King County International Airport

DRAFT SYNTHESIS REPORT

C&S COMPANIES

King County International Airport Boeing Field

AGP ASCENSION GROUP PARTNERS

September 10, 2026

1.0 INTRODUCTION

Ascension Group Partners ("AGP"), as subconsultant to C&S Companies, was engaged by King County International Airport / Boeing Field ("BFI" or "the Airport") to conduct a Rates and Charges Study. The purpose of the study is to determine aeronautical fees sufficient to cover the Airport's operating expenses and its share of funding for planned capital projects. A survey of market-based rates was conducted across a peer set of airports to provide a comparable benchmark informing a cost recovery methodology consistent with FAA rate setting guidance.

BFI's operating budget is self-sufficient, but the Airport's capital expenditures will grow substantially heading into the Taxiway B Safety Improvement Project. BFI ended FY2025 with $28.7 million in reserve, following $5.1 million in operating income for the year. This reserve, while substantial, will be insufficient to fund the Airport's share of Taxiway B capital costs given a declining operating income trend. Operating expenses are projected to grow faster (6.25% – 6.85% annually) than aeronautical operating revenues[1], further necessitating rate increases to maintain the Airport's financial self-sufficiency.

Federal Airport Improvement Program (AIP) sources are expected to fund the 90 percent of the $745 million[2] Taxiway B project over the ten-year planning horizon. However, the Airport Sponsor's required contribution to capital projects, including projects that are not eligible for federal funding, is expected to total $142.5 million, of which $57.4 million is required by 2030.

A combination of large capital projects and operating expenses outpacing revenue growth are the primary drivers of this study, independent of how BFI's current fees compare to the peer market. Market benchmarking is therefore used to demonstrate how recommended fees are positioned relative to comparable airports, as the financial pro forma establishes that fee increase are necessary.

This report is intended to satisfy the comparative market analysis component (Requirement A) of the King County budget proviso conditioning release of $250,000 in appropriated funds on the Executive's transmittal of this analysis and the Council's passage of a motion acknowledging receipt. AGP's recommendations in this report independently validate the Airport's previously proposed rates assumed in the biennial budget against the market survey of comparable airports. New and uncollected fee categories discussed in Section 3 reflect AGP's own recommendations based on national industry best practices. Proviso Requirements B (major lease terms for existing tenants) and C (five-year monthly occupancy and vacancy rates) are separate work products outside the scope of this engagement.

[1] King County 2026-2027 Biennial Budget
[2] KCIA Taxiway B Cost Load Schedule, August 20, 2026 (see Appendix B).

1.1 RATE SETTING METHODOLOGY

The FAA prefers that airport rates be kept as low as practical to promote aeronautical activity, and that rates be established in consultation with local users. Federal law does not prescribe a single approach to rate setting; airports may use their preferred methodology so long as it is applied consistently to similarly situated aeronautical users and conforms to the requirements of the FAA's Policy Regarding Airport Rates and Charges. The FAA will not ordinarily investigate the reasonableness of a general aviation airport's fees absent evidence of a progressive accumulation of surplus aeronautical revenues.

AGP applies a hybrid market-based, cost recovery approach to rate setting for BFI. Under this methodology, the Airport charges market-based rates comparable to a peer set of airports for aeronautical related services, while the landing fee is calibrated to balance the Airport's operating and capital budgets after cross crediting other airport revenues and any reserves. Surplus revenue from the operating budget is transferred to the Airport's reserve fund. Landing fee and parking revenue collected from transient aircraft are intended to be proportional to airfield usage, in order to balance operating requirements with capital reserve funding.

1.2 COMPARABLE AIRPORTS ANALYSIS

AGP evaluated 4,241 publicly owned, public use airports nationwide and scored them against seven criteria to identify the airports most comparable to BFI:

- National Plan of Integrated Airport Systems (NPIAS) role
- Number of based aircraft
- Operations for Airport Reference Code C-II aircraft or larger
- Presence of an Air Traffic Control Tower (ATCT)
- Presence of an Instrument Landing System (ILS) approach
- Acres of airport land
- Airport Rescue and Fire Fighting (ARFF) Index

Data was acquired from the FAA Form 5010-1 Airport Master Record database. Traffic Flow Management System Count ("TFMSC") operations for Airport Reference Code C-II aircraft or larger were acquired from the FAA Aviation System Performance Metrics Web Data System.

All airports in the Peer Set were scored on the seven criteria by indexing the value for each airport to the value for BFI on a scale of 0 to 1, where 1 indicates airports with an identical value and 0 indicates the most dissimilar value to BFI. For instance, BFI received a score of 1 in each of the seven criteria for a total index score of 7.00. Long Beach (LGB) was the highest ranked comparable airport with a total index score of 6.80: NPIAS Role (0.89), based aircraft (0.97), TFMSC C-II Operations (0.96), ATCT (1.00), and ILS (1.00), acres (0.98), and ARFF Index (1.00).

Twenty-one (21) airports were identified for inclusion in the Peer Set, consisting of fourteen comparable airports, four additional Western comparable peers, and three National competitive airports (*Figure 1*).

