



MUNICIPAL SECONDARY MARKET DISCLOSURE INFORMATION COVER SHEET

Submitted to
Municipal Securities Rulemaking Board ("MSRB")
pursuant to Securities and Exchange Commission rule 15c2-12
June 14, 2022

Issuer's Name: **Port of Seattle**

CUSIP Numbers: Information relates to all securities issued by the issuer having the following six-digit number: **735387, 735388, 735389, 735371, 735397**

Description of information attached: **Annual Disclosure Report**

Number of pages of attached information: **30 pages in this document including cover sheet. The Audited Financial Statements, as required by the Port's continuing disclosure undertakings, are filed separately.**

Fiscal Period Covered: **January 1, 2021 to December 31, 2021**

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

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An important note regarding historical financial and operating information. The information contained in this filing is historical information provided pursuant to the Port's continuing disclosure undertakings and as of the respective dates specified herein. The publication of this information does not constitute or imply any representation regarding any other financial, operating or other information about the Port or its bonds. The filing of this notice shall not, under any circumstances, create any implication that there has been no change in the affairs of the Port or in the other matters described herein since the dates as of which such information is provided.

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Source is Port of Seattle unless otherwise indicated

I. Issues Covered in this Annual Disclosure Report:

Six-digit CUSIP Number **735388**

- Subordinate Lien Revenue Bonds, Series 1999A (“99A”)
- Revenue Bonds, Series 2003A (“03A”)

Six-digit CUSIP Number **735389**

- Revenue Bonds, Series 2009B-2 (“09B”)
- Intermediate Lien Revenue and Refunding Bonds, Series 2010B and 2010C (“10BC”)
- Revenue Refunding Bonds, Series 2011B (“11B”)
- Intermediate Lien Revenue and Refunding Bonds, Series 2012A and 2012B (“12AB”)
- Intermediate Lien Revenue and Refunding Bonds, Series 2013 (“13”)
- Intermediate Lien Revenue and Refunding Bonds, Series 2015A, 2015B and 2015C (“15ABC”)
- Intermediate Lien Revenue Refunding Bonds, Series 2016 (“16”)
- First Lien Revenue Refunding Bonds, Series 2016B and 2016C (“16BC”)
- Intermediate Lien Revenue and Refunding Bonds, Series 2017A, 2017B, 2017C and 2017D (“17ABCD”)
- Intermediate Lien Revenue Bonds, Series 2018A, 2018B (“18AB”)
- Intermediate Lien Revenue Bonds, Series 2019 (“19”)
- First Lien Revenue Refunding Bonds, Series 2021 (“21”)
- Intermediate Lien Revenue and Refunding Bonds, Series 2021A, 2021B, 2021C and 2021D (“21ABCD”)

Six-digit CUSIP Number **735387**

- Passenger Facility Charges Revenue Refunding Bonds, Series 2010A (“10PFC”)

Six-digit CUSIP Number **735397**

- Special Facility Revenue Refunding Bonds (SEATAC Fuel Facilities LLC), Series 2013 (“13SF”)

Six-digit CUSIP Number **735371**

- Limited Tax General Obligation Bonds, Series 2011 AMT (“11GO”)
- Limited Tax General Obligation Bonds, Series 2013A and 2013B (“13GO”)
- Limited Tax General Obligation and Refunding Bonds, Series 2015 (“15GO”)
- Limited Tax General Obligation Bonds, Series 2017 (“17GO”)
- Limited Tax General Obligation and Refunding Bonds, Series 2022A, 2022B (“22AB GO”)

Note: The Port is exempt from the continuing disclosure requirements of SEC Rule 15c2-12 for the following variable rate demand bonds, while in daily or weekly mode and for commercial paper:

- SUBORDINATE LIEN REVENUE BONDS SERIES 1997 (AMT) (WA) --- CUSIP 735388H52
- SUBORDINATE LIEN REVENUE BONDS SERIES 2008 (AMT) (WA) --- CUSIP 735389LY2
- SUBORDINATE LIEN REVENUE NOTES (COMMERCIAL PAPER) --- CUSIP 735388T59

The Port has, however, chosen to voluntarily disclose historical Annual Disclosure and external financial reporting information for these bonds, but has no obligation to do so in the future.

II. Statement of Changes to Continuing Disclosure

No changes.

Port Labor Relations

As of April, 2022 approximately 959 employees belong to bargaining units under 22 labor contracts.

Port Outstanding Debt (in millions of dollars)

| Type of Debt | 12/31/2021 |
|---|-------------------|
| General Obligation ⁽¹⁾ | \$ 281 |
| Revenue | |
| Senior Lien ⁽²⁾ | 211 |
| Intermediate Lien | 3,308 |
| Subordinate Lien | |
| Long-term ⁽³⁾ | 158 |
| Commercial Paper ⁽⁴⁾ | 400 |
| Other | |
| PFC - Revenue Bonds ⁽⁵⁾ | - |
| Special Facility Revenue Bonds - Fuel Hydrant | 61 |
| TOTAL | \$ 4,420 |

Note: Totals may not foot as a result of rounding.

- (1) 100% of the Port's General Obligation debt is non-voted. This amount excludes the Port's line of credit with JP Morgan Chase Bank, National Association for up to \$150 million with a final repayment date of June 4, 2023. The Port has not drawn on the line but may do so at any time. See FN 5 of the Annual Financial Report for a listing of General Obligation issues, maturity dates and amounts outstanding.
- (2) Senior Lien Debt Outstanding shown includes accumulated accreted interest from the 2009 B-2 Capital Appreciation Bonds of \$32.4 million at 12/31/2021.
- (3) Long-term Subordinate lien debt at 12/31/2021 consists entirely of variable rate debt.
- (4) The total authorized amount of the Commercial Paper program is \$400 million. The Port's credit facilities currently support up to \$250 million. Total outstanding CP as of 12/31/2021 was \$27.7 million.
- (5) All outstanding 2010A PFC Bonds were refunded on 6/30/2021. There are no PFC Bonds outstanding as of year-end 2021.

Port of Seattle Limited Tax G.O. Bond Debt Service (in thousands of dollars)

| Year | Principal | Interest | Total Debt Service |
|---------------------|------------------|-----------------|---------------------------|
| 2021 ⁽¹⁾ | \$23,940 | \$14,500 | \$38,440 |

- (1) This amount represents LTGO debt service due in 2021 and excludes principal on an optional redemption of the 2011 General Obligation and Refunding bonds of \$5.9 million.

Port of Seattle Surety Bonds as of 12/31/2021

Surety Bonds for Port Revenue Bonds that are not secured by Common Reserve Funds

None.

First Lien Common Reserve Funds

The First Lien Common Reserve Requirement at 12/31/2021 is \$11,821,095, and is provided for by cash and securities. Only the 2016BC Revenue Refunding Bonds and the 2021 Revenue Refunding Bonds are secured by the First Lien Common Reserve.

