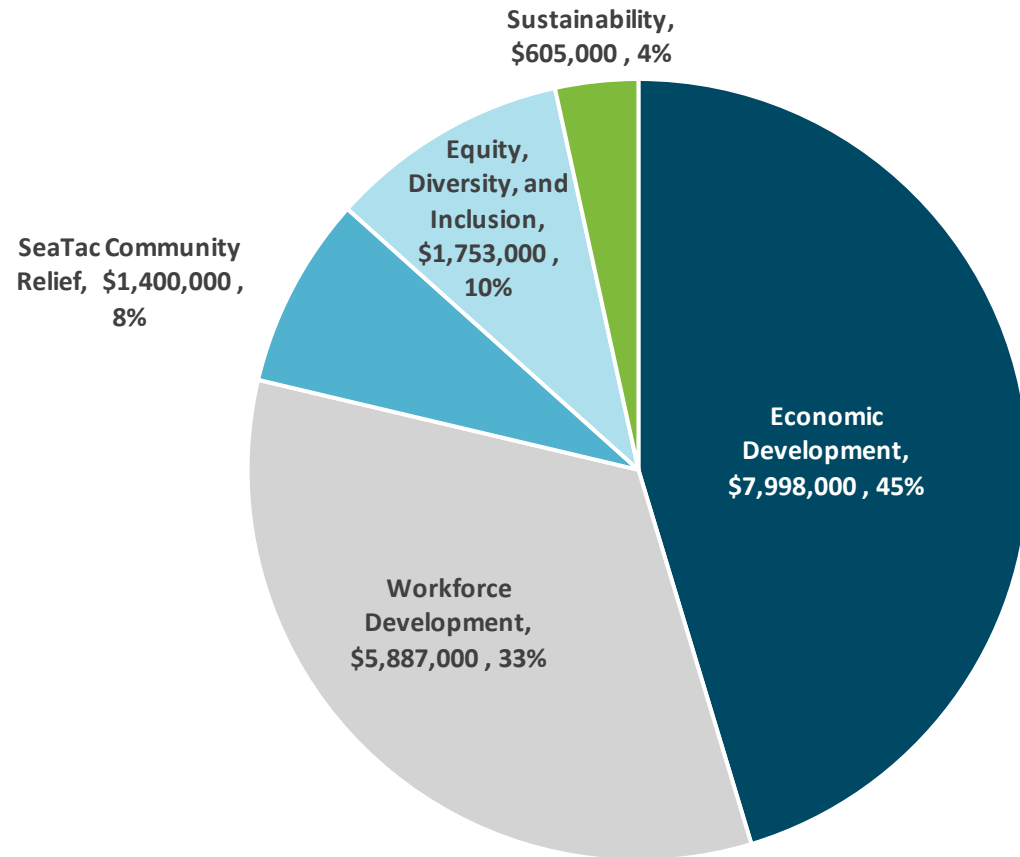
2022 Community Programs

Program (in \$000)	2021 Budget	2022 Proposed Budget	2022 Proposed Budget Funded by the levy	% of the 2022 Proposed Budget Funded by the levy
Energy & Sustainability Fund	373	160	160	100%
Airport Community Ecology (ACE) Fund	212	135	135	100%
South King County Support Program	2,000	2,195	2,195	100%
Duwamish Valley Community Equity Program	275	387	387	100%
EDD Partnership Grants	910	1,200	1,200	100%
Tourism Marketing Support Program	2,481	1,675	550	33%
Airport Spotlight Ad Program	382	466	466	100%
City of SeaTac Community Relief	1,400	1,400	1,400	100%
Maritime Blue (formerly Maritime Innovation Center)	150	150	150	100%
Workforce Development	2,682	4,390	2,626	60%
• Opportunity Youth Initiative (OYI) ¹	-	1,000	1,000	100%
High School Internship Program	500	496	-	0%
Diversity in Contracting	1,510	1,836	260	14%
• Small Bus. Accelerator under SKCF ²	180	250	250	100%
Equity, Diversity & Inclusion	1,062	1,366	-	0%
Sustainable Aviation Fuels & Air Emissions Program	250	200	200	100%
Low Carbon Fuel Standard/GHG Reduction Effort Support	75	110	-	0%
Sustainable Eco-Tourism Conference	-	75	75	100%
Regional Small Business Partnerships	-	150	150	100%
TOTAL	14,081	16,142	9,704	60%

¹ \$2.0M budget for OYI was added in May 2021 (not shown on the table). OYI budget rolls up to Workforce Development total (item 10).

² \$250 Small Business Accelerator under DC is included in DC total and South King County Support Program (Item 3).

