



# PHOENIX SKY HARBOR INTERNATIONAL AIRPORT

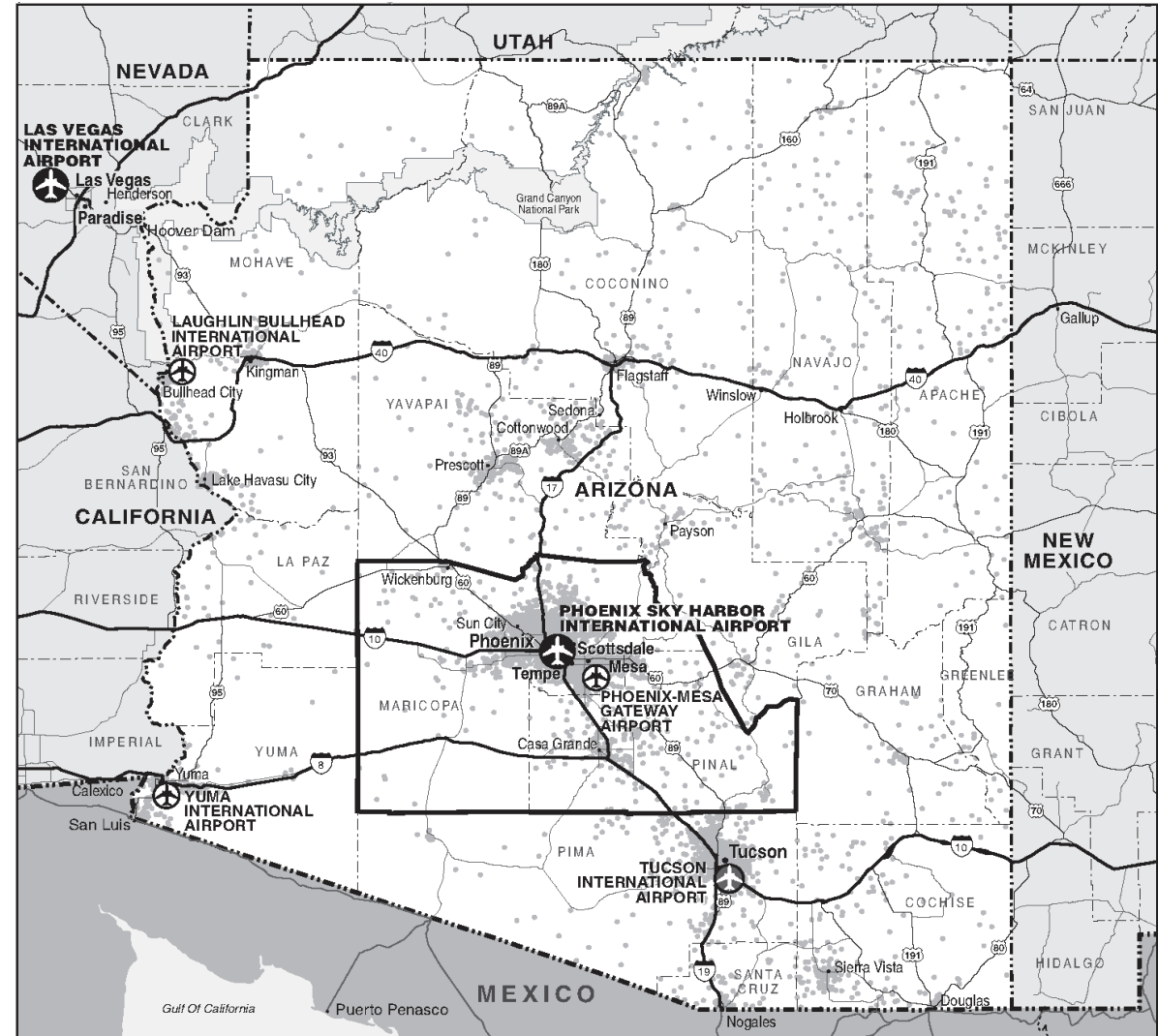
TRANSPORTATION RESEARCH BOARD  
JULY 11, 2019

# Airport Overview



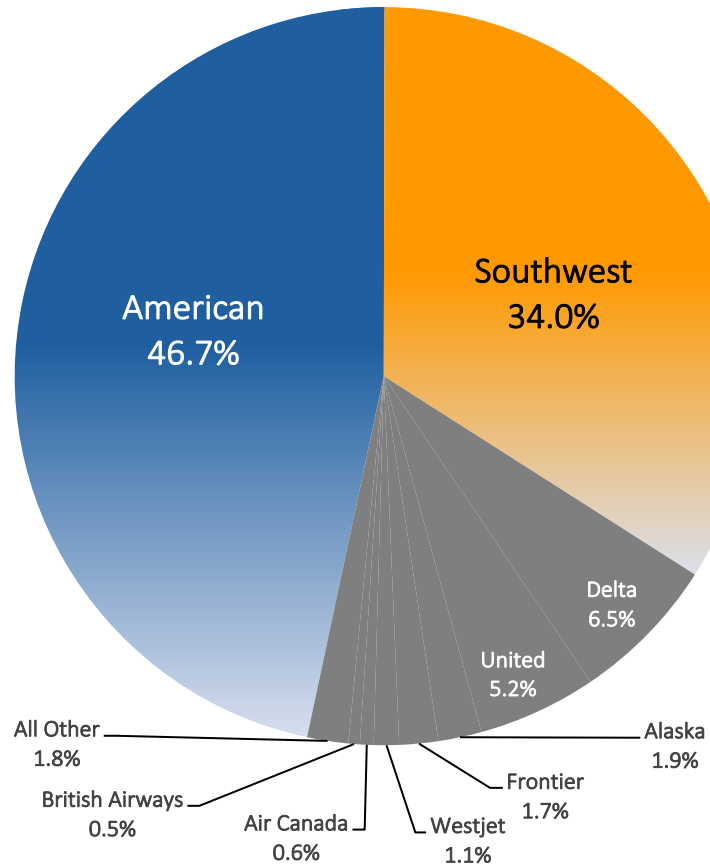
- Geographic location of Phoenix results in high reliance on airline travel

Road miles from the Airport to:	