Rank	Code	City	State	Runway (ft)	Acres	NPIAS Role	ARFF	Based AC	CII TFMSC	INDEX
1	BFI	SEATTLE	WA	10,007	634	Non-Hub	C	383	22,450	7.00
2	LGB	LONG BEACH	CA	10,000	1,166	Small	C	398	39,575	6.80
3	BZN	BOZEMAN	MT	8,994	2,481	Small	C	394	34,526	6.79
4	DAB	DAYTONA BEACH	FL	10,500	1,800	Non-Hub	C	260	9,957	6.71
5	JQF	CONCORD	NC	7,402	750	Non-Hub	C	245	7,142	6.70
6	MLB	MELBOURNE	FL	10,181	2,420	Non-Hub	C	263	8,328	6.69
7	STS	SANTA ROSA	CA	6,000	1,125	Non-Hub	B	334	15,691	6.68
8	ISP	ISLIP	NY	7,006	1,311	Small	C	264	16,218	6.63
9	PIE	ST PETERSBURG	FL	9,730	1,900	Small	C	261	25,876	6.62
10	PGD	PUNTA GORDA	FL	7,193	1,934	Small	B	399	16,526	6.61
11	TLH	TALLAHASSEE	FL	8,000	2,485	Non-Hub	C	207	16,324	6.60
12	BIL	BILLINGS	MT	10,518	2,500	Non-Hub	C	197	15,117	6.58
13	BTR	BATON ROUGE	LA	7,500	1,250	Non-Hub	C	170	18,336	6.58
14	MSO	MISSOULA	MT	9,501	2,700	Non-Hub	C	174	13,140	6.53
15	LAL	LAKELAND	FL	8,500	1,776	National	B	320	8,958	6.51
18	SBP	SAN LUIS OBISPO	CA	6,101	340	Non-Hub	B	225	12,687	6.48
21	HLN	HELENA	MT	9,000	1,224	Non-Hub	B	233	4,434	6.45
22	RDD	REDDING	CA	7,003	1,584	Non-Hub	B	240	3,987	6.45
23	PAE	EVERETT	WA	9,010	1,315	Non-Hub	B	552	9,894	6.44
255	MMU	MORRISTOWN	NJ	5,998	625	National	NULL	169	11,964	5.87
348	VNY	VAN NUYS	CA	8,001	725	National	NULL	752	37,658	5.56
387	APA	CENTENNIAL	CO	10,001	1400	National	NULL	863	18,654	5.36

Western Peers National Peers

Figure 1. BFI Peer Set Airports.

The four Western peers were the next highest ranking airports in the FAA's Western Service Area that includes the Northwest Mountain and Western Pacific regions. These airports were included to ensure the analysis satisfies the King County proviso's requirement of at least ten comparable airports in the western region: Long Beach (CA), Bozeman (MT), Santa Rosa (CA), Billings (MT), Missoula (MT), Van Nuys (CA), Centennial (CO), San Luis Obispo (CA), Helena (MT), Redding (CA), and Everett (WA). The National peers were selected, despite their poor rankings due primarily to lack of ARFF certification, because they compete nationally for large general aviation activity and therefore provide valuable market context.

Surveys of peer airports were conducted to collect aeronautical rates and charges that provide insight into competitive and fair market ranges for each fee category. While ground leases, hangar rents, and fuel flowage fees often account for nearly all aeronautical revenues at general aviation airports, many other circumstances influence the revenue generating ability of an airport to cover capital and operating expenses toward the FAA's stated goal of self-sufficiency. Additional income derived from airport owned FBOs, commercial aeronautical operators, large aircraft operations, local economic development, and

occasionally nonaeronautical leases for facilities, ground, or natural resource extraction may offset or subsidize aeronautical rates necessary to cover the rate base.

Comparable market rates are informative in determining appropriate rates at BFI, but market rates may reflect other revenue sources, public sponsor subsidies, or different operating and capital expenditure needs. Therefore, the Airport may unilaterally impose fees outside of market ranges, after consultation with users, if it is consistent with FAA policy and necessary to promote self-sufficiency.

2.0 COMPARATIVE RATE MATRIX BY FEE CATEGORY

This section summarizes the matrix of fee data collected from the survey of peer airports relative to BFI. The market analysis includes aeronautical fees such as landing fees, fuel flowage fees, aircraft parking fees as well as nonaeronautical operating fees such as vehicular parking and ground transportation fees. Aeronautical ground and facility lease rates were surveyed along with the operational fees and are included in this summary despite being established by appraisal under King County Code. A summary of the ranges for each fee category is below. The consolidated fee matrix can be found in Appendix A.

