

# LAX Capital Program Plan of Finance and Key Financial Metrics

Board of Airport Commissioners  
March 13, 2025

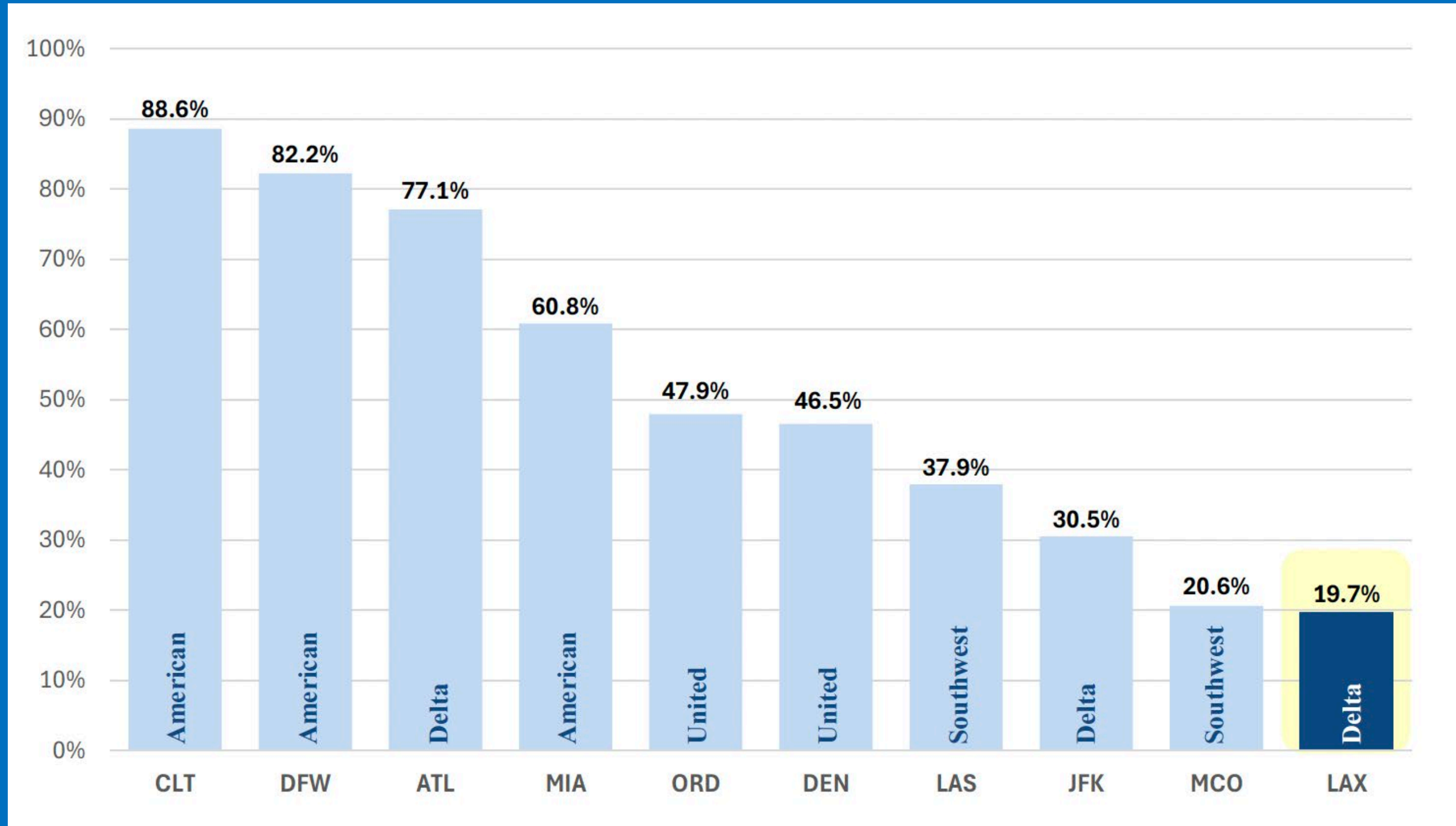
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# LAX Capital Program Finance Plan and Key Metrics

- **Passenger Traffic at LAX: Market Position and Forecasts**
- **Airport Capital Program: Existing and New**
- **Key LAX Financial Metrics**