Las Vegas	292
Los Angeles	371
Albuquerque	477
Salt Lake City	656
Denver	809
Dallas/Fort Worth	1,056

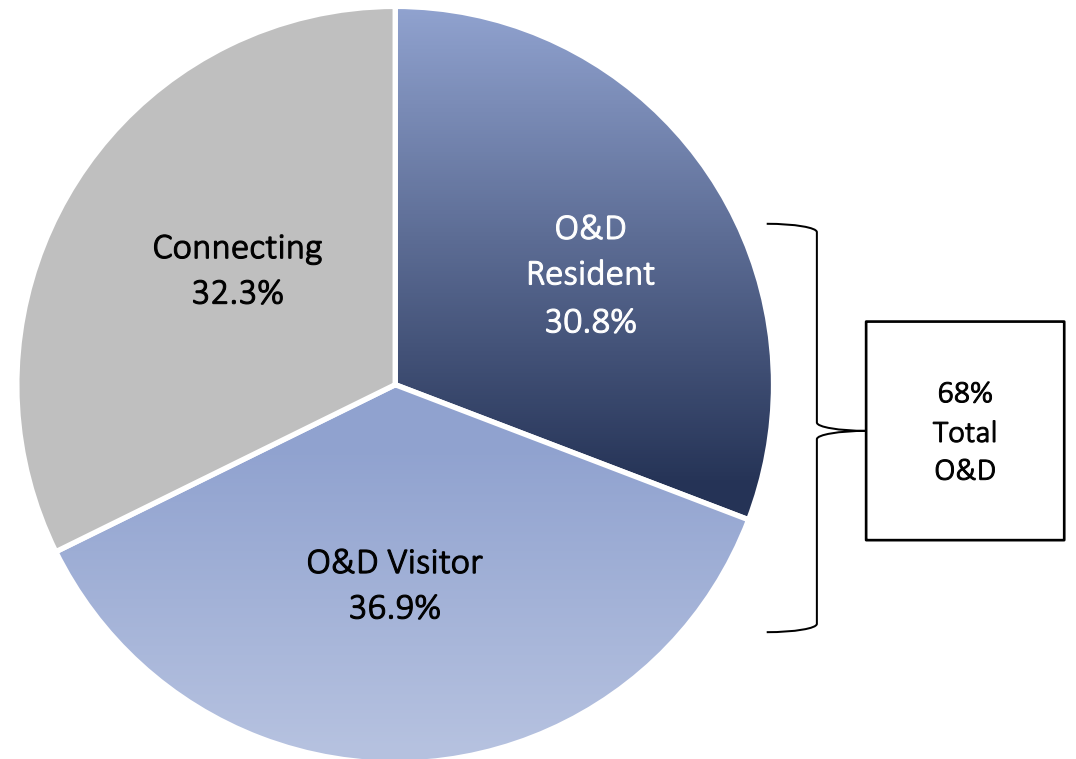


- PHX is both American's and Southwest's 6<sup>th</sup> largest hub
- These two airlines together accounted for 81% of enplaned passengers in FY 2018