Intermediate Lien Common Reserve Funds

The Intermediate Lien Reserve Requirement at 12/31/2021 is \$199,920,254, calculated pursuant to the Intermediate Lien Master Resolution, and is provided for by cash and securities. All Intermediate Lien Parity Bonds are secured by the Intermediate Lien Common Reserve.

Port of Seattle Revenue Bond Debt Service⁽¹⁾ (in thousands of dollars)

| | | <u>12/31/2021</u> |
|--|-----------|--------------------------|
| First Lien Bonds ⁽²⁾ | Interest | \$ 9,085 |
| | Principal | 28,915 |
| Intermediate Lien Bonds | Interest | 140,999 |
| | Principal | 130,550 |
| Subordinate Lien Bonds ⁽³⁾ | Interest | 148 |
| | Principal | - |
| Subordinate Lien Notes (Commercial Paper) ⁽⁴⁾ | Interest | 954 |
| | Principal | 540 |

(1) These amounts are reported Gross of Capitalized Interest and any Premium or Discount Amortization. Principal amounts do not include refundings or optional redemptions.

(2) This amount excludes Accreted Interest on the 2009B-2 Capital Appreciation Bonds.

(3) Excludes optional redemption of the 1997 VRDB of \$19.2 million.

(4) The total authorized amount of Commercial Paper (CP) program is \$400 million, but actual amount outstanding varies each year. CP debt service (above) is based on an amortization of outstanding CP at December 31, 2021 using the year-end Yield to Maturity rate of the 40-Bond Index (as published in *The Bond Buyer*). These CP debt service amounts are also used in the calculation of the Net Revenue Schedule, as included in the statistical section of the Port's Annual Financial Report. In 2021, the Port actually paid down \$20.8 million of CP principal.

Tax Levy: Recent Tax Levy Activity⁽¹⁾ (in dollars)

2021 Tax Year

| | |
|---|--------------------|
| 2021 Port District Assessed Valuation | \$ 659,534,881,337 |
| Maximum Levy | 108,473,716 |
| Total Tax Levy | 78,668,517 |
| Total Tax Levy Rate ⁽²⁾ | 0.12 |
| 2021 LTGO Bond Debt Service | 38,440,164 |
| Tax Levy Allocable for General Purposes | 40,228,353 |

Note: Please refer to the 2021 Annual Financial Report (Schedules 13 and 14 in the Statistical Section) for more information on recent tax levy activity.

- (1) The Maximum Levy is per the "Levy Limit Worksheet – 2021 Tax Roll" from the King County Assessor's Office. All other figures can be found in the King County Assessor's Annual Report - 2021.
- (2) Per \$1,000 of assessed value.

Insurance

General Overview

The Port has a comprehensive risk management program that financially protects the Port against loss from adverse events to its property, operations, third-party liabilities, and employees. The Port's insurance year for liability coverage runs from October 1, 2021, to October 1, 2022. The Port's insurance year for property coverage runs from July 1, 2022 to July 1, 2023. The Port utilizes the services of Alliant Insurance Services for the placement of its liability and property insurance. Alliant was selected through a competitive selection process. All of the Port's insurance carriers are rated "A" or better by the A.M. Best & Company and include American International Group, Liberty Mutual, Atlantic Specialty Company, Lexington, Navigators Insurance, and National Union.

COVID-19 Pandemic Update

The Port has not submitted nor received any tort claims from third parties that are linked to or alleged to the pandemic outbreak. However, there is some uncertainty moving forward into the second half of 2022 and 2023 due to the possibility of employee-related claims stemming from employees who have chosen not to be vaccinated and/or meet other work environment standards to prevent the spread of COVID-19. Port Policy HR-34 required employees to be vaccinated and if not face termination. The execution of this policy has the potential to create future liabilities, but no significant liabilities are expected in 2022. Port policies exclude pandemic claims unless a covered loss occurred and with the covered loss an injured party has injuries or damages that extend to the pandemic. The Port will continue to monitor the pandemic exposure going forward. The past renewals for 2022-2023 did not see any significant changes to Port policy language as a result of COVID-19.

Property Insurance

The Port maintains a comprehensive property insurance program for loss of and damage to Port property, including business interruption and equipment breakdown with a \$500 million per-occurrence limit and a \$1 million per-occurrence retention for Aviation Division properties and a \$250 million per occurrence limit and \$250,000 per-occurrence retention elsewhere. Terrorism coverage is purchased through the London market and is provided with a sub-limit of \$350 million per occurrence. Coverage for flood is capped at an annual aggregate of \$50 million above a flat \$500,000 deductible. The total estimated replacement cost of insured Port property is \$7.2 billion. The Port does not purchase earthquake insurance for its insured property unless it is part of a builder risk property insurance policy specific to a project under construction. Property insurance coverage extends to contractors of the Port working on Port assets, for property damage to the work or improvements that are in the contractor's scope of work, and that have been scheduled to the Port's insurer. Property not in the scope of work, not scheduled with the insurer, and adjacent Port property the contractor is not working on, is not covered for the contractor. This "course of construction" coverage has a maximum limit of \$50 million per project. Many of these types of projects are upgrades or restoration to existing assets, in which a new asset is not created, such as re-roofing an existing roof or runway re-paving. Projects under construction (or restoration) over \$50 million typically must be specifically underwritten under a separate policy, and these policies are referred to as builder risk policies and are described below.

Builder Risk (Property Insurance for Construction in Process)

Larger projects, typically over \$50 million in completed values, require separate property insurance during the time the assets are being constructed. These are referred to as builder risk policies that cover the asset and value of the assets as they are constructed and completed. Both the owner and contractor have an insurable interest in the policy for physical loss to the asset up until the completion of the project. Upon project completion, the value of the asset is then transferred to the owner's insurance policy for coverage throughout its operational life cycle. Builder risk insurance is currently being sought for the design and construction of the C Concourse Expansion project and the North Main Terminal Renovation ("SEA Gateway") and the A Concourse Building Expansion for Lounges.

The Port purchased another builders' risk policy in 2020 for the Terminal 5 Modernization Project, which has two phases and an insured construction value of approximately \$185 million (which includes soft costs and delay in completion). Phase I of this project and policy is complete and Phase II is scheduled to end Q4 2022. In addition, the electronic detection systems for this project are insured under a separate and specific policy. These various builders' risk policies will insure the interests of both the Port and the related contractors. Coverage for terrorism, flood, and earthquake is included in the builders' risk policies.

Liability Insurance

The Port purchases excess non-aviation commercial general liability (namely bodily injury and property damage coverage) insurance, which covers losses involving actual or alleged bodily injury and/or property damage that arises from claims made against the Port by third parties. This is a primary policy with a \$1 million per occurrence (claim) retention for general liability occurrences and a limit of \$10 million per occurrence. In addition to this primary policy is an excess marine policy with coverage up to a \$50 million per occurrence limit, which provides coverage for Port marine exposures (cargo, cruise, marina, and terminal operations). This excess liability policy also includes coverage for the Port's non-aviation operational, automobile, employee benefits, and foreign liability exposures. Coverage includes claims resulting from bodily injury and property damage arising from terrorism acts (under the Terrorism Risk Insurance Program Reauthorization Act of 2007 and reauthorized in 2015). The Port also has a London-based terrorism liability policy that offers \$15 million of limits per occurrence and in the annual aggregate for acts of terrorism (whether certified or not) that would apply to any Port operation at any Port location.