# LAX Has A High Amount of Airline Service and Competition/Diversity

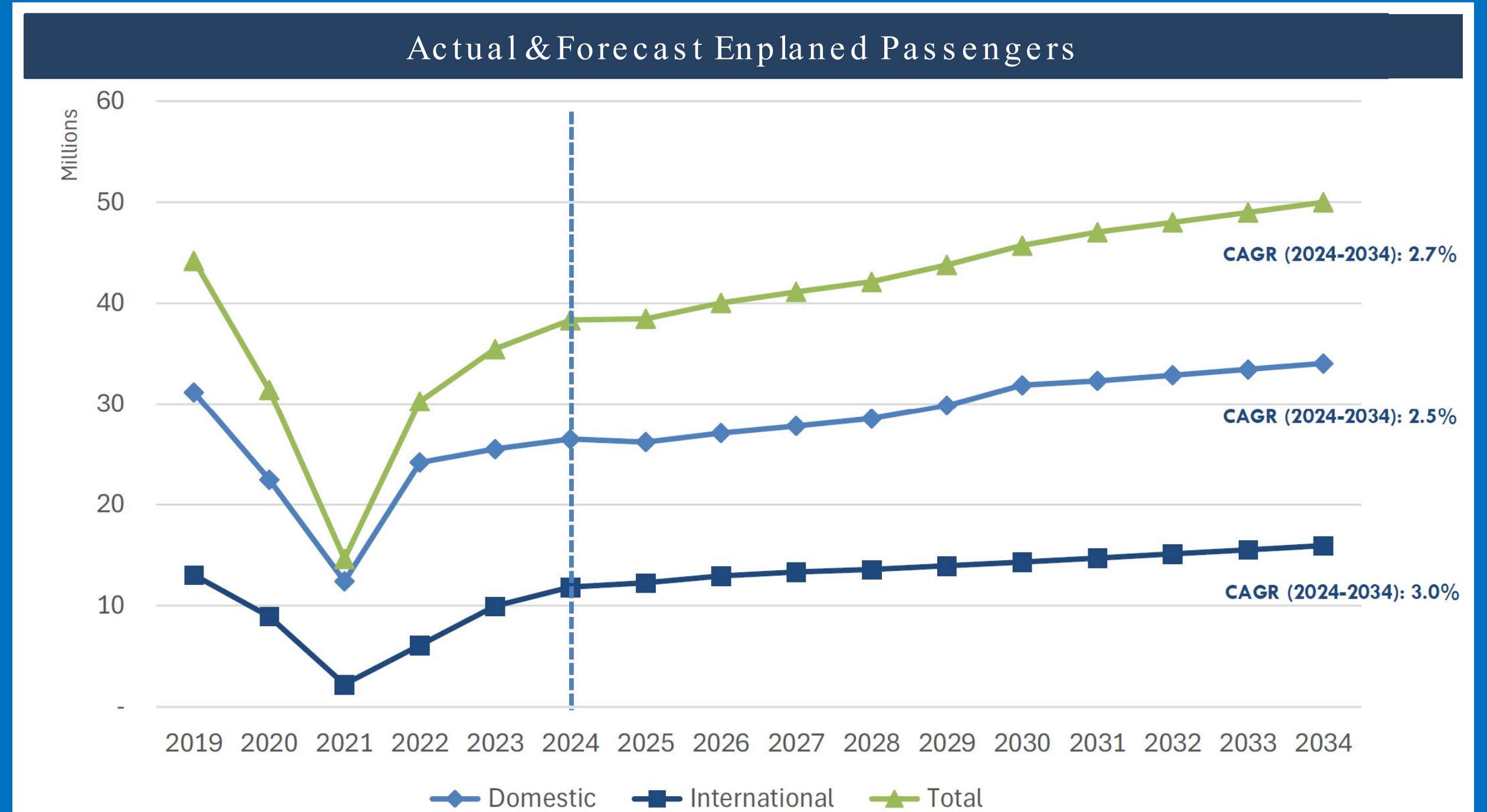
- No single airline dominates the LAX market
- Competition among airlines is very strong



Source: Series 2025A-E Report of the Airport Consultant

# LAX Passenger Traffic Growth and Forecasts

- LAWA uses conservative traffic growth estimates
- Forecast factors include moderate economic growth, gate availability, changes in individual airline forward-looking schedules
- Forecast rate of growth in passenger traffic through FY 2034 equal to 2.7% per year