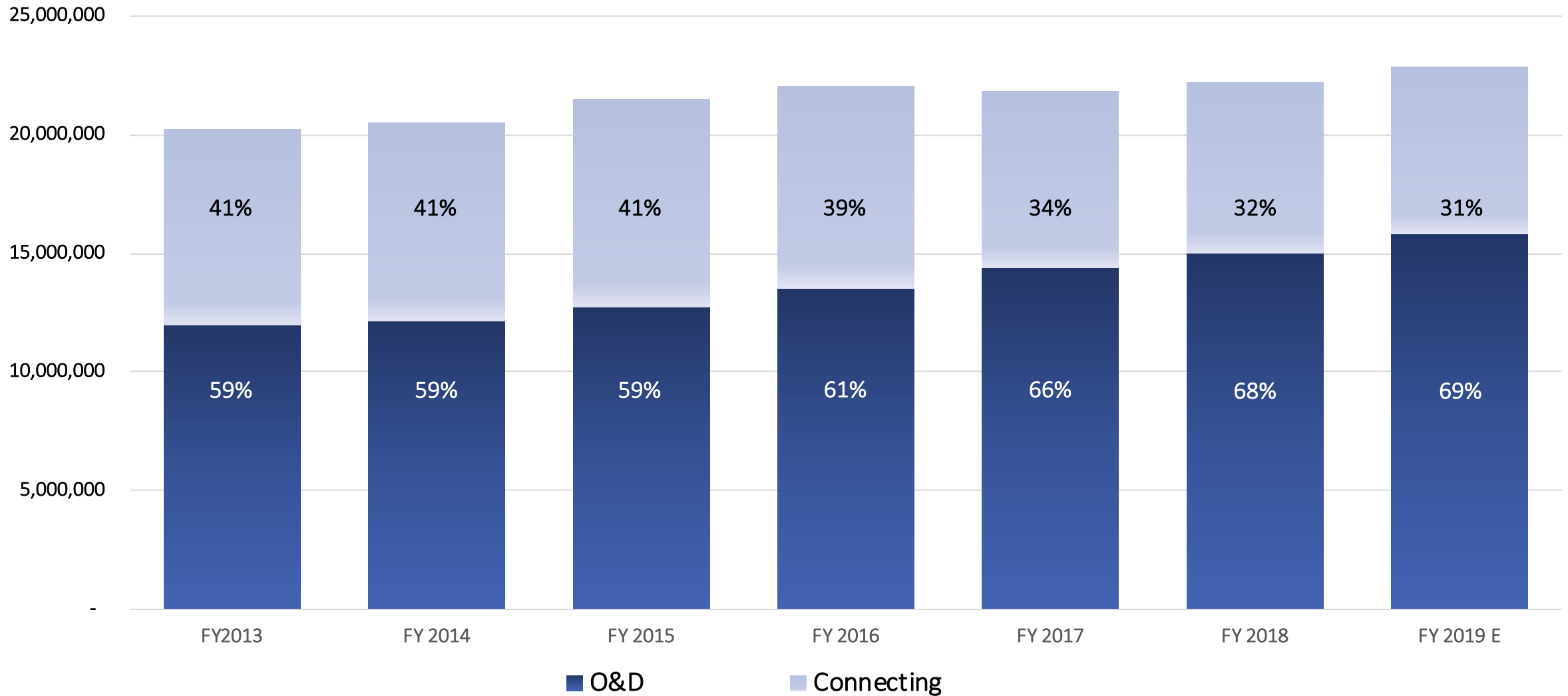
Airline Market Share



Enplanements

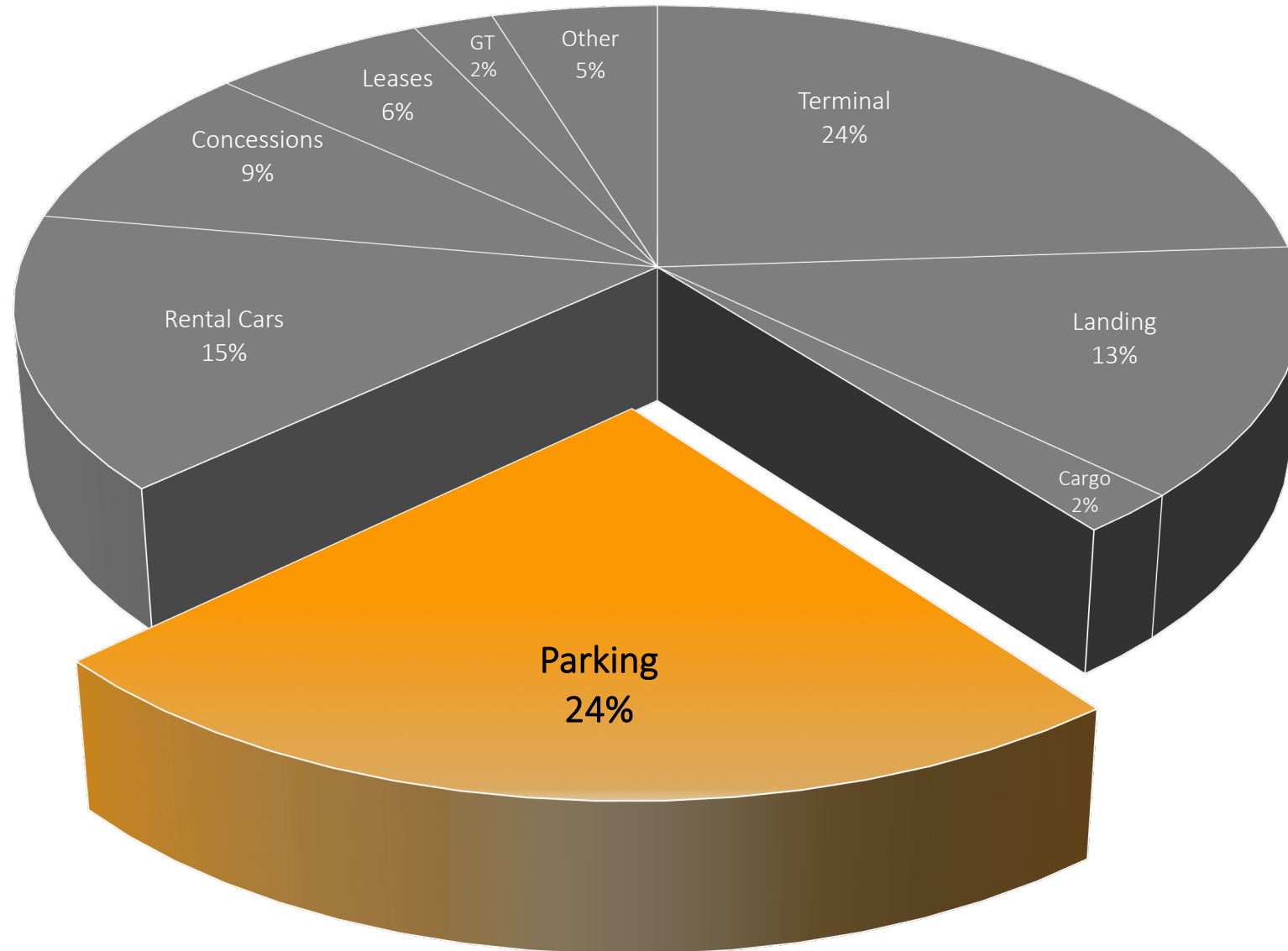


## Annual Enplanements

