



Optimizing Airport Parking Revenue

ACI-NA Airport Economics and Finance Conference

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April 29, 2008

Parking Revenues Represent a Substantial Portion of Non-Airline Revenues

	Gross Parking Revenues (\$000s)	Operating Revenues (\$000s)	Parking Revenue as Percent of Operating Revenues (%)	Non-Airline Revenues (\$000s)	Parking Revenue as Percent of Non-Airline Revenues (%)	Number of Parking Spaces
Dallas-Ft Worth ¹	106,911	567,612	18.835	412,050	25.946	40,000
Atlanta ²	70,663	284,331	24.852	173,426	40.745	29,500
Orlando ³	54,172	317,456	17.064	264,151	20.508	20,000
Midway ⁴	27,433	105,570	25.986	48,412	56.666	13,000

Source:

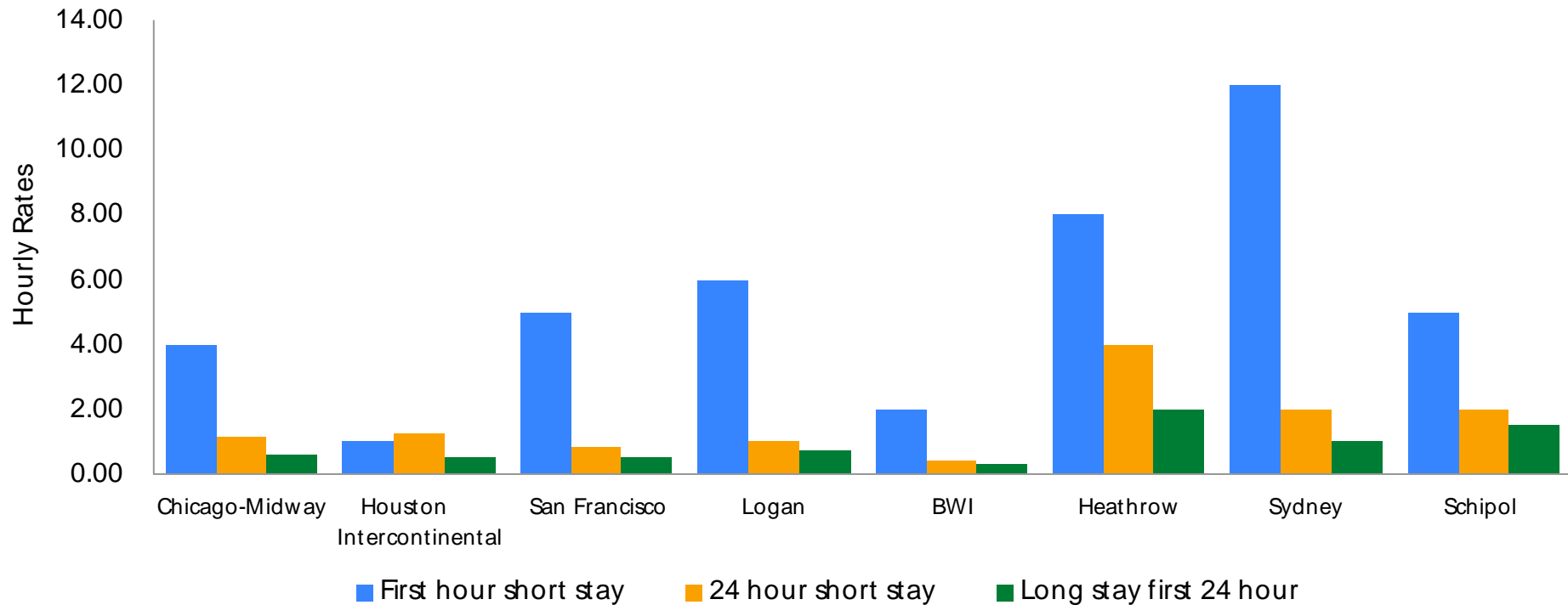
- 1 2007 Financial Statements
- 2 2006 Financial Statements
- 3 2007 Financial Statements
- 4 2006 Financial Statements

Parking Services Are a Profit Center Requiring Active Management

Yield Management Driven

International Parking Rate Structures

Average Hourly Rate Comparison over Various Durations



Parking Services Are a Profit Center Requiring Active Management

Technology Driven

Available Space Identification

- ◆ Parking lot phone, radio and on-line parking status updates
- ◆ Airport Smart Park System