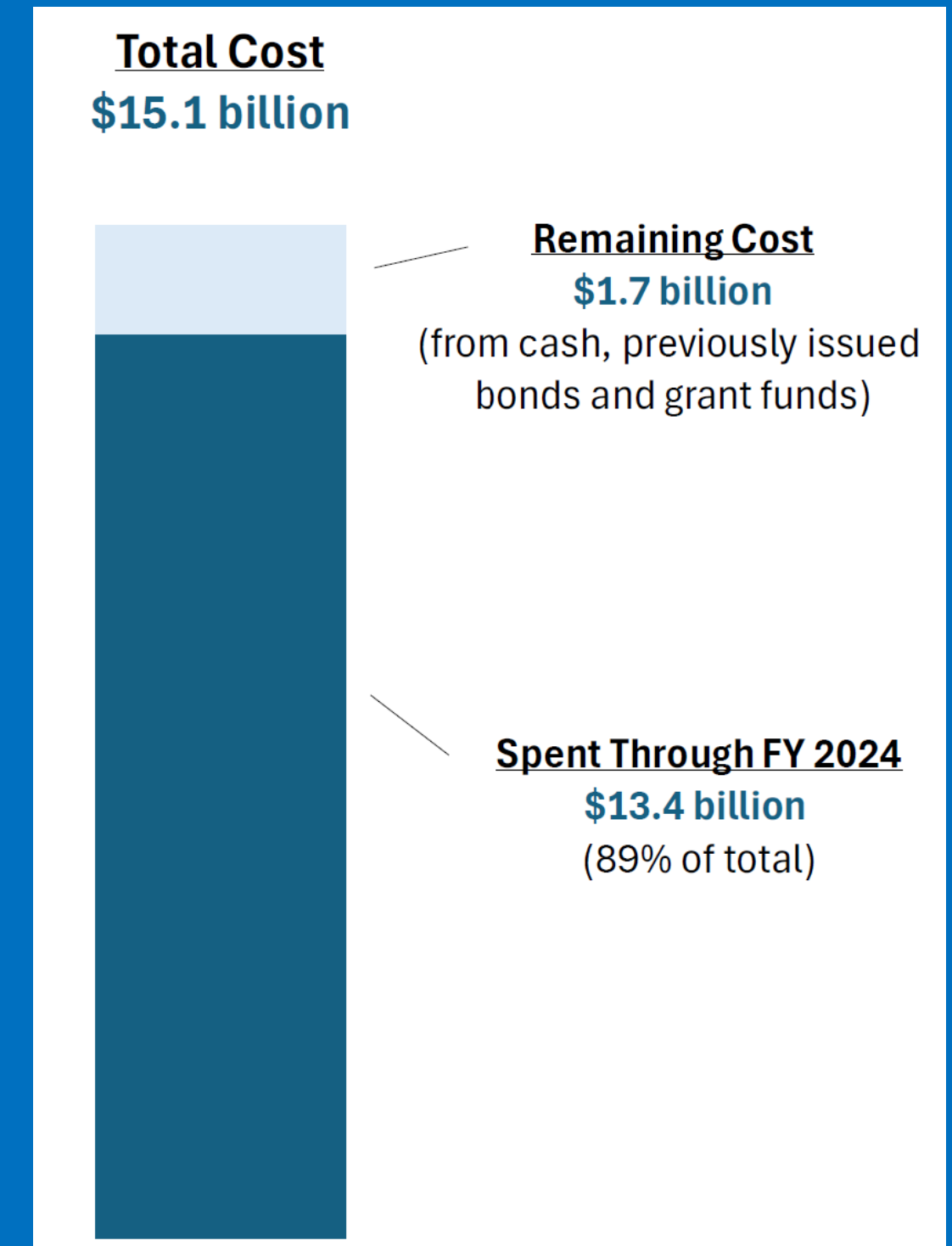


Source: Series 2025A-E Report of the Airport Consultant

# Existing Airport Capital Program (\$15.1 billion)

- Since FY 2016, LAWA has been modernizing and transforming LAX (e.g., APM, ConRAC)
- Existing CIP to be completed by end of FY 2026\*
- \$13.4 billion/89% of total costs have been spent through FY 2024
- Remaining \$1.7 billion to be paid from LAWA cash, the net proceeds of previously-issued Bonds, and certain grant funds

**No additional bonds needed to pay remaining costs in the Existing Airport Capital Program**



\* Except for the Terminal 4 Project – American Airlines, which is expected to be completed by the end of FY 2028)