Port Community Program Funding by Activity



2022 Proposed Budget

Economic Development

- Tourism Dept.,
- Spotlight Advertising,
- City Economic grants
- Diversity in Contracting Dept.
- Maritime Innovation
- South King County Fund

Workforce Development

- High School Interns
- Workforce Development Department

Equity, Diversity & Inclusion

- EDI Department
- Duwamish Community Equity program

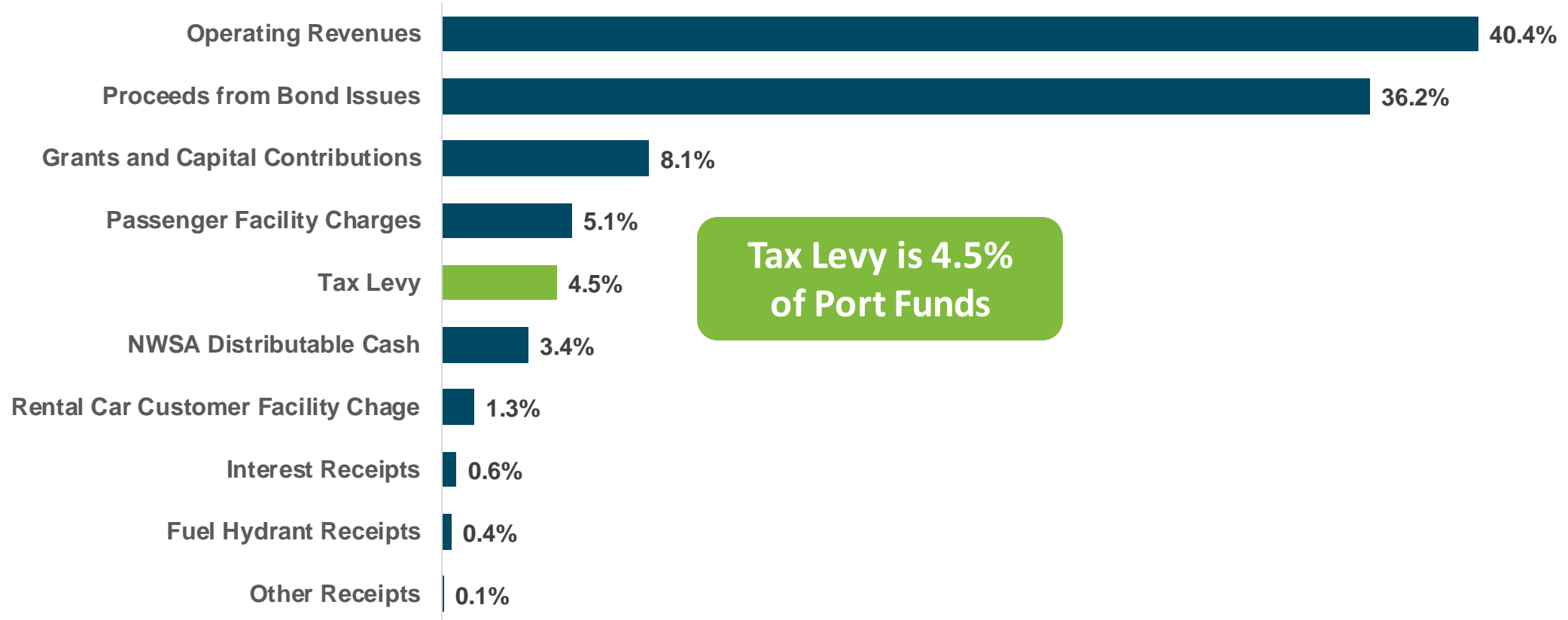
SeaTac Community Relief

Sustainability

- South King County Fund (continuing ACE Fund)
- E&S Committee
- Low Carbon Fuel Standard
- Sustainable Aviation Fuels

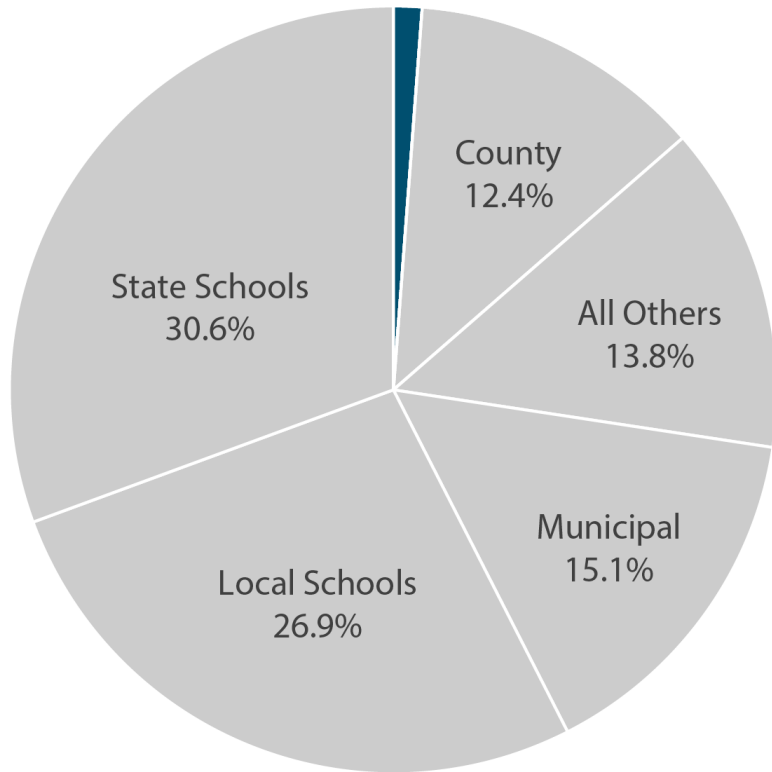
Port-wide Sources of Funds \$1.8 Billion