The Port purchases a separate airport operator's primary and excess liability insurance policy which covers liability claims from third parties that involve property damage and/or bodily injury arising out of airport operations. The limit of liability is \$500 million with a \$1 million per occurrence (claim) retention. The annual policy retention aggregate is \$1 million. Coverage for events stemming from terrorism and/or war (malicious acts) is included under the Airport operator's primary insurance policy up to a limit of \$100 million.

Liability insurance is also purchased to cover exposures and liabilities that could stem from the wrongful or non-intentional acts of Port employees, directors, and Commissioners (Public Official Liability), and employment practices liability (\$10 million aggregate limit/\$1.5 million per claim retention); fiduciary liability (\$5 million limit/no deductible), and law enforcement liability (\$15 million limit/\$1.5 million per wrongful act retention). The Port also purchases an employee dishonesty policy (also known as a fidelity bond) protecting the Port from liability due to the dishonesty and/or fraudulent acts of Port employees. This policy has a \$5 million limit. The Port self-insures its workers' compensation exposure. The Port also insures its vessels for liability under a separate policy with limits of \$1 million per occurrence. The Port has a foreign

liability master policy that provides liability coverage for property damage and bodily injury for Port employees when engaged in foreign travel. This policy also has coverage for emergency medical expenses and coverage for kidnap and ransom. Finally, the Port has a cyber-liability policy that provides limits up to \$5 million in the annual aggregate for various cyber exposures and liability, including breach notification response and expenses, cyber extortion, and damage to data including business interruption.

Third-Party Agreements

The Port's contractors, tenants, and lessees are required to carry at least \$1 million of commercial general liability insurance (up to \$25 million or more for large construction projects and higher-risk projects) and automobile liability insurance of at least \$1 million (\$5 million for automobiles operated on the non-movement part of the aircraft operations area and \$1 million for automobiles operated on the aircraft movement area of the aircraft operations area).

The Port requires airline tenants, with aircraft operations on the airfield at the Airport, to provide between \$5 million and \$300 million per-occurrence liability limits. Ground handlers, working for the airlines on the airfield and under license to the Port, are required to carry a minimum of \$5 million per occurrence of general liability insurance and \$5 million per occurrence of automobile liability insurance. Contractors and other third-party vendors working for the Port must also provide proof of workers' compensation coverage for their employees as well as State "stop-gap" coverage that covers employers' liability. The Port requires all contractors, tenants, and lessees to include the Port as an "additional insured" on their policies of commercial general liability insurance, along with a waiver of subrogation in favor of the Port, and endorsement that requires these parties' insurance to be primary and non-contributory relative to any general liability insurance the Port carries. All contracts and lease agreements require that the Port and its employees, officers, and Commissioners are to be held harmless and indemnified for all actual and alleged claims that arise out of the acts of the Port's contractors, consultants, vendors, licensees, and lessees. Professionals such as engineers, architects, and surveyors are also required to carry professional liability (errors and omissions) insurance for work they do for the Port, with minimum limits of \$1 million per claim or wrongful act.

Changes in the Port's Investment Policy

No change.

For further details on the Port's cash & cash equivalents, and investments as of December 31, 2021, please refer to the Audited Financial Statements included in the 2021 Annual Financial Report.

Percentage of Domestic and International Flights

Of the approximately 18.1 million enplaned passengers in 2021, approximately 4.5% were on non-stop flights to international destinations and 95.5% were on domestic flights.

Enplanement Market Share by Airline

| Rank | Airline | Enplaned Passengers | Market Share (%) |
|-------------|----------------------------------|--------------------------------|-----------------------------|
| | Alaska Airlines ⁽¹⁾ | 8,497,828 | 47.0 |
| | Horizon Airlines | 1,820,187 | 10.1 |
| 1 | Alaska Air Group subtotal | 10,318,015 | 57.1 |
| 2 | Delta Air Lines ⁽²⁾ | 4,177,782 | 23.1 |
| 3 | American Airlines ⁽³⁾ | 935,601 | 5.2 |
| 4 | Southwest Airlines | 915,823 | 5.1 |
| 5 | United Airlines ⁽⁴⁾ | 860,777 | 4.8 |
| | All Others ⁽⁵⁾ | 864,928 | 4.8 |
| | Airport Total | 18,072,926 | 100.0 |

Note: Totals may not foot due to rounding. Presented enplanements may differ from final reported enplanements by an immaterial amount due to timing.

(1) Includes flights operated by SkyWest.

(2) Includes Delta Connections (operated by SkyWest and Compass Airlines).

(3) Includes flights operated by American Eagle.

(4) Includes United Express (operated by SkyWest).

(5) Includes all airlines with a market share of one percent or less.

Source: Port of Seattle

Number of Passenger, Charter, and All - Cargo Airlines

12 U.S. flagged passenger airlines and 19 foreign flagged passenger airlines served the Airport in 2021.

Source: Official Airline Guide (OAG)

3 charter airlines with more than 1,000 passengers served the Airport in 2021.

Source: Official Airline Guide (OAG)

In 2021, Sea-Tac Airport was served by 9 U.S. flagged all-cargo carriers and 6 foreign flagged all-cargo carriers, each having a market share greater than 0.5%. These figures include passenger airlines that operate all-cargo aircraft. These figures do not include air mail.

Source: As reported to the Port by the airlines

Customer Facility Charge Rate:

In 2021, the Customer Facility Charge (CFC) was \$6.50 per rental car transaction day, up from \$6.00 in 2020. Beginning January 1, 2022, the Port began imposing and collecting a CFC of \$7.00 per rental car transaction day.

Percentage of Origin and Destination (O&D) Passengers

For 2021, the estimated percentage of O&D passengers was 66.8%. O&D passengers are defined as passengers that start or end their trip in Seattle.

Source: U.S. Department of Transportation

Primary Domestic Origin and Destination Markets

| Rank | Market ⁽¹⁾ | Approximate air miles from Seattle | Share of market, based on enplaned passengers (%) ⁽²⁾ |
|-------------|------------------------------|---|---|
| 1 | Los Angeles, CA | 952 | 11.7 |
| 2 | San Francisco Bay, CA | 674 | 7.9 |
| 3 | Phoenix, AZ | 1,107 | 6.8 |
| 4 | Las Vegas, NV | 866 | 6.7 |
| 5 | Denver, CO | 1,024 | 4.3 |
| 6 | San Diego, CA | 1,050 | 4.1 |
| 7 | New York City, NY | 2,450 | 3.8 |
| 8 | Chicago, IL | 1,761 | 3.4 |
| 9 | Dallas / Ft. Worth, TX | 1,722 | 2.6 |
| 10 | Salt Lake City, UT | 689 | 2.3 |
| 11 | Minneapolis, MN | 1,399 | 2.0 |
| 12 | Boston, MA | 2,496 | 1.9 |
| 13 | Atlanta, GA | 2,182 | 1.7 |
| 14 | Washington, DC | 2,408 | 1.7 |
| 15 | Orlando, FL | 2,553 | 1.5 |
| 16 | Austin, TX | 1,770 | 1.4 |
| 17 | Houston, TX | 1,909 | 1.3 |
| 18 | Detroit, MI | 1,927 | 1.0 |
| 19 | Tampa, FL | 2,520 | 1.0 |
| | | Subtotal | 66.8 |
| | | All other cities | 33.2 |
| | | Total | 100.0 |

Note: Market share percentages represent an average for the year. Only includes markets with greater than 1% market share. Totals may not add to 100% as a result of rounding.