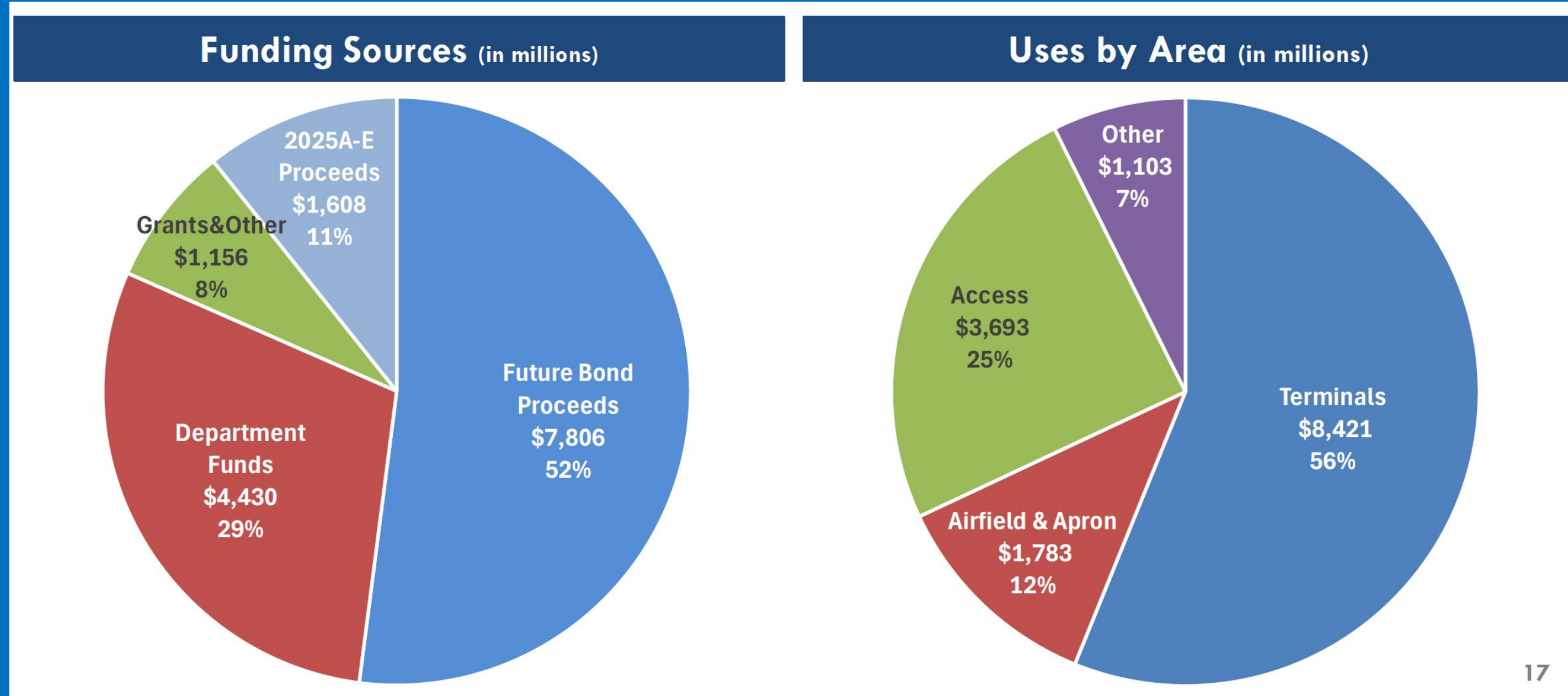
# Next Airport Capital Program through FY 2034: \$15 Billion

## \$15 billion of capital improvements to be completed by or around FY 2034

- \$1.5 billion underway
- \$4.3 billion partially approved/in the planning stage

## Largest investment expected in Terminal Buildings

- \$2.5 billion reserve for new terminal capacity



See next page for project specific information

# Key Projects in \$15 Billion Next Airport Capital Program

## Terminals: \$8.4B

**\$1.7B Terminal 5 Renovation & Reconstruction**

**\$0.4B Midfield Satellite Concourse – South**

**\$0.3B Baggage Optimization Project**

**\$6.0B Other Terminal Projects:**

- Asset Renewal
- TBIT Optimization
- CTA Curbside Improvement Program
- Technology & Innovation
- Wayfinding Enhancement Program
- Other Terminal improvements
- Long-Term Vision (T9, Conc 0, etc.)

## Airfield & Apron: \$1.8B

**\$0.2B ATMP North Airfield Exit Taxiways**

**\$0.1B ATMP Taxiway D Project**

**\$1.5B Other Airfield & Apron Projects:**

- Runway, taxiway, apron improvements
- ATMP Airfield Improvements
- Taxiway C Easterly Extension
- UAL Hangar Demolition
- Other Airfield & Apron improvements

