

Airport Investment and Strategy

Guam Economic Outlook for 2023

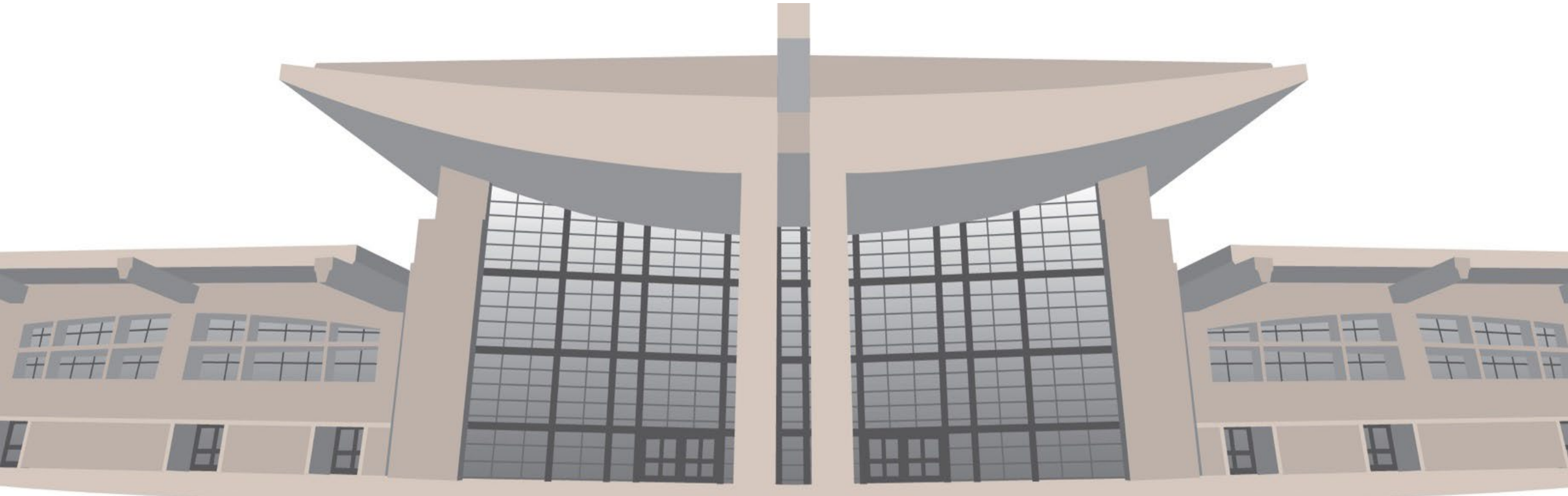
Guam Chamber of Commerce

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Artemio “Ricky” Hernandez, Ph.D.