(1) Each market includes the major airports within the market.

(2) Compiled by the Port from U.S. Department of Transportation statistics.

Sources: US Department of Transportation ODIA database; Official Airline Guide (OAG) schedule

Scheduled International Service

| Country | Percent of International Seating Capacity (%) |
|----------------------|--|
| Mexico | 31.9 |
| Canada | 11.6 |
| South Korea | 10.3 |
| United Kingdom | 8.4 |
| Japan | 7.5 |
| Germany | 6.5 |
| Netherlands | 6.5 |
| Qatar | 5.8 |
| United Arab Emirates | 4.4 |
| Iceland | 3.0 |
| Taiwan | 2.2 |
| France | 1.1 |
| Singapore | 0.6 |
| Belize | 0.1 |
| Total | 100.0 |

Note: Totals may not add to 100% as a result of rounding.

Source: *Official Airline Guide (OAG)*

Airport Business Arrangements

The Airline Agreements

Status of Airline Agreements. In February 2018, the Port reached agreement on key terms for a new Signatory Lease and Operating Agreement (“SLOA IV”), which took effect on June 1, 2018, and applied retroactively to January 1, 2018; it expires on December 31, 2022. The agreements may be extended, the Port and the airlines may enter into a new agreement or the Port may impose rates and charges pursuant to FAA guidelines (see below). The Port is currently in discussion with the airlines for a possible extension of the agreement for two years through December 31, 2024.

SLOA IV Terms. The Airport derives a significant portion of its revenues from air carriers using the Airport. Pursuant to FAA guidelines, the Airport passes aeronautical costs on to the air carriers. Traditionally this has been accomplished through lease and operating agreements at the Airport. Many of the terms of the SLOA IV agreement are similar to the prior “SLOA III” agreement; key changes include the reduction in revenues shared with the airlines as described under the heading “Revenue Sharing” below and the changes in the gate allocation methodology. SLOA IV limits the number of gates that the Airport can withhold for common use, while also establishing a minimum of six aircraft turns per day for preferential use gates. This provides greater certainty of preferential gate use to airlines while allowing the Airport to maintain adequate flexibility to accommodate carriers at common use gates.

Fee Structure. In calculating each type of rates and charges under SLOA IV, the Port is required to reduce the applicable capital or operating costs by any amounts reimbursed or covered by government grants or PFCs, any insurance or condemnation proceeds or other third-party payments, any reimbursements made by an airline in connection with projects undertaken for the benefit of an airline and any premiums paid by non-signatory airlines. Total costs are comprised of operating and capital costs allocated to the various components of the Airfield and the terminal.

Capital costs include a charge for cash-funded assets placed into service on or after 1992, debt service costs (net of PFCs) allocable to revenue bond-funded capital improvements placed into service, and a debt service coverage fee if necessary to maintain total Airport-related debt service coverage at no less than 125 percent of debt service for that fiscal year. The debt service coverage fee provides a mechanism for the Port to increase charges if necessary to achieve 1.25 times Airport-related debt service coverage.

Revenue Sharing. SLOA IV also provides that if the Airport’s net revenue (calculated as provided in SLOA IV) exceeds 125 percent of total Airport-related debt service in any fiscal year, 20 percent of the amount in excess of that threshold was credited to the signatory airlines for 2019 and 0 percent in 2020-2022. The primary source of revenue shared with the airlines is from non-aeronautical sources.

Airfield Rates and Charges. As defined in SLOA IV, the “Airfield” is comprised of three areas: the Airfield Apron Area (the area immediately adjacent to the terminal building and areas for overnight aircraft parking), the Airfield Movement Area and the Airfield Commercial Area (including, but not limited to, the land, taxi lanes, ramps and the terminal used primarily for cargo activities and aircraft maintenance), and related costs and fees are calculated separately for each area. The most significant fee is the landing fee charged for use of the landing areas, runways, taxiways, adjacent field areas and related support facilities that comprise the Airfield Movement Area. The landing fee is computed by (i) adding budgeted capital costs (including Airport-related debt service and debt service coverage, if required) and operating expenses allocable to the Airfield Movement Area, (ii) subtracting other fees for use of the Airfield Movement Area and any non-signatory airline premium payments, and then (iii) dividing the total by the maximum gross landed weight

estimated by the Port for the next fiscal year. Similarly, fees for use of the Airfield Apron Area are calculated based on the operating and capital costs, including Airport-related debt service and Airport-related debt service coverage if required, allocable to those areas and charged to carriers based on landed weight. The Airfield Commercial Area is a separate compensatory (not cost recovery) cost center.

Terminal Rates and Charges. Airline terminal rental rates are based in part on the Terminal Building Requirement, which is computed by multiplying the total of budgeted operating expenses and capital costs, including Airport-related debt service and Airport-related debt service coverage (if required) allocated to the terminal, by the ratio of airline rentable space to total rentable space, less any non-signatory airline premiums included in rent payable by non-signatory airlines. Excluded from the cost recovery formula is any publicly accessible airline office or club space that is vacant. Use of the baggage system, passenger loading bridges, airline support systems and equipment and the federal inspection facility is calculated and charged separately; these are also based upon operating expenses and capital costs, and the Port may use non-aeronautical revenues to offset costs associated with the federal inspection facility cost center.

Rates may be adjusted mid-year upon 30 days of notice to the airlines if actual results are expected to vary from budget projections by more than 10 percent. A final adjustment is made each year for the actual results of the prior year.

Capital Project Approval. SLOA IV includes a list of previously approved capital improvement projects totaling approximately \$3 billion. SLOA IV provides that if, by the time the Port elects to proceed with construction, the capital cost of any project on that approved list exceeds 110 percent of the cost to be included in the airline rate base presented in the agreement and the increase is not otherwise exempt under the agreement, the Port will notify the airlines and a Majority-in-Interest of the airlines may request a delay of 180 days on the project. A Majority-in-Interest is defined in SLOA IV as air carriers that account for more than 55 percent of the signatory carriers and also account for more than 55 percent of the revenues of the cost center affected by the capital costs subject to the MII. The cost centers are the Airfield Movement Area, Airfield Apron Area, Terminal and Federal Inspection Area. The Airport must notify the signatory airlines if it intends to construct any new project not included in the list of previously approved projects and above a threshold of \$10 million of costs that will be added to airline rates. If, within 30 days after the Port's notice, a Majority-in-Interest objects to the new project, the Airport must delay construction for 12 months.