## Access/Other: \$4.8B

**\$2.2B ATMP Roadway Improvements**

**\$0.8B Add'l APM System Project Costs**

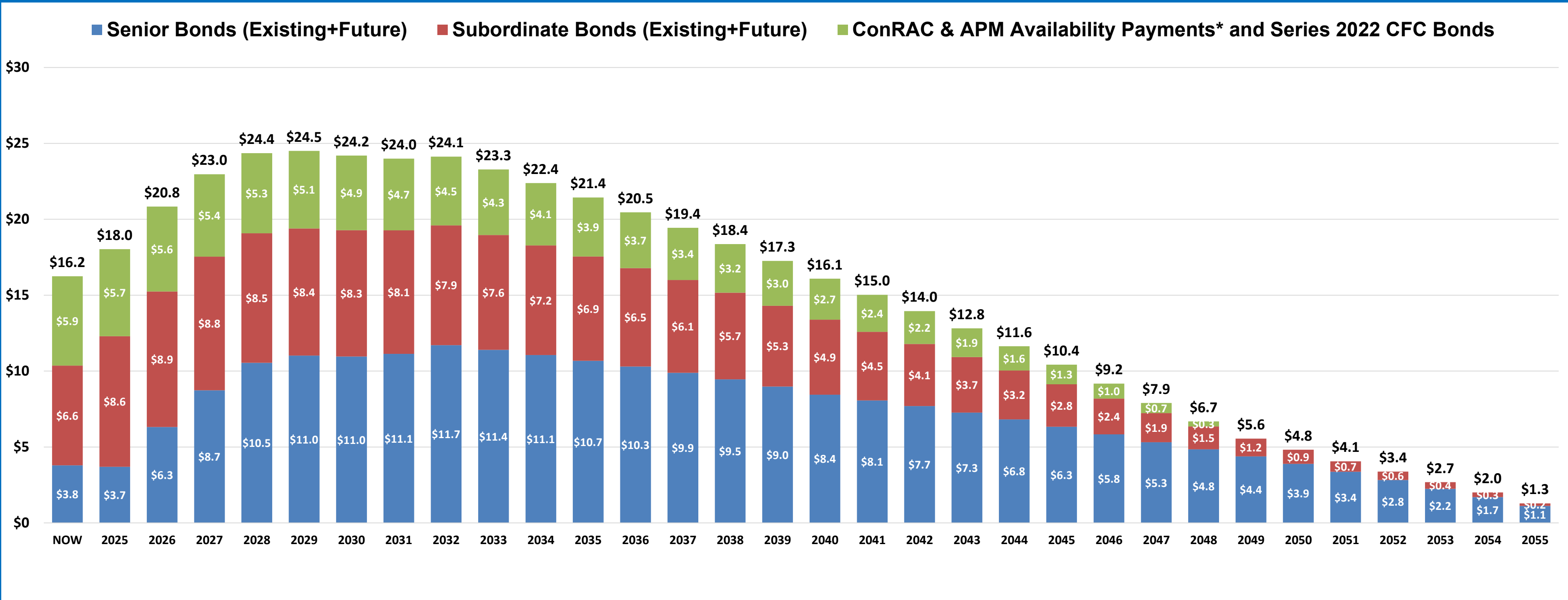
**\$0.3B ITF Auxiliary Curbs Project**

**\$1.5B Other Access/Other Projects:**

- Other LAX Roadway Improvements
- Department Offices Renovation Project—Skyview Center
- Other Employee facility improvements