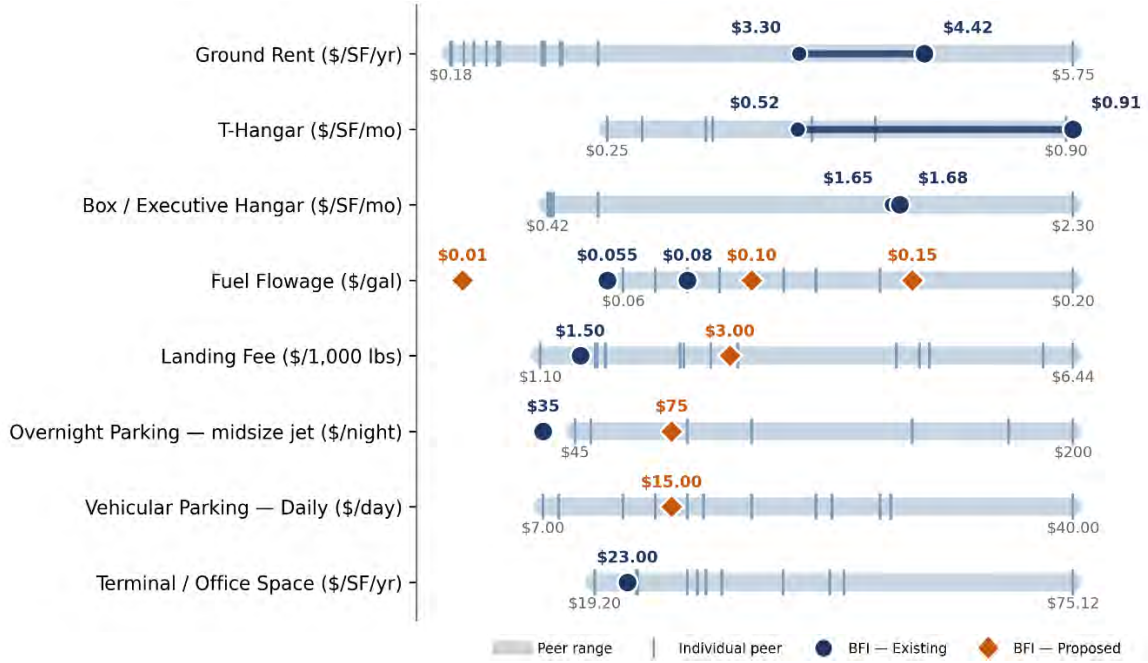

Figure 2. Peer Airport Fee Comparison Summary.

Ground and facility lease rates sit at or above the midpoint of their respective peer ranges and have kept pace with the broader market because these rates are periodically adjusted to fair market value through an independent appraisal process required under King County Code. By contrast, aeronautical and nonaeronautical operating fees cluster at or near the low end of their peer ranges, in some cases falling below the lowest peer entirely. These operating fees have not kept pace with the market over time without the same periodic, externally driven adjustment that ground and facility leases receive through appraisal. The practical effect is that BFI's revenue base has become heavily reliant on ground and facility lease rents, while landing fees, fuel flowage fees, and parking fees have drifted below comparable airports. This imbalance provides a rationale for fee increases in alignment with the market.

2.1 LANDING FEES

BFI's current landing fee is $1.50 per 1,000 lbs for aircraft over 12,500 lbs. Peer airports cluster around $3.00 per 1,000 lbs, with larger general aviation airports in the $4.50–$6.00 for aircraft between 6,000 – 10,000 lbs, or even all transient aircraft down to 0 lbs.

The landing fee applies only to transient (non-based) aircraft, since based aircraft already contribute to airport revenue through ground or hangar lease, tiedown rents, fuel flowage fees, and other aeronautical operating fees. This practice is standard for airports as is exempting light GA aircraft on the premise that heavier aircraft contribute more to pavement deterioration.

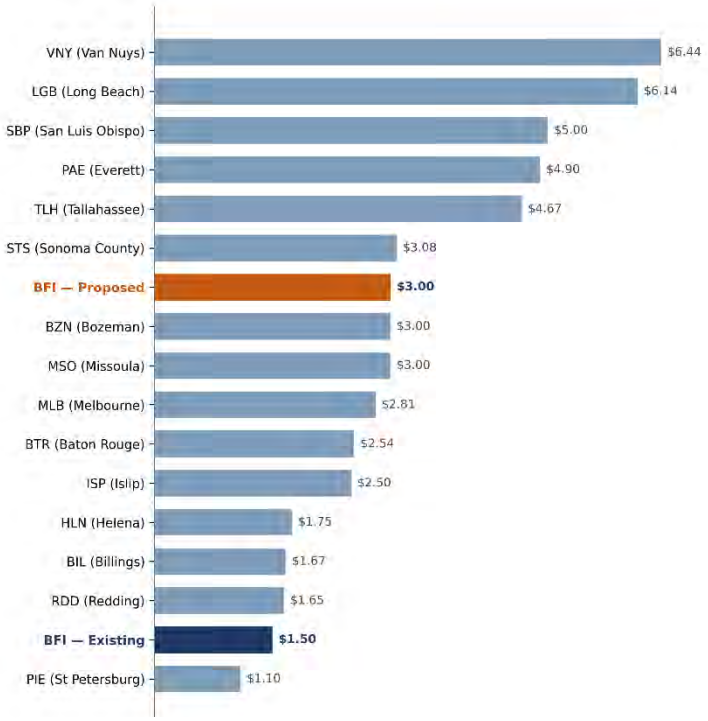

Figure 3. Aircraft Landing Fees ($/1,000 lbs.)

Weight is a significant factor in pavement deterioration, but moisture and wet weather loading also contribute independent of the aircraft using the runway. Light GA aircraft operating well within the pavement's designed weight bearing capacity still contribute to that wear through frequency of operations. A landing fee threshold set at 12,500 lbs exempts light GA traffic from contributing to a repair and replacement cost of capital assets utilized by the fleet. Lowering the threshold to 8,000 lbs captures a meaningfully larger share of that traffic without reaching down to the smallest, lowest impact aircraft.

Landing fees are also one of the few fee categories at BFI that scale directly with airfield activity rather than with a fixed lease term or uniformly applied to all users. Landing fees are a usage charge based on the weight of an aircraft, making this fee one of the more direct levers available to recover costs proportionate with the usage and wear an aircraft operation contributes to the airfield. Transient aircraft account for approximately 40% of landed weight at BFI, yet contribute only about 3% of aeronautical revenue under the existing $1.50/1,000 lbs fee, which would increase to nearly 7% at $3.00/1,000 lbs.

Recommendation: Increase the landing fee from $1.50 to $3.00 per 1,000 lbs for aircraft over 8,000 lbs, with a future phased increase to $4.50 to be reexamined as capital funding needs require.

2.2 FUEL FLOWAGE FEES

BFI's current fuel flowage fee is $0.08 per gallon on Jet A and $0.055 per gallon on Avgas. Rates at $0.15 / gallon Jet A and $0.10 / gallon for Avgas sit at the higher end of the peer range. However, most of the peers are commercial service airports with revenue sources not available to BFI.