Rates and Charges Alternatives. Pursuant to FAA guidelines, the Port can establish rates and charges by a lease and use operating agreement or, if a lease and use operating agreement is not in effect, by resolution. In 2013, the Port adopted Resolution No. 3677, as amended, unilaterally establishing rates and charges for airlines serving the Airport. Upon execution of SLOA III in 2013, the implementation of Resolution No. 3677, as amended, was suspended and it remains suspended.

Other Airport Businesses and Agreements. In addition to SLOA, the Airport has agreements with, and collects revenue from, other tenants and operators. These include terminal concession agreements, ground transportation, rental car and other concession fees, common use lounge operations, and Airfield cargo leases, terminal space rent, and other commercial property leases. The Airport also derives revenue from operating public and employee parking facilities.

Revenue from most of these businesses are generally affected by passenger levels at the Airport and were impacted by the decline in passengers in 2020 and 2021. Some businesses closed or reduced operations. Recently, staffing shortages have affected some businesses. Revenues derived primarily from space rent were less affected.

Public Parking. The Aviation Division operates an eight-floor parking garage for short-term and long-term public parking and for use by employees. The Port also provides approximately 1,500 parking spaces in a remote lot operated by a third party. In addition, privately-owned parking facilities compete with Airport parking. There are a number of privately owned and operated parking facilities offering a range of quality, cost and service, including facilities very near the Airport.

Rental Cars. The Airport leases space in a consolidated facility to rental car operators and receives a concession fee based upon the gross revenues of rental car operations at the Airport subject to a minimum annual guarantee (“MAG”) the greater of 85 percent of the prior year’s actual revenue or prior year’s MAG. All rental car companies are required either to operate from the consolidated rental car facility or to use the facility to drop off or pick up their customers. At this time, nearly all of the rental car companies currently serving the Airport operate from the consolidated rental car facility. Ground transportation alternatives include transportation network companies, car-sharing, and light rail options.

Passenger Terminal Concession Agreements—Dining and Retail. The Airport offers a range of dining and retail options, which include restaurants, specialty retail, convenience retail, duty-free goods and personal services, to the traveling public. The Port currently uses a direct leasing model at the Airport. The Port takes a staggered approach to handling these leases by soliciting proposals in groups of leasing opportunities. The Port manages the program to provide passengers with a range of dining and retail options throughout the terminal. Under the lease agreements, Airport dining and retail tenants pay rent based on a percentage of gross sales subject to a MAG. Under the exceptional circumstances clause of the tenant leases, if enplanements decline by more than 20 percent of the prior year’s level, the MAG adjusts to reflect the lower enplanement levels. The Port expects to extend the reduced MAG to reflect the continuation of the pandemic which triggered the exceptional circumstance clause in the tenant leases. The tenants are subject to Port oversight of operations and quality assurance standards. The tenants also must adhere to a policy requiring that prices charged at the Airport be consistent with local prices at comparable businesses located off airport property, commonly referred to as “street pricing.” To accommodate an increase in the minimum wage within the City of SeaTac, where the Airport is located, the street pricing policy was modified to include a 10 percent premium over comparable local prices; this premium gradually declined on an annual basis, and reached zero by January 1, 2020. Beginning January 1, 2020, certain concessionaires may charge five percent over comparable local prices, increasing to 10 percent in 2021, if they meet certain employee wage and benefit standards established by the Port.

Ground Transportation. The Airport has agreements with a variety of ground transportation companies, under which the Port receives either per-trip fees or permit fees. These include taxi and transportation network company services (Uber, Lyft, etc.). Various shuttle services also serve the Airport and pay a per-trip fee.

Miscellaneous Business Arrangements and Revenues. There are standard land leases and various fees for other aeronautical and non-aeronautical tenants and users at the Airport, such as in-flight kitchen food providers, common-use lounge operators and cargo hardstand revenues.

Sources of Aviation Division Operating Revenue (in thousands of dollars)

| | <u>2021</u> |
|---|--------------------------------|
| Aeronautical ⁽¹⁾ | |
| Movement Area | \$ 88,061 |
| Apron Area | 17,146 |
| Terminal Rents | 184,625 |
| Federal Inspection Services (FIS) | <u>10,978</u> |
| Total Rate Base Revenues | \$300,810 |
| Commercial Area | <u>16,702</u> |
| Total Aeronautical Revenues | <u>\$317,513</u> |
| Non-Aeronautical | |
| Public Parking | \$ 64,104 |
| Airport Dining and Retail / Terminal Leased Space | 41,607 |
| Rental Car and Operating CFC's | 34,740 |
| Ground Transportation | 11,947 |
| Utilities | 6,350 |
| Commercial Properties | 12,520 |
| Other | <u>12,550</u> |
| Total Non-Aeronautical Revenues | <u>\$183,819</u> |
| Total Aviation Division Operating Revenues | <u><u>\$501,332</u></u> |

Note: Totals may not foot as a result of rounding.

(1) For further breakout of Aeronautical Revenues, see "Calculation of Aeronautical Revenues" table.

Calculation of Aeronautical Revenues⁽¹⁾ (in thousands of dollars)

| | Terminal Revenue | | | Airfield Revenue | | | | Total Aeronautical Revenues |
|--|----------------------|------------------|---------------------------|------------------|------------------|------------------|---------------------------|-----------------------------------|
| | Terminal Building | FIS Area | Total Terminal Revenue | Movement Area | Apron Area | Commercial Area | Total Airfield Revenue | |
| Operating & Maintenance Costs | \$ 106,368 | \$ 6,955 | \$ 113,323 | \$ 70,392 | \$ 11,779 | \$ 5,367 | \$ 87,538 | \$ 200,861 |
| Capital Costs: Debt Service | 61,807 | 2,515 | 64,322 | 6,333 | 3,526 | 2,115 | 11,973 | 76,295 |
| Capital Costs: Amortization ⁽²⁾ | 17,825 | 1,508 | 19,333 | 11,337 | 1,842 | 1,188 | 14,367 | 33,700 |
| Other | (1,375) | - | (1,375) | - | - | 8,032 | 8,032 | 6,657 |
| Revenue Sharing | - | - | - | - | - | - | - | - |
| | <u>\$ 184,625</u> | <u>\$ 10,978</u> | <u>\$ 195,603</u> | <u>\$ 88,061</u> | <u>\$ 17,146</u> | <u>\$ 16,702</u> | <u>\$ 121,910</u> | <u>\$ 317,513</u> |

Note: Totals may not foot as a result of rounding.

(1) The presentation of aeronautical revenues in the table above is different from the presentation of aeronautical revenues in the "Sources of Aviation Division Operating Revenue" table, as well as the 2021 Annual Financial Report (see Statistical Section, Schedule 3). The totals, however, are the same.

(2) Represents a charge for cash-funded assets placed into service on or after 1992.