Deputy Executive Manager

Guam International Airport Authority



Key Highlights

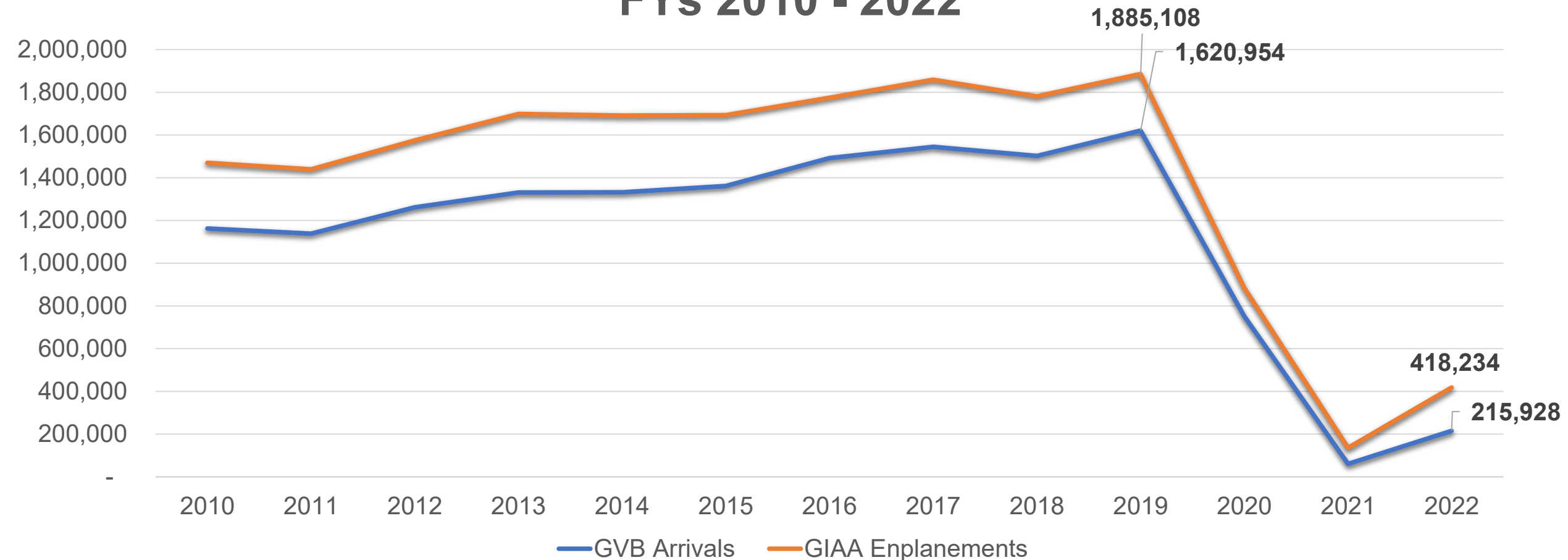
- GIAA Data Points and Discussion on Recovery
- Capital Investments and Infrastructure Funding
- Revenue Diversification

GIAA Data Points and Discussion on Recovery

- Enplanements
 - Any passenger boarding an aircraft including those connecting or transiting from another aircraft.
- GIAA enplanements data have historically followed GVB arrival trends

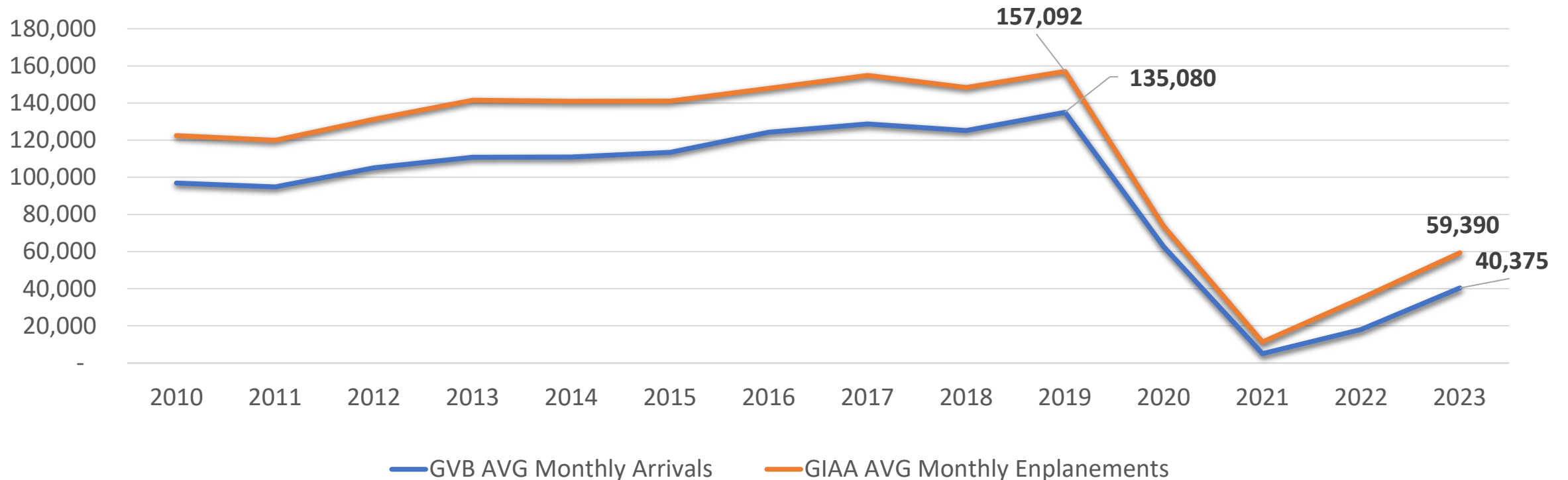
GIAA Data Points and Discussion on Recovery *continued*