Fuel flowage revenue has declined as a share of airport revenue over time. Modern engines burn less fuel so even a growth in operations no longer translates into proportional fuel flowage fees. At the same time, fuel network consolidation and contract fuel pricing have made it increasingly practical for larger business jet and charter operators to "tanker" fuel. This allows large operators to fuel up at airports with favorable contract pricing and skip purchases along their route.

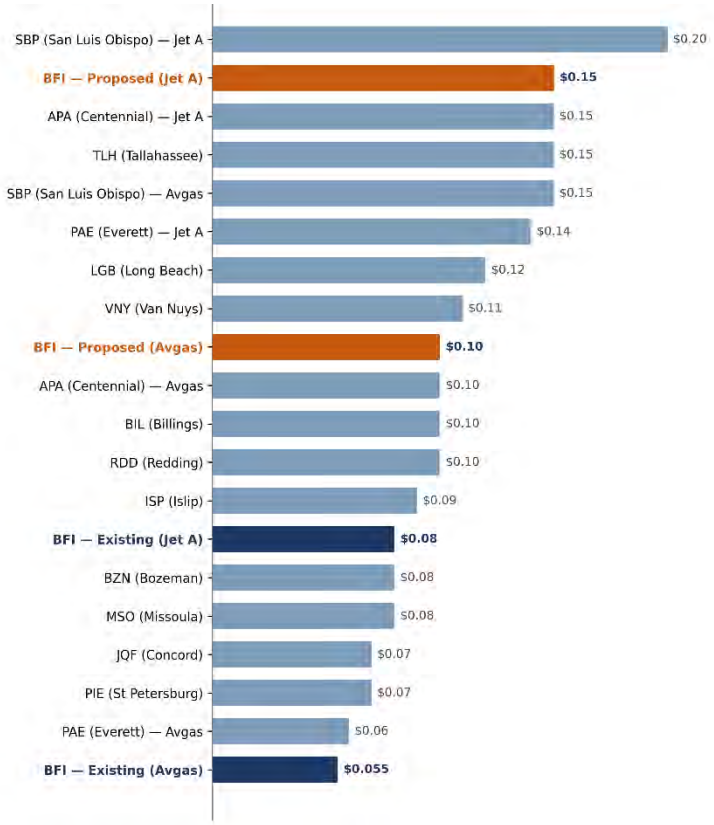

Figure 4. Fuel Flowage Fees ($/gallon).

Due to these underlying structural trends, the flowage rate has to increase over time simply to maintain a steady share of revenue. It also means fuel flowage is a comparatively fragile stand alone lever for closing BFI's capital funding gap. Even an increase to $0.15/gallon does not offset slower growth in fuel flowage in the same way as a broad increase across landing fees, parking, and other operating fees. This dynamic supports BFI's rate calibrated to the peer market in the future so that fuel flowage revenues maintain a proportional share of aeronautical operating revenue.

Recommendation: Increase the fuel flowage fee from $0.08 to $0.15 per gallon on Jet A, introduce a bifurcated 100LL Avgas / Sustainable Aviation Fuel (SAF) rate of $0.10 per gallon, and add a $0.01 per gallon fee for unleaded fuel to incentivize the transition to unleaded fuel.

2.3 AIRCRAFT PARKING

BFI's current overnight aircraft parking rates are tiered by aircraft weight. The proposed fee schedule uses a wingspan-based tier aligned with the FAA Airplane Design Group (ADG) classification. The heatmap compares BFI's existing and proposed rates to available peer data, with peer rates approximated to the nearest ADG equivalent group using each airport's own aircraft type, wingspan, or weight tiers.

Among the peer set, Long Beach (LGB) is both the most comparable airport and also a base to large aerospace manufacturing tenants. LGB's transient aircraft parking rates are structured for a growing business aviation sector that includes large cabin corporate, business and transport category jets. LGB shares a similar fleet mix with Boeing's active flight operations that most other peer airports don't accommodate.

	SE <36'	Group I 36'-49'	Group II 49'-79'	Group III 79'-118'	Group IV 118'-171'	Group V 171'-214'	Group VI 214'-262'
BFI — Existing	$10	$10	$21	$35	$19	$86	$86
BFI — Proposed	$10	$30	$75	$600	$900	$1,200	$1,500
LGB (Long Beach)	$60	$132	$150	$624	$960	$1,500	$1,500
ISP (Islip)	$75	$75	$100	$200	$200	$200	$200
PGD (Punta Gorda)	$30	$30	$90	$100	$250	$250	$250
JQF (Concord)	$22	$22	$125	$180	$405	$405	$405
BZN (Bozeman)	$10	$10	$40	$80	$160	$160	$160
MSO (Missoula)	$25	$25	$50	$200	$300	$300	$300
STS (Sonoma County)	$11	$29	$36	$45	$60	$95	$95
SBP (San Luis Obispo)	$15	$15	$50	$50	$150	$150	$150
RDD (Redding)	$7	$7	$22	$45	$45	$45	$45

Figure 5. Aircraft Parking Fees by Aircraft Design Group (4 - 24 hours).

BFI's current flat rate ceiling caps out at $86/night for aircraft above 275,000 lbs. Under LGB's comparable structure, that same aircraft would be priced up to $1,500/night. This gap is a structural one, not just a pricing one. BFI's existing weight tiers have no mechanism to price aircraft above the 275,000 lb. Every aircraft above that threshold pays the same $86/night. Moving to a wingspan-based ADG structure, aligned with LGB, is what allows BFI to differentiate prices for larger aircraft up through Group VI. The proposed BFI fee schedule closely mirrors LGB across Groups III through VI while remaining below LGB in the smaller groups since these account for the majority of BFI's transient traffic.