Sources of Aviation Division Operating Expenses (in thousands of dollars)

| | 2021 |
|---|-------------------|
| Direct Expenses | |
| Administrative Salaries and Benefits | \$ 61,450 |
| Wages and Benefits | 52,079 |
| Travel and Other Employee Expenses | 823 |
| Outside Services | 67,513 |
| Supplies | 7,258 |
| Utilities | 20,177 |
| Other | 23,559 |
| Charges to Capital Projects | (22,657) |
| Total Direct Expenses (before Depreciation) | 210,202 |
| Corporate Allocations | 84,015 |
| Total Aviation Division Operating Expenses (before Depreciation) | \$ 294,217 |
| Summary by Cost Center | |
| Aeronautical ⁽¹⁾ | \$ 203,573 |
| Non-Aeronautical | |
| Terminal and Properties ⁽¹⁾ | 40,155 |
| Landside | 50,292 |
| Utilities ⁽²⁾ | 197 |
| Total Non-Aeronautical | 90,644 |
| Total Aviation Division Operating Expenses (before Depreciation) | \$ 294,217 |

Note: Aviation operating expenses in the table above are organized by cost center, which may be different from how such expenses are organized in other disclosures and reports, including the Annual Financial Report. Total operating expenses, however, will be the same, with the potential exception of small rounding differences.

- (1) Aeronautical expense excludes the portion of Terminal Building expense that is allocated to Non-Aeronautical business activities, which falls under the Non-aeronautical "Terminal and Properties" cost center. Allocation is calculated as the percentage of rentable non-airline space out of total terminal rentable space. In 2021, 22.73%, or ~\$26.5 million of Terminal Building expense was allocated to Non-aeronautical expenses.
- (2) Utilities are charged to other Aviation business units based on the preceding years' budget rates, and operate on a cost recovery basis.

Changes of PFC Authorization, Additional Pledged Revenue, and Projects to be Funded

No change.

Note: In June 2021, the Port issued \$47.0 million in Series 2021A Intermediate Lien Revenue and Refunding Bonds to refund all outstanding Series 2010A PFC Revenue Refunding Bonds, which were the only remaining stand-alone PFC bonds outstanding. As such, the Port has no PFC bond debt outstanding as of year-end 2021.

PFC Unspent Authority & First Lien Sufficiency Covenant

First Lien Sufficiency Covenant Coverage is not applicable as of year-end 2021. See Note on page 19.

| | <u>Through 2021</u> |
|--|-------------------------|
| Total PFC Authority | \$ 3,841,864,375 |
| Cumulative Collections and Interest Earned ⁽¹⁾ | \$ 1,670,064,528 |
| PFC Expenditures: | |
| Pay-as-you-go expenditures | 763,030,031 |
| PFC Bond Debt Service ⁽¹⁾ | 414,700,551 |
| Revenue Bond Debt Service | <u>473,325,316</u> |
| Cumulative Total PFC Expenditures | \$ 1,651,055,899 |
| Unliquidated PFC Revenue | \$ 19,008,630 |
| Unspent PFC Authority | \$ 2,190,808,476 |
| Remaining Projected Aggregate PFC Bond Debt Service ⁽²⁾ | \$ - |
| First Lien Sufficiency Covenant Coverage ⁽³⁾ | NA |

(1) During 2013, the Port determined that the source of the "PFC Debt Service Reserve Fund" was bond proceeds, not PFC revenue. Therefore the 2013 interest earnings on the PFC DSRF have been excluded from the Cumulative Collections and Interest Earned line item, and the PFC debt service paid by the PFC DSRF interest earnings has been excluded from the PFC Bond Debt Service line item.

(2) All outstanding 2010A PFC Bonds were refunded on 6/30/2021, see Note on page 19.

(3) Minimum First Lien Sufficiency Covenant Coverage is 1.05.

PFC Coverage Calculations

This table is based on the “PFC Quarterly Status Report – Revenue and Expenditures” filed with the Federal Aviation Administration and is reported on a cash basis; thus amounts in this table may not match those reported in the Annual Financial Report. The PFC coverage calculation is no longer applicable, see Note on page 19.

| | | 2021 |
|---|---------------|---------------|
| Passenger Facility Charge (PFC) | | \$ 4.50 |
| Administration Costs | | 0.11 |
| Net PFC | | \$ 4.39 |
| Enplaned Passengers | | 18,072,926 |
| Annual Percentage Increase | | 80.1% |
| Number PFC-Eligible | | 15,156,196 |
| Percent PFC-Eligible | | 83.9% |
| Beginning Balance | | \$ 11,938,275 |
| Plus: Annual PFC Collections | [A] | 66,535,701 |
| Plus: Capital and Revenue Fund Interest Income ⁽¹⁾ | [B] | 2,368,630 |
| Total Deposits | [C] = [A]+[B] | \$ 68,904,332 |
| Available Amounts | | \$ 80,842,606 |
| Gross Debt Service (First Lien PFC Bonds) | [D] | \$ 1,277,750 |
| PFC Revenues contributed towards PFC Bond Refunding | | 7,772,177 |
| Less: Debt Service adjustment from prior years | | (1,292,145) |
| Net Debt Service (First Lien PFC Bonds) | | \$ 7,757,782 |
| Less: Pay-As-You-Go Expenditures ⁽²⁾ | | 54,076,194 |
| Ending Balance (Unliquidated Revenue) | | \$ 19,008,630 |
| PFC Debt Service Coverage: ⁽³⁾ | | |
| PFC Collections only | [A]/[D] | 52.07 |
| PFC Revenue | [C]/[D] | 53.93 |

(1) Beginning in 2013, the Port reclassified interest earnings on the PFC Debt Service Reserve Fund (DSRF) as PFC bond proceeds instead of PFC revenue, as previously reported to the FAA. As such, there will no longer be DSRF interest earnings reported to the FAA.

(2) Pay-As-You-Go Expenditures include the use of PFC's to pay debt service on certain revenue bonds, as authorized by the FAA.

(3) Coverage calculations are based on scheduled and paid Gross Debt Service (First Lien PFC Bonds). The 2021 PFC Bond refunding is excluded from the coverage calculations. There is no PFC debt outstanding at year-end 2021.

Airport Grants Awarded in 2021

| | |
|---|---------------|
| AIP Entitlement Grants | \$ 23,017,566 |
| AIP Discretionary Grants | 19,750,000 |
| Federal Coronavirus Relief ⁽¹⁾ | 218,548,836 |
| Other Grants | 20,000 |

- (1) Consists of the federal Coronavirus Response & Relief Supplemental Appropriation Act (CRRSAA) and American Rescue Plan Act (ARPA) grants. The Port was awarded up to \$42.7 million of CRRSAA and \$175.8 million of ARPA in 2021. In 2021, the Port received a total of \$3.4 million in reimbursement for Airport operating and maintenance, \$5.4 million for concessions relief, and \$91.7 million for debt service payments. Through 2021, the Port has received all CARES Act (awarded in 2020) and CRRSAA grant funds and has \$163.1 million of ARPA grants remaining.