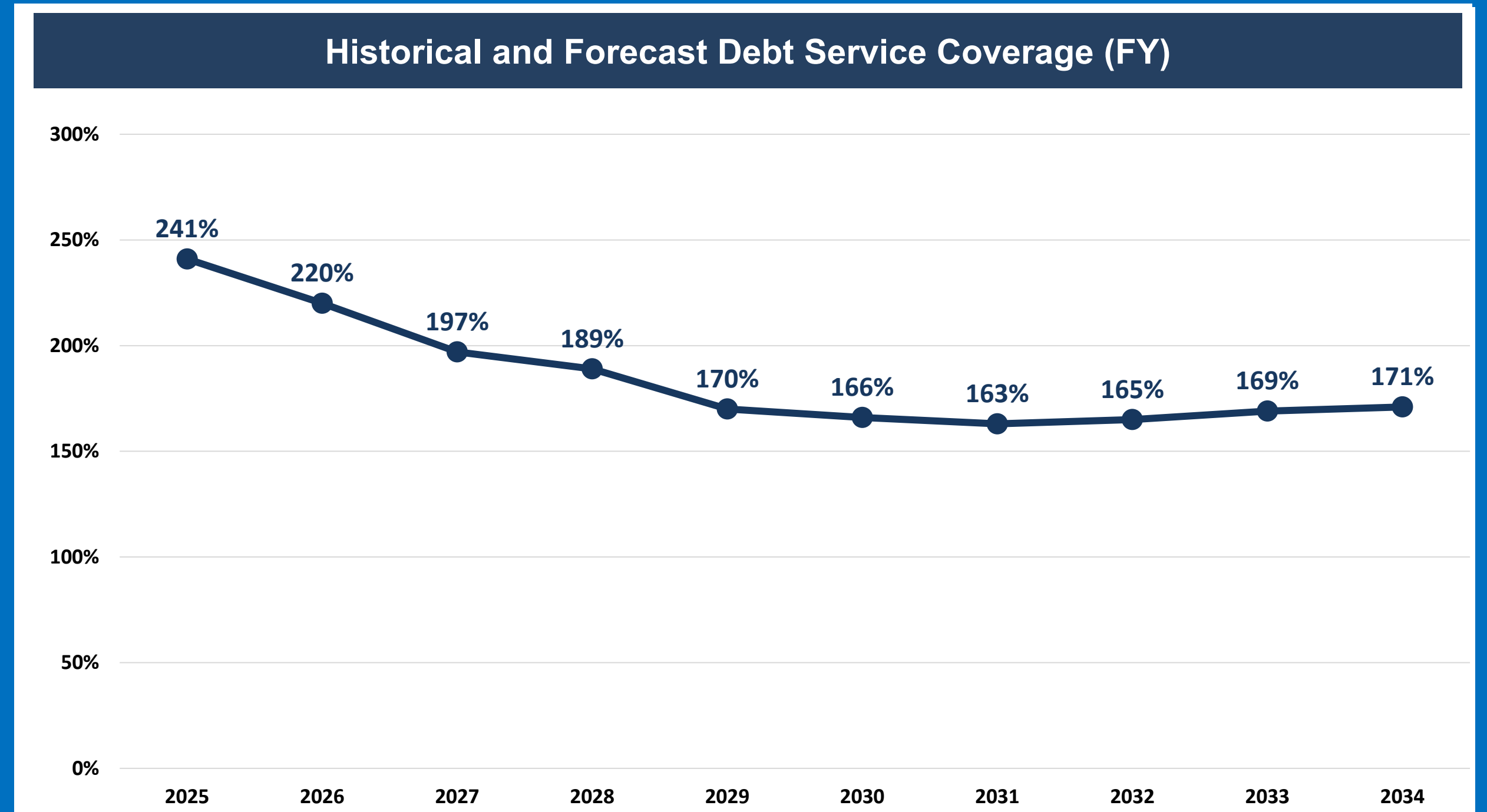
# LAX Debt Profile: Existing Debt, Series 2025A-E, and Future Bonds (\$ billions)



\* Includes capital, operating, and renewal availability payments.

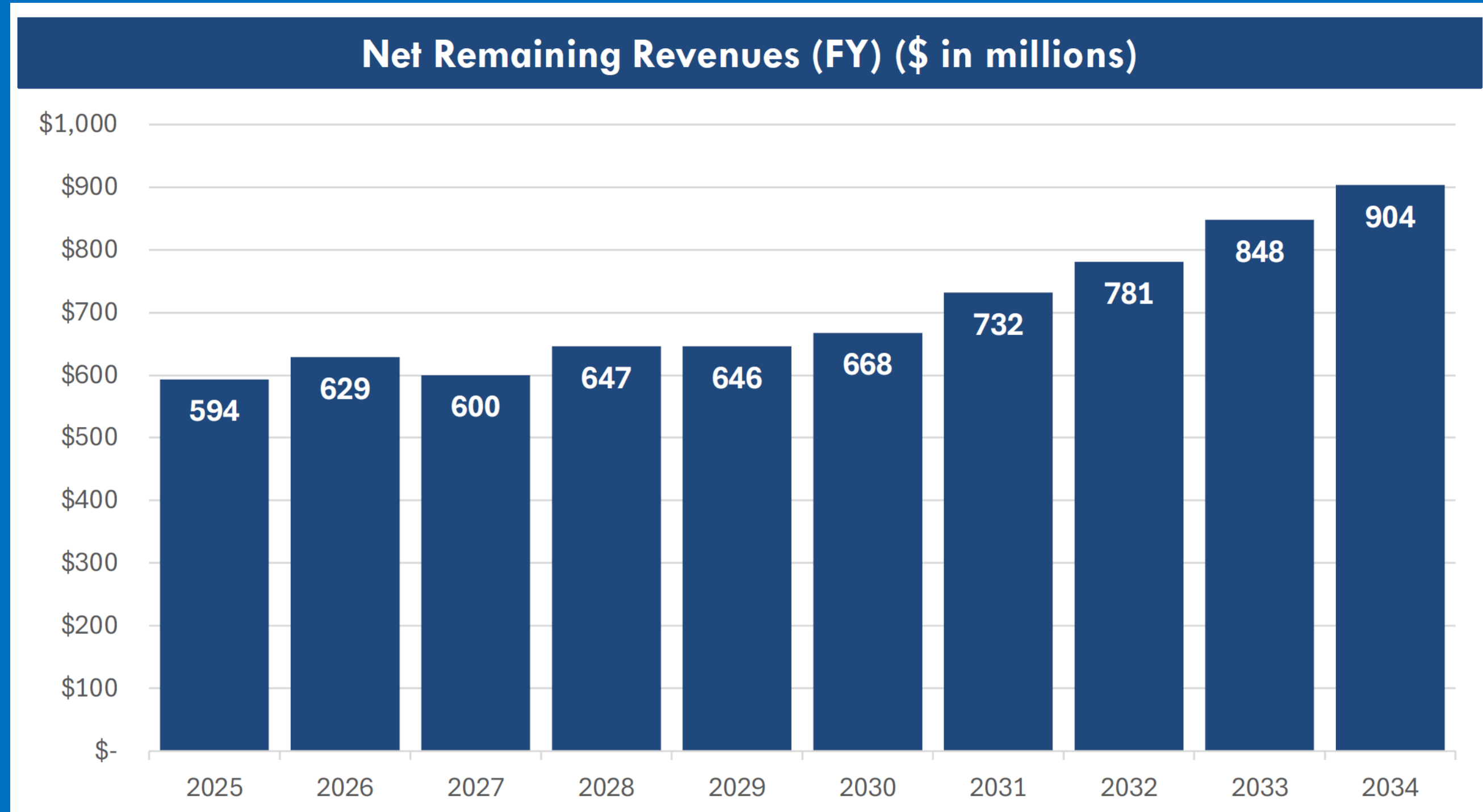
# LAX Has Strong Forecast Debt Service Coverage