Recommendation: Restructure aircraft overnight aircraft parking from a weight-based tiers to a daily (4 < 24 hours), wingspan-based categories using FAA Airplane Design Group (ADG) tiers calibrated to align with LGB at the upper end of the tier range. Establish a short-term aircraft parking rate (0 < 4 hours) at 1/6th the daily rate.

2.4 VEHICLE PARKING

BFI recently introduced a daily public vehicular parking rate schedule of $3 per hour, $15 per day, and $100 per week, with tenant employee parking held at $100 per month.

The proposed rate positions BFI conservatively within the peer set. At $15/day, BFI's proposed rate sits below all but two of the fifteen peers surveyed, well under the peer average of approximately $20/day. This is an introductory rate rather than a market matching one in order to establish a structured vehicle parking fee for hourly, daily, and weekly tiers where none previously existed without pricing BFI's general aviation passengers and tenants at the level of higher cost peers.

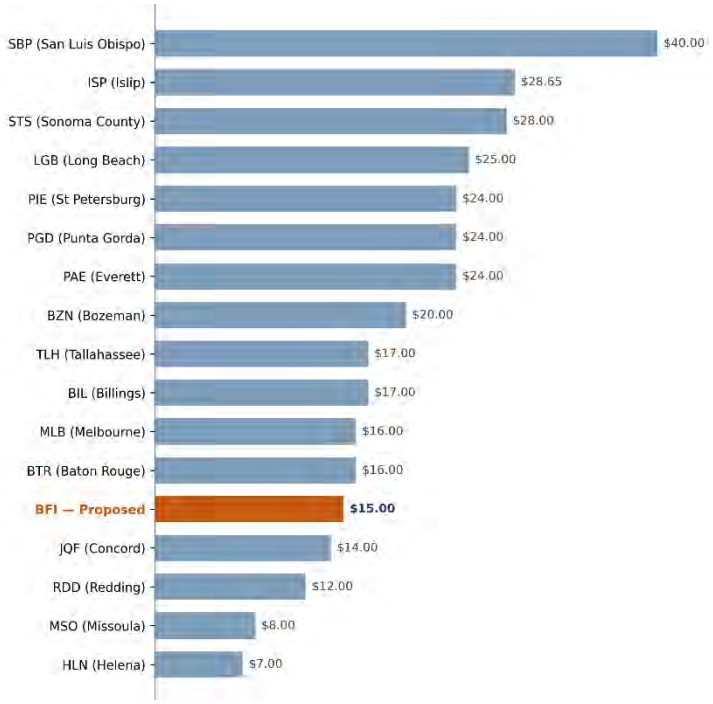

Figure 6. Vehicular Parking Fees ($/day).

An hourly/daily/weekly tier with a discounted monthly rate for tenant employees is the standard structure used across the peer set. This gives BFI a defensible, market framework to build on, with room to increase the daily rate toward the peer median in a future phase once activity levels and a revenue baseline are established.

Recommendation: Introduce vehicle parking at $3/hour, $15/day, and $100/week with tenant employee parking at $100/month, consistent with rate structures at a deliberately conservative price point allowing for future consideration of adjustment toward the peer median if appropriate.

2.5 GROUND AND FACILITY LEASE RENTS

Ground and facility lease rents were surveyed for market context but are not within the scope of this study's recommendations. These rates are governed through King County Code's requirement that leases be periodically adjusted to fair market value by appraisal. They are included here to complete the comparative matrix required by the proviso and to provide context for the revenue mix discussion.

Ground lease and hangar rent rates are difficult to compare because property leases are uniquely determined based on existing improvements, access to the airfield, negotiation between parties, appraisals, and/or comparative properties. Surveying these rates is informative, but such rates are not universally comparable across airports. They are typically influenced by terms specified in the lease such as required scheduled improvements over the lease term and reversion requirements at the end of the term. Ground lease rates are often bifurcated for unimproved sites with no utilities or taxiway access and improved sites that have utilities and taxiway access. For simplicity, both improved and unimproved ground rate ranges are depicted together in the figure below.

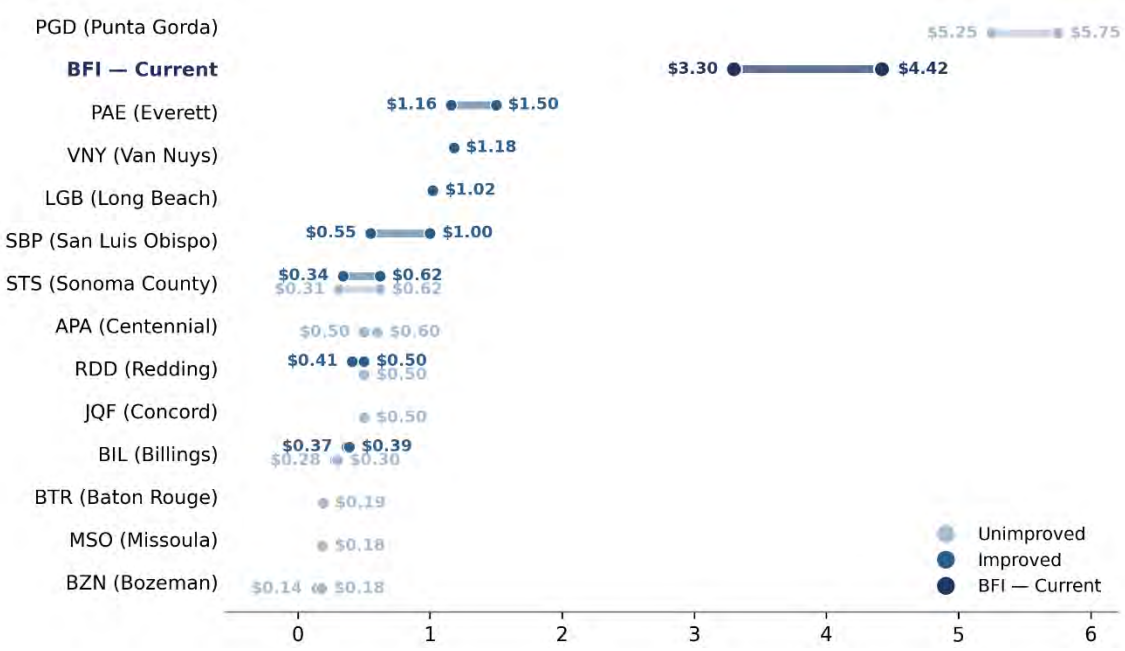

Figure 7. Aeronautical Ground Rent Charges ($/SF annually).

