



San Francisco International Airport

March 29, 2017

The Honorable Peter DeFazio  
United States House of Representatives  
2134 Rayburn House Office Building  
Washington, DC 20515

Subject: Investing in America: Rebuilding America's Airport  
Infrastructure Act (HR 1265)

Dear Representative DeFazio:

On behalf of San Francisco International Airport (SFO), I want to thank you for introducing the bi-partisan *Investing in America: Rebuilding America's Airport Infrastructure Act* (H.R. 1265) with Representative Thomas Massie. Your legislation, eliminating the federally imposed cap on the Passenger Facility Charge (PFC) user fee has been the airport community's highest legislative priority for some time.

Like many other large hub airports around the country, SFO is struggling to keep pace with passenger demand. SFO is focused on adding terminal capacity through the implementation of its current \$5.7 billion Capital Plan, while accommodating strong growth in both the international and domestic air service markets. SFO's Capital Plan also provides for significant investment in important infrastructure facilities to ensure the continued successful operation of the Airport.

Having the necessary financial resources to be able to continue upgrading SFO has been crucial to our success in attracting new international and domestic carriers as well as accommodate significant growth from our existing carriers. SFO has experienced seven continuous years of robust passenger growth, and expects continued strong growth for the foreseeable future. SFO is currently at its 2021 passenger levels based on the passenger forecast from just 2 years ago. These results have been of tremendous benefit to the local economy as well as the travelling public in terms of incredible fare competition.

An uncapped PFC would allow SFO to generate the revenue necessary to accelerate SFO's terminal program and other projects. These projects include the following: the complete renovation of Terminal 1 and constructing a new 24-gate boarding area and a new baggage handling system; completing the renovation upgrades to Terminal 3 West; the AirTrain extension to long-term parking; upgrades to the wastewater treatment center; and a comprehensive plan to address the seawall around SFO that has to be upgraded and completed in order to meet FEMA's 100-year flood protection requirements and to address 500-year flooding and eventual sea level rise due to climate change. The revenue generated from uncapping the PFC will allow SFO to more cost-effectively meet our capacity demands in future years, by holding down costs for the airlines while allowing SFO to better leverage the various funding mechanisms available.

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The Honorable Peter DeFazio

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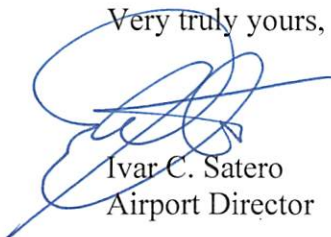
March 24, 2017

In a region where tourism is the biggest economic driver, SFO contributes \$7.8B both directly and indirectly to the regional economy and provides for 40,000 jobs on-Airport and 158,400 travel-related jobs in the region, all of which rely upon the successful continued operation of SFO. Our ability to maintain facilities and leverage resources through an increase in the PFC is critical to our ability to continue to perform as an economic engine for the Bay Area.

I wish to thank you for your support of SFO in recent years, and I look forward to working with you and your staff in the years to come. I know that John Martin was so appreciative of your efforts to assist SFO, particularly with respect to our Security Operations Center and the new air traffic control tower.

I realize that your time is overcommitted, but if you or your staff would have time for a short briefing on SFO's projects, please do not hesitate to let us know.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Ivar C. Satero", is written over the typed name and title. The signature is fluid and somewhat abstract, with a large loop at the top and a long horizontal stroke extending to the right.

Ivar C. Satero  
Airport Director