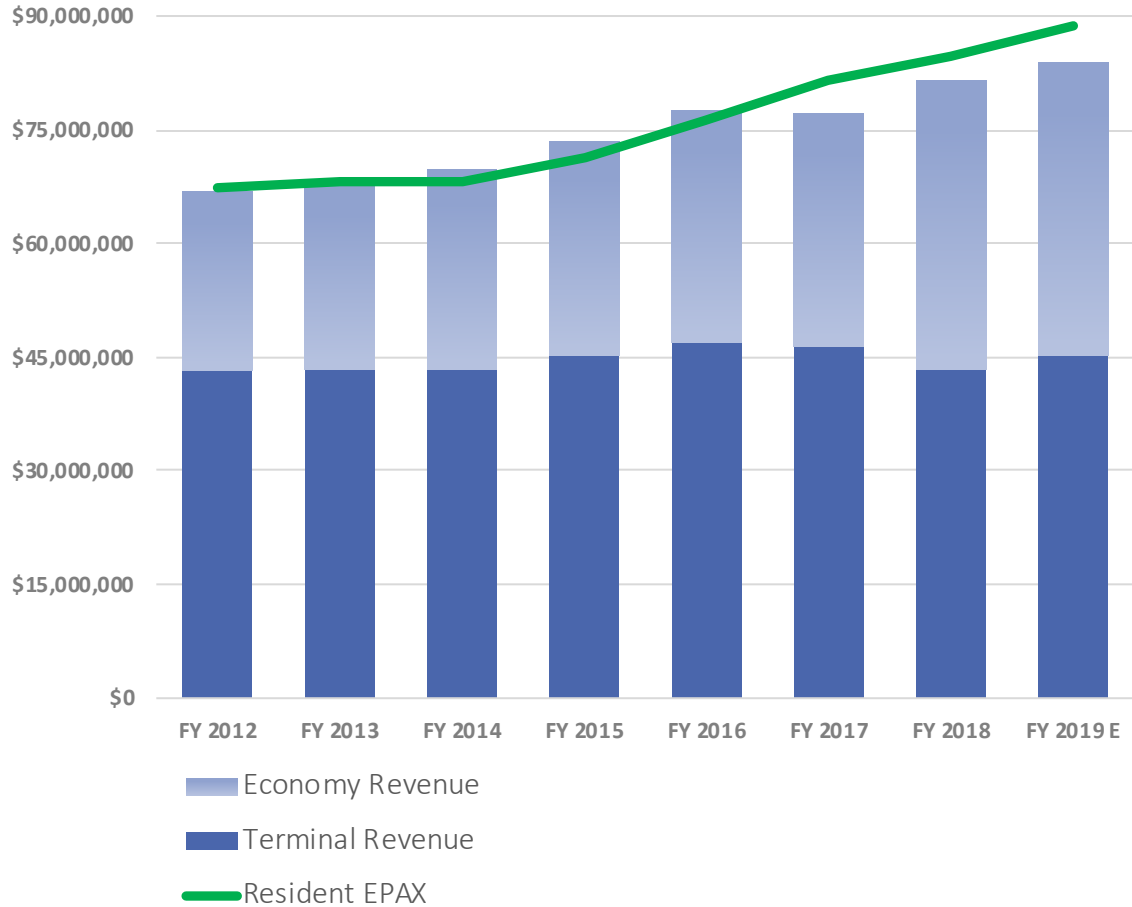




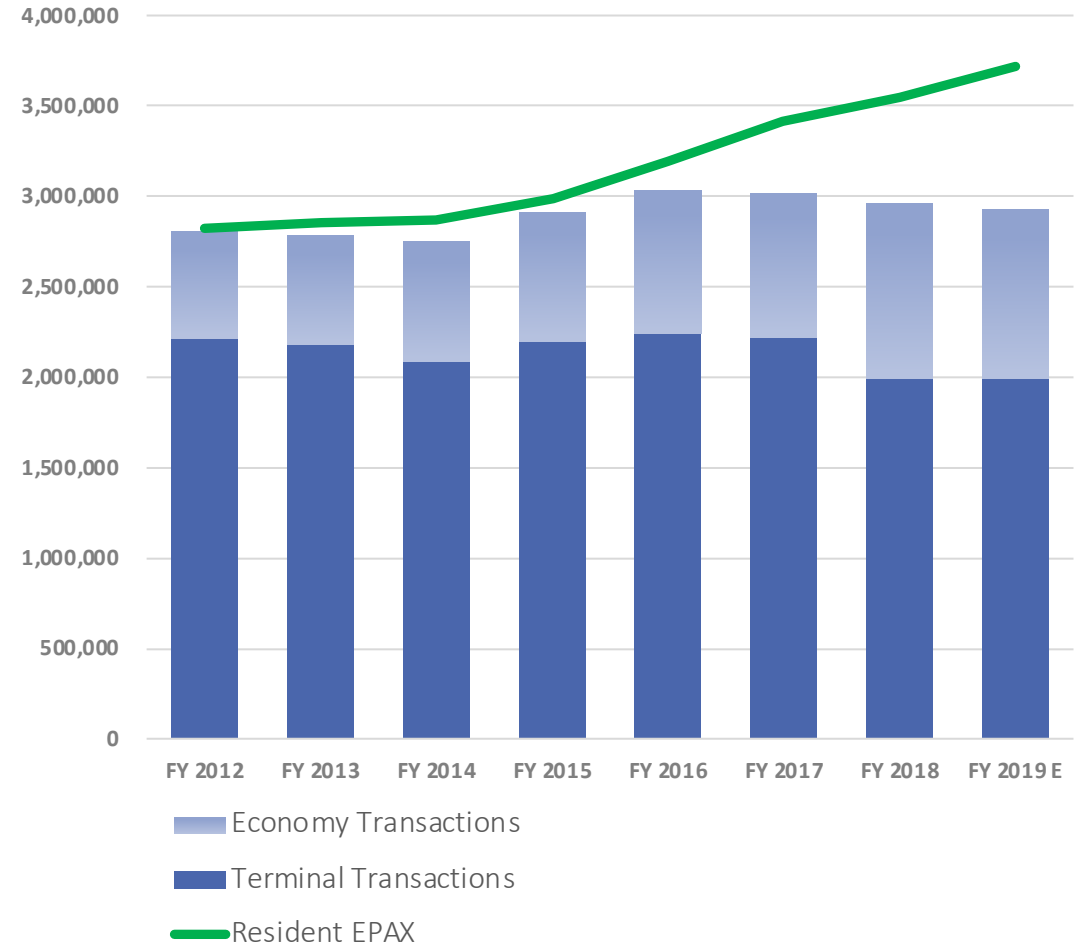
## Revenues



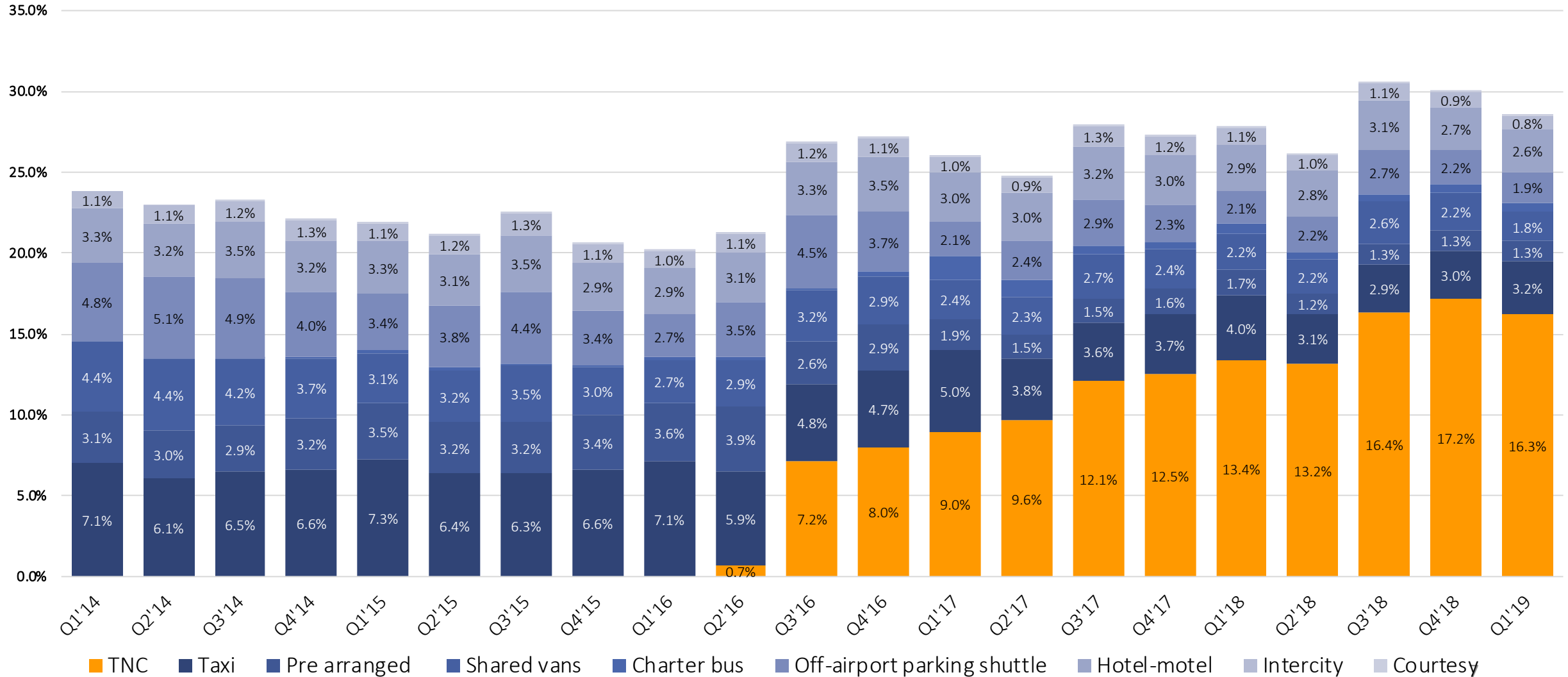
## Parking Revenue



## Parking Transactions



## Quarterly Market Share by GT Mode



- Continued reliance on parking revenues
- Increased competition
  - TNCs
  - Off-site parking
  - Potential future market disruptors
- Limited ability to respond
  - Non-traditional government role
  - Cost recovery bias
  - Risk aversion