BFI's existing ground rent of $3.30 - $4.42/SF per year sits well above peers surveyed, except for Punta Gorda (FL), consistent with fair market value set through appraisal in a major metropolitan area.

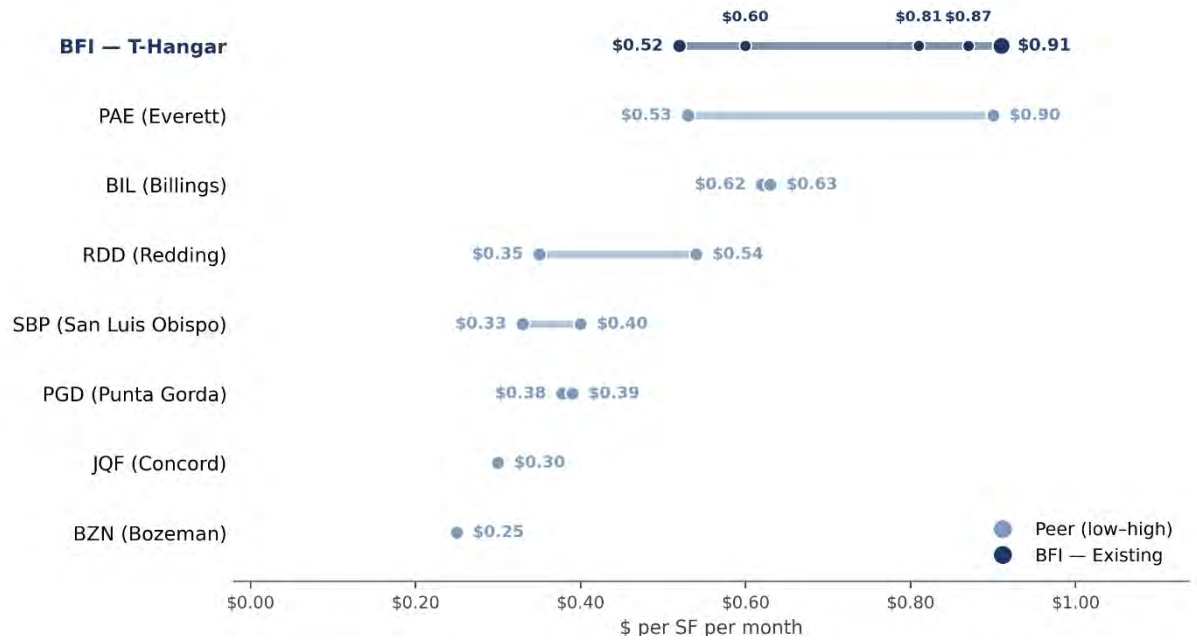

Figure 8. T-Hangar Facility Rent ($/SF monthly).

T-Hangar and box/executive hangar rents are also governed through the County's appraisal process and, like ground rent, are presented here for market context rather than as part of the published fee schedule. BFI's existing and proposed rates sit near the top of the respective peer ranges.

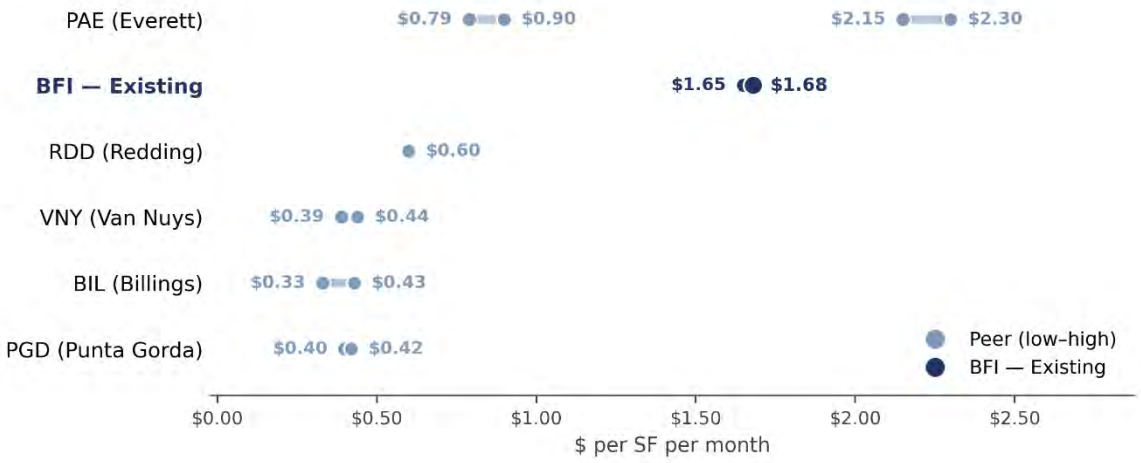

Figure 9. Box Hangar Rent ($/SF monthly).

BFI's current terminal/office space rate of $23.00 per square foot annually (excluding a separate $10/SF Common Area Maintenance charge) sits near the low end of the peer range. Most peer airports are served by major network or low cost carriers providing scheduled commercial service, which supports higher-value terminal space demand than BFI's general aviation profile.