Electronic Payment Systems

- ◆ Automated Credit Card Payment
- ◆ E-ZPass Plus Program
- ◆ SunPass Plus Program
- ◆ Other Airport Uses of Toll Road Technology

Parking Services Are a Profit Center Requiring Active Management

Service Enhancement Driven

- ◆ Valet Parking
- ◆ Member Parking Program

Airport premium parking service

	Valet	Member Program	Standard Rates
San Francisco	\$38 first 24-hours; \$45 additional 24-hours	\$33 per 24-hours	\$20 per 24-hours
Houston		\$15 per 24-hour (application fee of \$200)	\$15 per 24-hour
Miami	\$30 per 24-hours		\$15 per 24-hour
San Diego	\$30 per 24-hours		\$18 per first 24-hours; \$24 additional 24-hours
Pittsburgh	\$24.99 first 24-hours; \$19.99 additional 24-hours		\$9.75 per 24-hours
Austin	\$22.17 per 24-hours		18.48 per 24-hours

Parking Revenues Support Airport Development

- ◆ Traditional GARB Financings
 - Parking Revenues Often Pledged as Part of General Airport Revenues and Integral to Coverage Calculation
- ◆ For example, at Chicago Midway, without the parking revenues for 2006, debt service coverage would fall from 1.23x to -2.89x

	2006 \$ in 000
Revenues	
Airline Revenues	57,158
Non-Airline Revenues (excluding Parking)	20,979
Parking	27,433
Total Revenue	105,570
Operating Expenses (excluding Depreciation)	97,383
Net Revenues	8,187
General Revenue Bond Debt Service Requirements	6,656
Bond Debt Service Coverage (x)	1.23
Coverage Excluding All Parking Revenues ¹ (x)	(2.89)

1 Coverage excludes parking revenues and does not take into account any parking-related debt service

Parking Revenues Support Airport Development

- ◆ Released Revenue Indenture Provision
- ◆ Future Debt Capacity
- ◆ MII Approvals

Parking Revenues Support Airport Development

Bradley International Airport case study

- ◆ Facilities/Project: Construction of 3,500 space parking garage, along with the improvement of several surface lots
- ◆ Construction/Management Structure
 - 25-year lease agreement (with two five-year extension options) between the State and ABPC, a private consortium
 - Consortium obligated to attain Substantial Completion of the garage by May 31, 2002 for a fixed construction price and operate it for the term of the lease, after which point the facility reverts to the State
- ◆ Financing Source
 - \$47.665 million in Tax-Exempt Bonds and \$6 million in Taxable Bonds, issued by the State, with ABPC as guarantor¹
- ◆ Payment Structure
 - ABPC is required to make the following guaranteed payments to the State from after-tax revenues:
 - garage operating expenses
 - bond debt service payments
 - trustee expenses
 - major maintenance/capital improvements
 - a minimum annual guaranteed lease payment to the State
 - If revenues from parking operations are not sufficient to meet these payments, the ABPC is required to fund the deficiency²
 - Revenues above the guaranteed payments are shared between the State and the Consortium according to a three-tier formula

1 Special Obligation Parking Revenue Bonds, Series 2000A

2 During passenger downturns following September 11th, ABPC was required to make costly deficiency payments to the State, although there appears to be a reversal of these trends in recent years

Parking Revenues Support Airport Development

New Orleans International Airport case study

- ◆ Facilities/Project: Initial construction of 2,500 space long-term parking facility with the construction of a subsequent 2,000 space facility required by the agreement
- ◆ Construction/Management Structure
 - 501(c)(3) Corporation established as a partnership between the New Orleans Aviation Board (NOAB) and New South Development LLC (a development joint venture)
 - Corporation leases land from NOAB (40-year lease) and guaranteed the completion of the facility¹
 - The Corporation manages the facility for the term of the lease, after which point the facility reverts to NOAB
- ◆ Financing Sources: \$45.94 million in Tax-Exempt Bonds and \$280,000 in Taxable Bonds issued by the Louisiana Community Development Corporation, with New South Development LLC as the Guarantor²
- ◆ Payment Structure
 - Financing Agreement: The Corporation required to make payments in an amount sufficient to pay debt service on the Bonds
 - Ground Lease Agreement: During the Term of the Lease, the Corporation also pays the following to the NOAB
 - Fixed Ground Rent: \$0.50 per square foot of land, adjusted three percent per annum
 - Percentage Rent: six percent of the Gross Revenues generated by the facility in excess of \$7,000,000 per Lease Year
 - Net Cash Flow: any and all monies remaining from Gross Revenues after all deduction of expenses associated with ownership, operation & finance of the facility