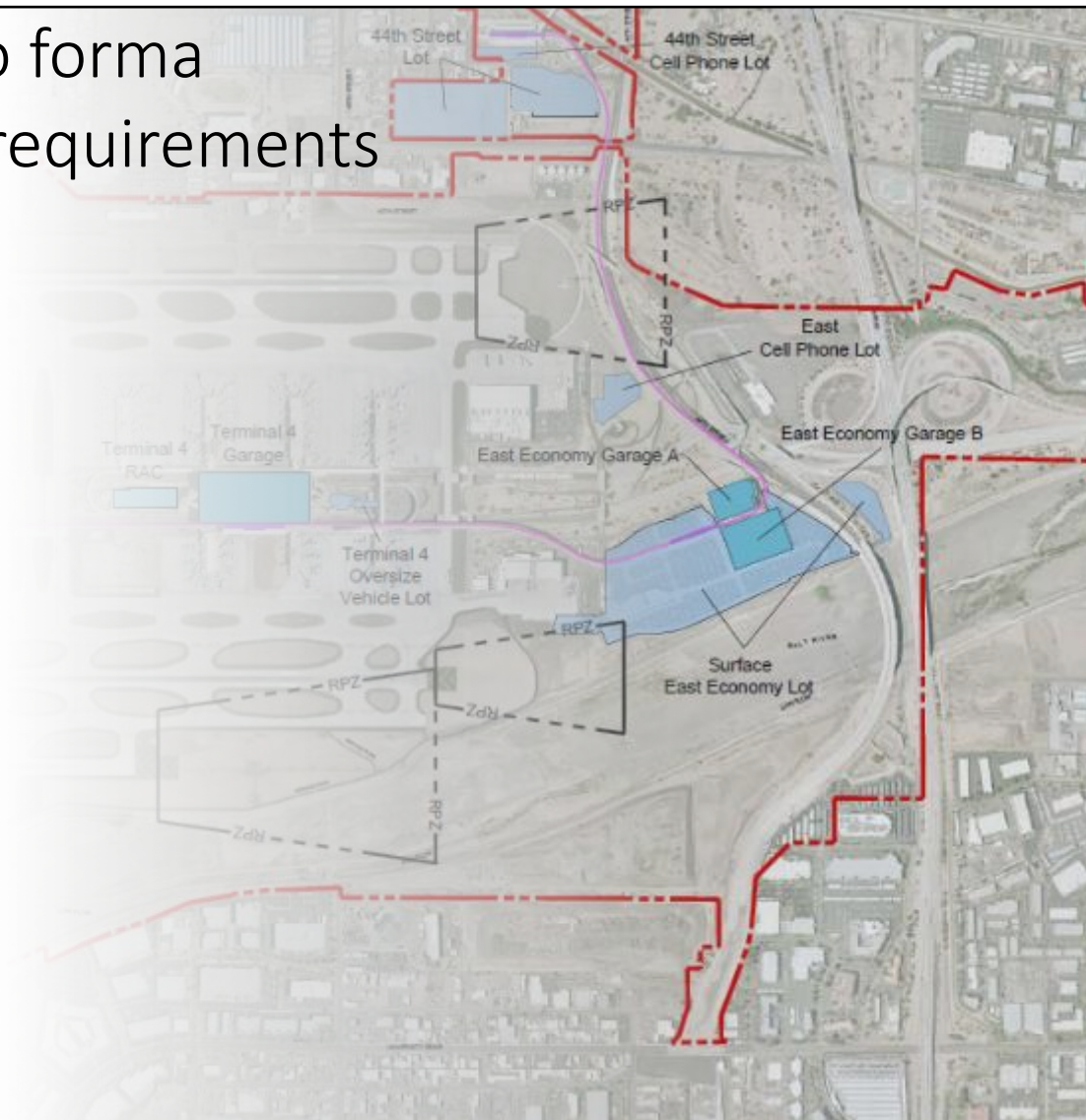
# Parking P3 – General Scope



- 30-year lease of public/employee parking
  - Operate and maintain facilities
- Up-front payment, plus annual MAG/ revenue share percentage
- Design, build, finance, operate, and maintain new 2,200 space garage near PHX Sky Train station
  - Replace T-2 and West Economy parking
  - Ownership reverts to airport at end of lease



- Positive NPV differential over base case pro forma
  - Up-front payment reduces future debt requirements
  - Stronger debt service coverage
- Shift market risk to private sector partner
- Parking revenue guarantee
  - Credit enhancement
- More competitive parking products
  - Better customer service for parkers
- Significant upside potential for lessee
  - Better market penetration
  - Reduced OpEx