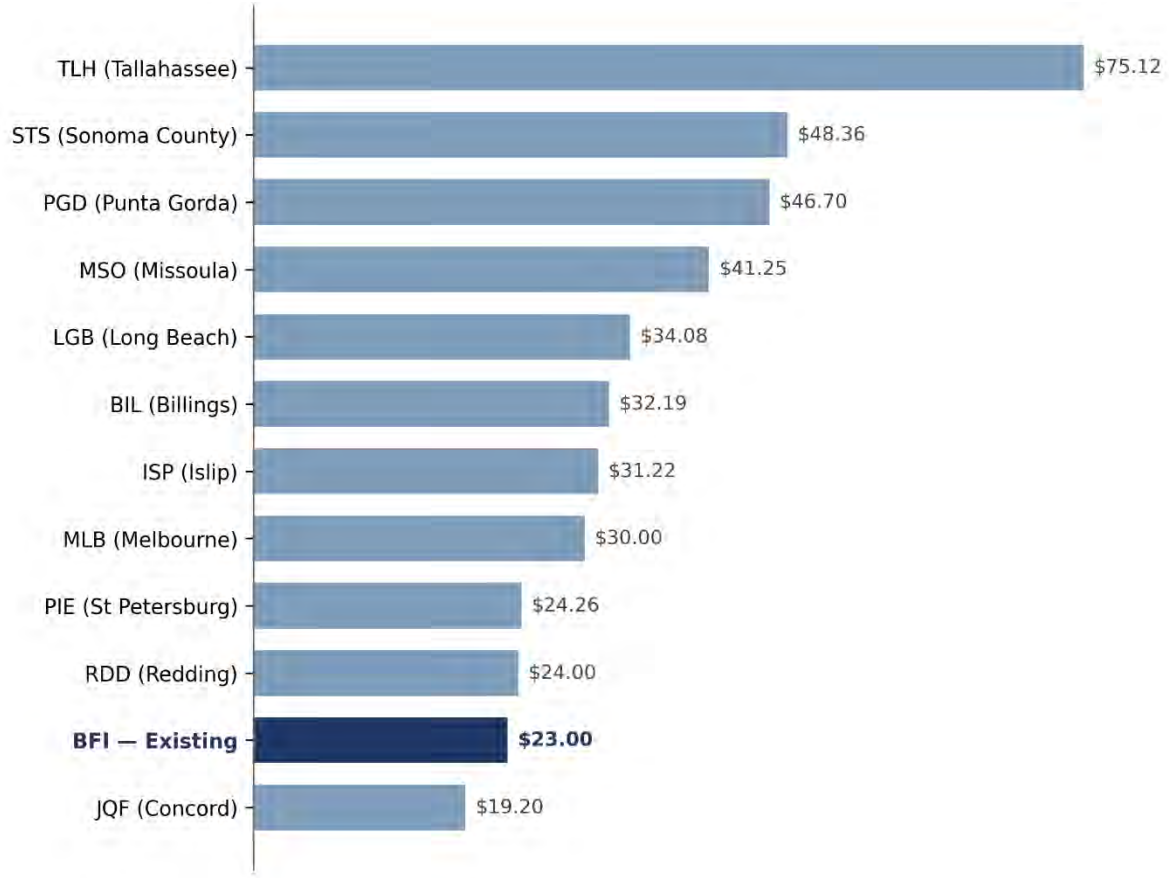

Figure 10. Terminal / Office Rent ($/SF annually).

3.0 NEW AND UNCOLLECTED REVENUE OPPORTUNITIES

In addition to benchmarking BFI's existing fee categories, the market survey identified several other fee categories that appear in peer airport fee schedules, but are not consistently collected at BFI:

Commercial Aeronautical Permit Fee

BFI does not currently collect a Commercial Aeronautical Permit Fee. However, the previously proposed fee schedule introduced a $1,000 fee for an initial Specialized Aviation Service Operation (SASO) permit with a $500 renewal, and a separate $150 tier for independent operators, with permits typically running two years (one year for new entrants) and independent operator permits renewed annually.

Commercial aeronautical permit fee structures vary significantly in both approach and magnitude at peer airports. Centennial charges a comparable one-time structure $1,500 for a SASO application with a $500/year minimum thereafter, in line with BFI's proposed fee. San Luis Obispo applies a more detailed structure with a common $450 application / annual renewal fee in addition to annual permit fees of $2,500 for FBOs/SASO to $1,000 fee for other commercial operators. Others like Billings simply charge a flat $300 fee while Concord and Sonoma County apply a regularly reoccurring fee. Concord charges FBOs $2,200 per month with SASO rates from $55–$385 depending on operation type. Sonoma County charges an annual operating agreement fee ranging from $456 (aeronautical, based, limited services) to $748 (nonaeronautical, based, full service).

BFI's proposed fee sits in the middle of the peer range among airports using a comparable initial / renewal permit structure, and a separate, lower cost Independent Operator tier ($150) is a distinction most peers in this survey do not offer. This provides BFI a defensible structure that doesn't overprice smaller independent operators relative to full service FBOs.

Nonaeronautical Permit Fees: Rental Car, Ground, and Transportation Network Company (TNC)

Ground transportation permits are a common fee category across the peer airports that share a common structure worth adopting. Most peer airports incorporate (1) an upfront annual or percentage of gross permit or application fee, (2) an ongoing per vehicle annual fee, and/or (3) a fixed or variable per trip fee that scales with vehicle size (seat count). Ten percent (10%) of gross revenue for on-airport rental car concessions, and $2–$6 per trip for Uber/Lyft (TNC) pickups and drop offs via a geofenced access system have become industry standard.