GVB Arrivals v. GIAA Enplanements FYs 2010 - 2022



GIAA Data Points and Discussion on Recovery *continued*

GVB Arrivals v. GIAA Enplanements
Monthly Average
FYs 2010 - 2023YTD



GIAA Data Points and Discussion on Recovery *continued*

- GIAA Average Monthly Enplanements
 - About **38%** of FY 2019 Levels
- GVB data points:
 - Total Arrivals at **30%** of Average Monthly FY19 Arrivals
 - Korean Arrivals at **45%** of Average Monthly FY19 Arrivals
 - Japan Arrivals at just **5%** of Average Monthly FY19 Arrivals
 - Japan Outbound Travelers at **20%** of 2019 Levels*
- USCBP (International) Inbound Air Traveler Data**
 - Average Last 5 months v. Average Last 5 months before COVID-19
 - Guam at 36.26%
 - Hawaii at 36.62%
 - USA at 95.14%
- TSA Checkpoint Travel Numbers***
 - Average December 2022 v. December 2019
 - USA at 93.3%

*Data derived from JTB Tourism Research and Consulting Co. at www.tourism.jp/en/tourism-database/stats/outbound/

**USCBP data from www.cbp.gov/newsroom/stats/travel

***TSA data from www.tsa.gov/travel/passenger-volumes

Capital Investments and Infrastructure Funding

- Completed Projects Over Last 2 Years Totaling \$210 million
 - Security Screening Expansion and Modernization
 - International Arrivals Corridor
 - Aircraft Rescue and Fire Fighting (ARFF) Facility
 - 6L 24R Runway Rehabilitation Phase 1A and 1B
- Current and Future Projects
 - 6L 24R Runway Rehabilitation Phase 2
 - Master Plan Update
 - Terminal Roof Replacement and Renewable Energy Project
 - Air Cargo Apron and Fuel Extension Project
 - Terminal Apron Rehabilitation and Reconstruction Project

Capital Investments and Infrastructure Funding *continued*

- Bipartisan Infrastructure Law (BIL) for Airports
 - Airport Infrastructure Grant (AIG) Grant Program \$5 billion per year for 5 years
 - Airport Terminal Development Program (ATP) \$1 billion per year for 5 years
- GIAA expects over \$50 million from FAA Airport Improvement Program (AIP) Entitlements and BIL
 - Formula
 - AIP Entitlements: approximately \$24 million
 - BIL AIG: approximately \$30 million
 - Competitive/Priority-Based
 - AIP Discretionary Funding subject to FAA regional and national priorities
 - BIL ATP Grants Competitive Application

Capital Investments and Infrastructure Funding *continued*

- Aviation Industry Set Net-Zero Carbon Emissions Goals by 2050
 - International Civil Aviation Organization (ICAO)
 - Airports Council International (ACI)
 - International Air Transport Association (IATA)
- Long-Term Focus on Sustainability by US Government
 - Bipartisan Infrastructure Law advances climate resiliency
 - Transportation grant programs place emphasis on reducing greenhouse gas emissions and increase energy efficiency

Revenue Diversification

- Why is Revenue Diversification Needed?
 - Provides the airport increased financial stability
 - Strong framework to drive revenues up and reduce airline costs
 - Reduces the business risks during economic downturns
 - Provides a source of income for operations and infrastructure improvements
 - Attracts new business interests and broadens the tenant mix at the airport

Revenue Diversification *continued*

- Revenue from property rentals and leases outside the terminal building during the pandemic remained relatively stable
- There is interest for long-term aeronautical leases on Airport property such as hangars and/or MRO facilities
- Airport would like to attract private developers and Public Private Partnerships (P3s)
- Uncertainty in current process for leases beyond 5 years
- Timing and recovery are major factors

Thank you!