1 Performance of Guarantors under Completion Guarantee was guaranteed by a Letter of Credit provided by Bank of America

2 Parking Facilities Corporation Garage Project, Series 2001A&B

Parking Revenues Support Airport Development

P3 Opportunities Abound with Airport Parking Facilities

Attractive Characteristics

- ◆ Revenue growth opportunities
- ◆ High barriers to entry
- ◆ Stable cash flows
- ◆ Elasticity of demand

Parking Revenues Support Airport Development

PPP Interest will come from two primary areas

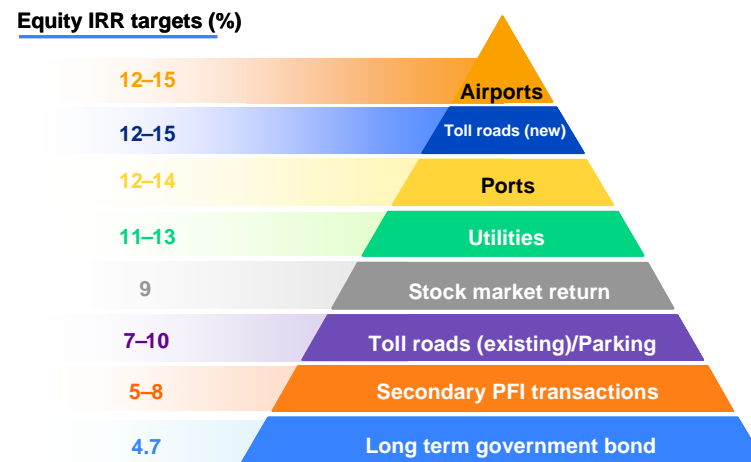
Selected Strategic Buyers



Selected Financial Buyers



- ◆ Attractive asset for private equity bidders because of pure infrastructure play and straightforward asset



Parking Revenues Support Airport Development

Value Drivers

- ◆ Given diversity of facilities and locations, it is difficult to determine value based on standard measures (EBITDA Multiples, Number of Spaces, etc)
- ◆ Annual Facility Revenues per Annual O & D passenger has been used as a measure, but does not necessarily reflect true value
- ◆ Factors that will impact value include:
 - Off-airport competition
 - Transportation alternatives
 - Non-compete clauses
 - Ability to set parking rates
 - Ability to innovate and offer new commercial offerings
 - Requirements to provide employee parking at subsidized rates
 - Inclusion/exclusion of car rental agencies in the parking facilities
 - Forecasted airport growth
 - Enforcement of curb area
 - Condition of asset

Parking Revenues Support Airport Development

Luis Munoz Marin Airport Parking – San Juan, PR

- ◆ UBS is currently advising the Puerto Rico Ports Authority (PRPA) on the long-term concession of the parking facilities at Luis Munoz Marin Airport in San Juan
- ◆ PRPA is seeking a private operator to operate over 6,000 parking spaces including long-term, short-term, employee and rental car parking lots
- ◆ PRPA is seeking a private sector partner that can deliver a world-class product but also intends to bring technological innovation and a demonstrated track record of successful public-private partnerships
- ◆ To extract maximum value from the parking facilities, PRPA plans to analyze the benefits of both an upfront payment from a private operator as well as retention of a stake in ongoing revenue or new business ventures undertaken at the parking facilities
- ◆ PRPA has qualified a wide range of local and global firms and submission of final bids is expected by the end of 2Q 2008

Parking Revenues Support Airport Development

Lessons Learned from PPP Parking

- ◆ Upfront Preparation is More Important than Ever
- ◆ Understanding the Airport's Economic and Policy Objectives
- ◆ Protection of Public Interests
- ◆ Strong Senior Political Sponsorship is Crucial
- ◆ Public Relations Strategy
- ◆ Tailored Process Required for Different Buyer Groups
- ◆ Certainty, Clarity of Process, Terms of the Deal and Timetable

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