2021 Container Volumes⁽¹⁾ (in thousands)

| Facility | International Containers | | | | | | Domestic | Total ⁽²⁾ |
|--------------------------------------|-------------------------------|-----------|-------------------------------|-----------|---------------|---------------------|----------|----------------------|
| | Imports | | | Exports | | | | |
| | Metric Tons ⁽³⁾ | Full TEUs | Metric Tons ⁽³⁾ | Full TEUs | Empty TEUs | Total Intl. TEUs | TEUs | TEUs |
| Seattle Harbor | 5,925 | 708 | 4,428 | 334 | 411 | 1,453 | 245 | 1,698 |
| Tacoma Harbor | 7,286 | 757 | 4,891 | 358 | 425 | 1,539 | 499 | 2,038 |
| The Northwest Seaport Alliance Total | 13,211 | 1,465 | 9,319 | 691 | 836 | 2,992 | 744 | 3,736 |

Note: Total might not equal the sum of component parts due to rounding.

- (1) Following the formation of the Seaport Alliance, the Seattle Harbor in and around Elliott Bay is referred to as the “North Harbor.” The Tacoma harbor, located in and around Commencement Bay in the South Puget Sound, is referred to as the “South Harbor.” The North harbor includes volumes handled at non-Port facilities.
- (2) The North Harbor's share of Puget Sound (the ports of Seattle and Tacoma combined) container traffic in 2021 was 45.4%.
- (3) Approximate weight per full TEU is eight metric tons of import cargo and eleven to eighteen metric tons of export cargo.

North Harbor Exports and Imports to and from Asia (in TEU's)

Export: 269,236 full TEU's

Import: 602,994 full TEU's

Source: Port of Seattle Marine Terminal Information System

Container Cargo Carriers calling at the North Harbor as of 12/31/2021

In 2019, the Seaport Alliance took several actions in support of the reactivation of Terminal 5, including approving a long-term lease agreement (amended on June 1, 2021) with SSA Terminals, LLC (“SSAT”) for an initial 65 acres that commenced on January 1, 2022. SSAT will add another approximately 85 acres in 2024 unless it gives notice to the Seaport Alliance that it will assume only an additional 20 acres at that time. If the tenant opts for the 20 additional acres, the Seaport Alliance will pursue other container operators to lease the available acres. The tenant began operations on January 1, 2022 and has requested certain amendments to the lease that the Seaport Alliance may consider. Other actions in support of Terminal 5 include the extension of the lease at Terminal 18 for an additional 10 years. The Terminal 5 lease requires Terminal 5’s redevelopment.

The Terminal 46 lease with Terminals Investment Limited was terminated early at the end of 2019 to allow for consolidation of container volumes and the repurposing of capacity at Terminal 46 to other maritime uses, consistent with the original Seaport Alliance Strategic Business Plan. Through an interlocal agreement, the Port will pay for and use a portion of Terminal 46 through 2043. On May 4, 2021 the Seaport Alliance authorized a lease with Pacific Maritime Association for seven acres for 10 years effective July 1, 2021. The Seaport Alliance is also pursuing other long-term maritime uses.

| T-5 | T-18 | T-30 | T-46 | T-115 |
|------------|-------------|---------------|-------------|--------------------|
| | APL | APL | | Alaska Marine Line |
| | CMA-CGM | CMA-CGM | | Aloha Marine Line |
| | COSCO | COSCO | | |
| | Hamburg Sud | Evergreen | | |
| | Hapag Lloyd | Hapag Lloyd | | |
| | HMM | MSC | | |
| | Maersk | Norton Lilly | | |
| | MSC | OOCL | | |
| | ONE | SM Line | | |
| | OOCL | Wan Hai Lines | | |
| | Yang Ming | Westwood | | |
| | ZIM | | | |

Source: Marine Terminal Information System

Container Terminals – South Harbor

| | West Sitcum ⁽¹⁾ | Husky (T-3 and T4) | East Sitcum ⁽²⁾ | PCT | WUT | TOTE |
|------------------------------|-----------------------------|--------------------------------------|--------------------------------------|------------------------------|-----------------------------|------------------------------|
| Port Owner | Port of Tacoma | Port of Tacoma | Port of Tacoma | Port of Tacoma | Port of Tacoma | Port of Tacoma |
| Primary Lessee | SSA Terminals (Tacoma), LLC | Husky Terminal and Stevedoring, Inc. | Husky Terminal and Stevedoring, Inc. | Evergreen Marine Corporation | Washington United Terminals | Totem Maritime Alaska (TOTE) |
| Terminal Area ⁽³⁾ | 135 acres ⁽⁴⁾ | 118 acres | 20 acres ⁽⁵⁾ | 153 acres | 111 acres | 48 acres |
| Lease Expiration | 2027 | 2046 | 2046 | 2027 | 2033 | 2034 |

(1) Formerly referred to as “APM”.

(2) Formerly referred to as “OCT”.

(3) Represents acres leased.

(4) SSA Terminals (Tacoma) LLC, has fully leased 135 acres of the 135-acre terminal area.

(5) Husky Terminals has leased 20 acres of the 54-acre terminal area.

Container Terminals – North Harbor

| | Terminal 5 ⁽¹⁾ | Terminal 18 | Terminal 30 | Terminal 46 |
|--------------------------------------|--|---|---|---|
| Port Owner | Port of Seattle | Port of Seattle | Port of Seattle | Port of Seattle |
| Primary Lessee | SSA Terminals, LLC | SSA Terminals, LLC and SSA Containers, Inc. | SSA Terminals (Seattle Terminals), LLC | Port of Seattle ⁽²⁾ |
| Terminal Area | 165 acres | 196 acres | 70 acres | 88 acres |
| Lease Expiration | 2051 | 2049 | 2039 | N/A |
| Acres Leased | 65 | 196 acres | 70 acres | N/A |
| Berth Facilities | 2,900 feet | 4,440 feet | 2,700 feet ⁽³⁾ | 2,300 feet |
| Water Depth | 45 ft to 50 ft below mhw | 46 ft to 50 ft below mhw | 50 ft below mhw | 50 ft below mhw |
| Container Cranes | Three (3) ZMPC purchased by SSA Terminals (Seattle Terminals), LLC | Three (3) 100-ft gauge Post-Panamax cranes ⁽⁴⁾ and Seven (7) 100-ft gauge Super Post-Panamax cranes ⁽⁴⁾ | Three (3) 50-ft gauge Panamax cranes ⁽⁴⁾ and Three (3) 100-ft gauge Super Post-Panamax cranes ⁽⁴⁾ | Three (3) 100-ft gauge Super Post-Panamax cranes ⁽⁵⁾ |
| Gross Revenues - 2021 ⁽⁶⁾ | \$15,608,535 | \$30,123,011 | \$9,366,447 | \$5,020,712 |

Note: The table above presents the Port of Seattle’s primary container terminals. There is some incidental container activity at Terminal 115, which is not presented in this table.

(1) Phase one of redevelopment completed and 65 acres leased as of January 1, 2022. 2021 revenue from the APL/CMA CGM settlement of \$10.1 million, along with interim uses of the Terminal.