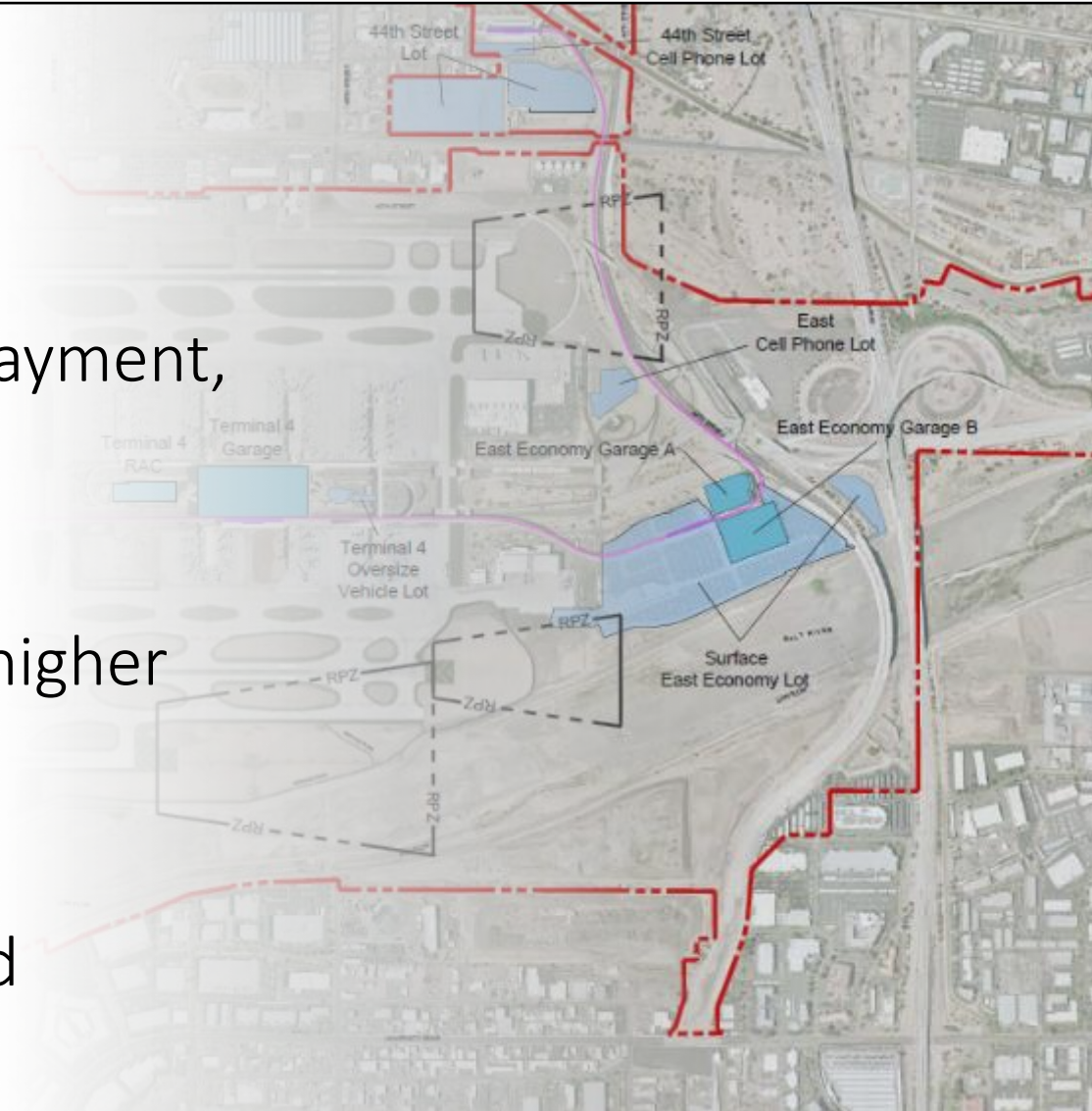




# Parking P3 – Key Points



- 30-year term
  - Lessee preference for longer term
- Up-front payment vs. annual payments
  - Lessee preference for higher up-front payment, and lower annual payments
- MAG
  - Lessee preference for lower MAG, and higher revenue/risk share with airport
- TNC trip fees
  - Shared with lessee above an established threshold as hedge against TNC growth



# Parking P3 – Schedule



	2017							2018							2019							2020																														
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun															
<b>RFI Development &amp; Support</b>																																																				
RFI Responses																																																				
RFI Evaluations																																																				
Market Sounding																																																				
Project Scoping																																																				
<b>RFQ Development &amp; Support</b>																																																				
Preparation of RFQ																																																				
RFQ Release																																																				
RFQ Evaluations/Shortlist																																																				
Data Room Development/Management																																																				
Pre-Bid Technical Workshops																																																				
<b>RFP Development &amp; Support</b>																																																				
Collaborative Dialogue Meetings																																																				
RFP Preparation																																																				
RFP Release																																																				
RFP Responses																																																				
<b>Evaluation, Negotiation and Commercial/Financial Close</b>																																																				
Bid Evaluations																																																				
City Council Approval																																																				
Financial Close																																																				





**PHX**