- Total indenture debt service coverage remains above 1.63x during the forecast period
- Minimum under LAWA bond indentures equal to:
  - 125% for senior bonds
  - 115% for subordinate bonds



# LAX is Expected to Generate Significant Future Net Cash Flow

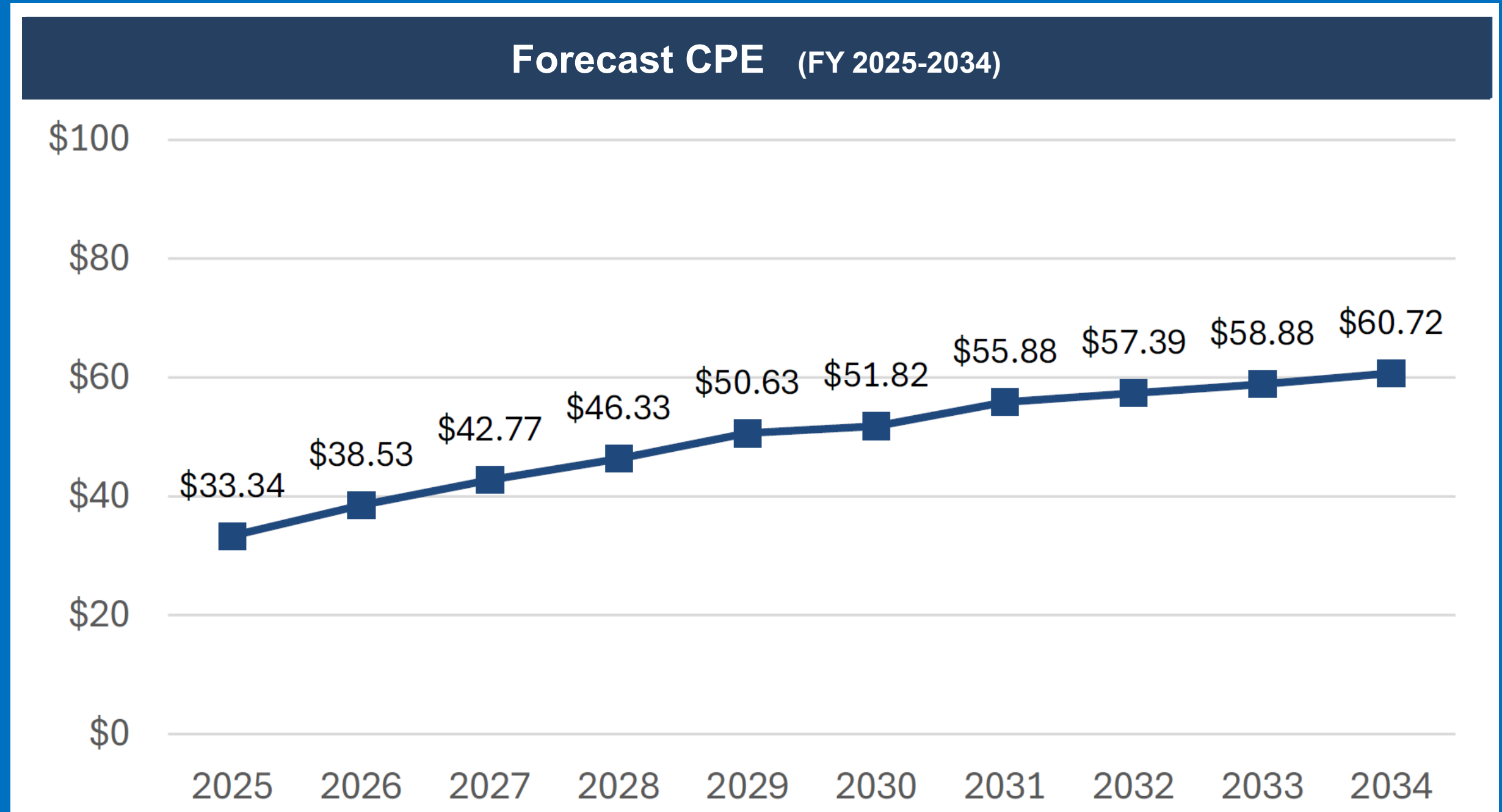
- Annual net cash flow is after annual debt principal and interest availability payments to developers
- Forecast to grow to \$900 million in FY2034