Sources of Cash



About the Levy

Port of Seattle 1.2%



King County Property Taxes by Jurisdiction, 2021

TAX LEVY USES

- General Obligation Bond debt service
- Investments in maritime infrastructure
- Environmental sustainability
- Regional transportation mobility
- Community:
 - Workforce development, partnerships,
 - Grants
 - Near-Port communities
 - Tourism

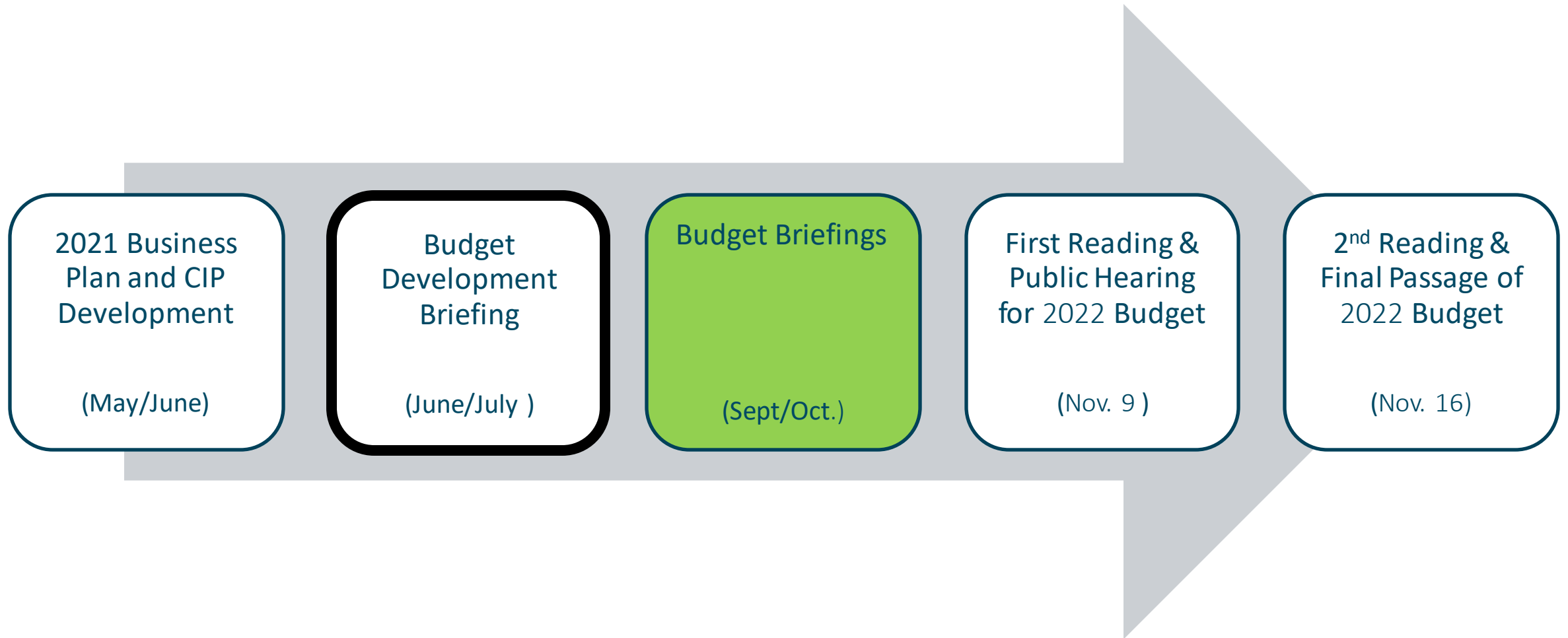
Tax Levy

In 2022, the median homeowner payment stays at \$72.00.

Port of Seattle Tax Levy	2021	2022 Preliminary	Change
Tax Levy Amount (\$ mil)	\$78.68	\$81.04	3%
Median homeowner payments (\$)	\$72.00	\$72.00	0%

Based on an estimated median King County home value of \$640,000 per King County Assessor in 2022

2022 Budget Timeline



More about the budget:

www.portseattle.org/2022Budget



Dan Thomas

Chief Financial Officer

Your Questions





Thank you