(2) The Port will pay the Seaport Alliance for use of 29 acres through 2043 pursuant to an interlocal agreement. On May 4, 2021 the Seaport Alliance authorized a lease with Pacific Maritime Association for seven acres for 10 years. The remaining acres will be available for other maritime use.

(3) Comprised of two non-contiguous berths of approximately 1,200 and 1,500 linear feet respectively.

(4) Cranes owned by Lessee.

(5) Cranes owned by Port of Seattle.

(6) Represents gross revenues as reported by the Seaport Alliance.

Non-Container Terminal Leases (Facility Gross Revenue ≥ ~\$1 million)

| Port Division | Property | 2021 Facility Gross Revenue⁽¹⁾ | Primary Lessee | Primary Operations | Date of Lease Expiration⁽²⁾ |
|---|-------------------|--|---|--|---|
| <u>Port of Seattle Owned and Operated</u> | | | | | |
| Maritime | T-91/P-66 | \$ 9,517,055 | Cruise Terminals of America, NCL | Cruise Operations | Nov 2022; Oct 2030 |
| Maritime/EDD | T-91 | 11,394,594 | Lineage Logistics Holding, LLC | Cold Storage & Seafood Processing | Dec 2029, Dec 2039 |
| | | | American Seafood Company | Warehousing & Dry Storage | Dec 2027, July 2023, May 2024 |
| | | | Glacier Fish Company, LLC | Warehouse Offices & Storage | Aug 2026, Aug 2027 |
| | | | Kami Tech Fisc, LLC | Warehouse Space Warehouse Lessee | Aug 2023 Jan 2024 |
| Maritime | SBM | 12,672,242 | Diversified Public Marina Seaview Boatyard West, Inc. | Marina Boat Maintenance & Repair | Primarily MTM Dec 2027 |
| Maritime | Salmon Bay Marina | 985,467 | Diversified Public Marina | Marina | Primarily MTM |
| Maritime/EDD | FT | 5,863,938 | Diversified Public Marina Mad Anthony's, Inc. | Marina Restaurant | Primarily MTM Dec 2033 |
| | | | Fishing Vessel Owners Marine Ways, Inc. | Trade Association | Oct 2023 |
| | | | Everguard Insurance | Insurance Services | Aug 2025 |
| | | | Innersea Discoveries, LLC | Travel | Holdover |
| Maritime | T-86 | 6,112,204 | Louis Dreyfus Company Washington LLC | Bulk Grain | Oct 2034 |
| Maritime/EDD | T-102 | 2,436,771 | Diversified Public Marina DWA (Jim Clark Marina) | Marina Leased Marina | MTM Jun 2037 |
| | | | Starbuck Corporation | Administrative Office | Dec 2026 |
| | | | Tideworks Technology, Inc | Software | Apr 2029 |
| | | | The Mountaineers Books, Inc. | Book Storage & Distribution | Dec 2026 |
| EDD | Bell St. Garage | 995,523 | Republic Parking Northwest, Inc. | Parking Facility | MTM |
| EDD | WTC-West | 1,426,487 | Columbia Hospitality Opus Solutions, LLC | Office Event Planning | July 2022 May 2023 |
| <u>Port of Seattle Owned, Operations shared between the Port of Seattle and Seaport Alliance</u> | | | | | |
| Alliance | T-106 | 795,089 | Conglobal Industries, Inc. | Container Storage & Repair | Dec 2026 |
| Maritime | | | Ash Grove Cement Company | Industrial Storage | MTM |
| | | | Savanah Logistics, LLC | Trucking company | Holdover |
| | | 280,531 | Low Income Housing Institute (LIHI) | | MTM |
| <u>Port of Seattle Owned, Operated by Seaport Alliance</u> | | | | | |
| Seaport Alliance | T-115 | 5,814,145 | Northland Services Inc | Barges | Dec 2032 |
| | | | Lineage Seafreeze Leasehold RE, LLC | Seafood Processing & Storage | Nov 2027 |
| | | | Associated Petroleum Services | Fueling station | Dec 2025 |
| | | | Gene Summy Lumber | Lumber company | MTM |
| | | | Green City Trucking | Trucking company | MTM |
| Seaport Alliance | T-18 | 1,340,272 | Kinder Morgan Liquids Terminals LLC | Storage & Distribution of Petroleum Products | May 2025 |
| | | | Westway Feed Products, LLC | Storage & Distribution of | Sep 2028 |
| | | | Pacific Coast Container Inc. | Container Freight Station Operations | MTM |

(1) Gross revenues of Seaport Alliance properties represent gross revenues as reported by the Seaport Alliance.

(2) Indicates lease expiration date for significant lease agreements, by location. MTM refers to a month-to-month lease term.

Non-Airport Operating Revenues and Expenses

This table captures the activity under the Maritime and Economic Development operating divisions, the Port of Seattle's share of Seaport Alliance net income, as well as Central Services and stormwater utility (SWU) activity.

| | 2021 | |
|---|---------------------|-------------------|
| | \$ Thousands | % of Total |
| Operating Revenues by Business Unit | | |
| Seaport Alliance ⁽¹⁾ | \$ 54,046 | 45 |
| Cruise operations | 9,517 | 8 |
| Recreational boating | 13,764 | 11 |
| Maritime portfolio | 10,392 | 9 |
| Fishing and operations | 8,946 | 7 |
| Grain terminal | 6,112 | 5 |
| Conference and event centers | 1,910 | 2 |
| Other ⁽²⁾ | 16,001 | 13 |
| Total Operating Revenues | \$ 120,688 | 100 |
| Revenue by Cargo and Non-Cargo | | |
| Cargo Services ⁽³⁾ | \$ 60,158 | 50 |
| Non-Cargo ⁽⁴⁾ | 60,530 | 50 |
| Total Operating Revenues | \$ 120,688 | 100 |
| Operating Expenses by Business Unit | | |
| Cruise operations | \$ 10,670 | 15 |
| Maritime portfolio | 9,465 | 13 |
| Recreational boating | 11,817 | 17 |
| Fishing and operations | 10,961 | 16 |
| Grain terminal | 1,323 | 2 |
| Conference and event centers | 5,972 | 8 |
| Other ⁽⁵⁾ | 20,230 | 29 |
| Total Operating Expenses (before Depreciation) | \$ 70,439 | 100 |
| Net Operating Income | \$ 50,249 | |

Note: Totals may not add to 100% as a result of rounding.

(1) Represents the Port of Seattle's 50% share of the Seaport Alliance Net Income after depreciation.

(2) Includes SWU revenue which is restricted for use solely for utility purposes, Central Services revenue, space rental revenue from multiple facilities in the Economic Development division, and an immaterial amount of other operating revenues.

(3) Includes Seaport Alliance net income and Grain Terminal operating revenues.

(4) Non-Cargo category is composed of the remaining non-airport lines of business: Cruise, Maritime portfolio, Recreational boating, Fishing and operations, Conference and event centers, and Other.

(5) Includes SWU expense, Central Services expense, operating expenses of the Central Harbor Management group in the Economic Development division, Economic Development grant expenses, and an immaterial amount of other operating expenses.