Source: Series 2025A-E Report of the Airport Consultant

# LAX Airline Cost per Enplaned Passenger (CPE)

- Forecast CPE is higher given significant Terminal Building and Airfield/Apron investments from Next Airport Capital Program



Source: Series 2025A-E Report of the Airport Consultant

# Current CPE—LAX vs. Other Large Hubs

## Current FY 2024 CPE

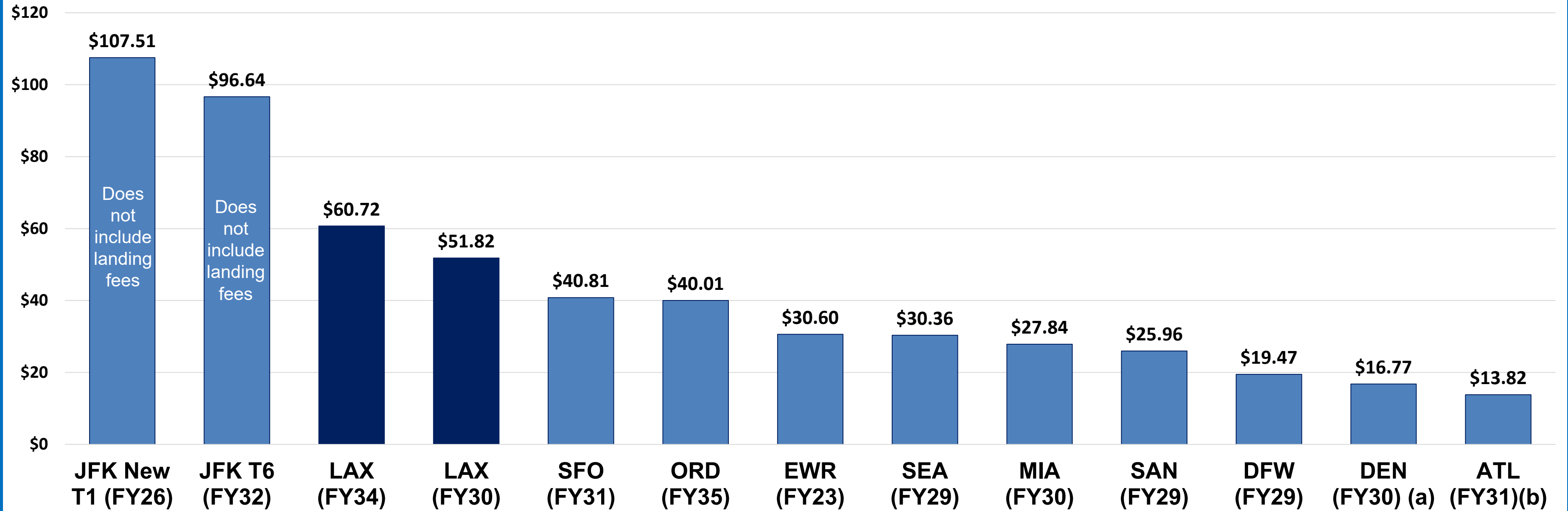


(a) Latest available information for EWR, JFK, and LGA. Includes landing fees. Does not include airline payments to private terminal operators.

(b) Includes payments to terminal operations and maintenance consortium.

# Future CPE—LAX vs. Other Large Hubs

## Future/Forecast CPE



(a) DEN's \$2.9B CIP for 2023-2027 was extended to 2035 with an additional \$9.9B of project cost that is not reflected in the CPE projection on this chart.

(b) Includes payments to terminal operations and maintenance consortium.



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