No fee is currently collected at BFI. The recommendation is to establish a ground transportation permit structure for car rental, TNC, and shuttle van / charter operators at BFI combining a fixed application/annual permit fee with a 10% of gross receipts for rental car operators, a $4 per trip rate for TNC / ground transportation operators under 10 seats, or a $1.50 / seat rate for vehicles 10 seats or larger.

Derelict / Non-Operational Aircraft Fee and Nonaeronautical Storage Fee

A fee of approximately $1,500 per non-operational aircraft occupying a tiedown, and 150% of standard hangar rent for hangars without an operational aircraft, is an emerging practice at several general aviation airports in Northern California and is not currently collected at BFI.

Alternatively, airports charge a fee for nonaeronautical storage on a price per square foot basis (e.g., Punta Gorda: $0.47/SF annually and Everett: $0.61/SF monthly). This reflects FAA policy requiring that any nonaeronautical use of aeronautical facilities, including hangars, be charged fair market value rent comparable to what the same storage would command off airport, regardless of whether that use is permanent or only temporary. An aircraft without an airworthiness certificate is a nonaeronautical use subject to this requirement even if the arrangement is short-term. Non-aeronautical storage rates allow an airport to assess non-operational aircraft as well as permanent and temporary nonaeronautical storage, but it is difficult to apply for derelict aircraft in tiedown spaces.

Through-the-Fence (TTF) Fee

BFI already collects a through-the-fence fee of five percent (5%) of the applicable ground rent for aeronautical use of Airport facilities by operators based on adjacent, fee simple property. Only Concord ($440/month minimum), Sonoma County ($342–$446/month), Tallahassee ($350/day access charge for specialized operators, or 12% of gross for aeronautical use), and Centennial (equal to the FBO ground rent rate) publish a comparable fee, and none use a directly comparable percentage of ground rent structure.

Given the limited peer data, BFI's TTF fee is better evaluated against FAA policy than peer set airports. It is worth noting that most of FAA's published through-the-fence policy governs residential through-the-fence access specifically. BFI's TTF fee applies to aeronautical, non-residential use, which is not directly addressed by the statutory framework and is governed instead by the federal grant assurances that apply to airport access broadly, most notably Grant Assurance 5 (Preserving Rights and Powers) and Grant Assurance 22 (Economic Nondiscrimination). The core compliance principle under both is the same regardless of whether the TTF arrangement is residential or commercial: an off-airport operator gaining access to airport facilities must not do so on more favorable terms than an on-airport tenant would receive, or the arrangement risks being treated as an improper grant of access and a potential Grant Assurance 22 violation. BFI's 5% of ground rent structure is consistent with that principle in that it ties the TTF charge to the same rent basis used for on-airport tenants, rather than setting an independent, potentially lower rate for off-airport access.

No change to the TTF fee is recommended. However, BFI should periodically benchmark the TTF rate against current ground rent to gauge how revenue compares with on-airport tenant rates.

Badge and Vehicle Access Fees

BFI's current flat $25 lost badge fee is below market and likely insufficient to recover the cost of administering the full access badge program. Peer airports typically charge $30–$60, assessed separately for initial issuance, renewal, and criminal history background checks as well as incremental fines for multiple lost or reissued badges. Separate from personnel badging, many peer airports charge a distinct fee for airfield vehicle access permitting in the range of $12–$50 / vehicle.

BFI's proposed schedule is more structured, incorporating a tiered replacement fee ($100 for a first offense, $150 for a second, $200 for a third, with a fourth replacement resulting in revocation), a separate key fee schedule ($10/$20/$30 across the same tiers), and a distinction between a $100 fee for tenant unreturned badges versus $500 for contractor unreturned badges.

Special Event Permits: Filming and Temporary Nonaeronautical Access

Several peer airports have established detailed fee schedules for filming and other special events, which represent a fee category BFI has not developed. BFI's current approach applies a general a burden rate by position to capture cost recovery for staff time but does not distinguish between event types or scale with the nature or duration of access. This approach is a simple method to recover the cost of staff time but should be periodically reviewed to ensure rates and level of effort adequately recover staffing costs.

Conference Room / Meeting Space Rental

Several peers monetize administrative office space as an additional, albeit minor, source of revenue ranging from $50 - $150 / hour and up to $800 / day). Rental of airport and/or terminal facilities for tenant, transient, and public usage can facilitate the airport's role as a business and economic hub.

Administrative, Late, and Credit Card Processing Fees

Administrative fees may take many different forms. A fee for coordinating or paying invoices on a tenant's behalf is charged at several peers as either a flat minimum or a percentage between 10% - 15% of the amount processed. BFI's credit card convenience fee (2.5%) is already within the peer range (0%–3%) and a new administrative / late fee matching the 2.5% is recommended.

Lease Application / Assignment Fees

Peer airports are increasingly moving toward percentage-based fees on lease renewals and assignments, in place of a fixed cost recovery fee, to capture a share of the value created for tenants by an extended or assigned lease term. BFI currently includes a range of percentage-based fees into ground leases and also assesses a $250 administrative tie-down change fee for non-hangar storage. No change is recommended.

Commercial Aeronautical Permit Fee	• **Current:** Not currently collected • **Proposed:** $1,000 initial (SASO) / $500 renewal; $150 independent operator • **Comparable Structures:** APA $1,500 + $500/yr min.; SBP $450 app. + $1,000–$2,500 by type; BIL $300 flat
Ground Transportation Fees (Rental Car / TNC / Shuttle)	• **Current:** Not currently collected • **Proposed:** 10% of gross (rental car); $4/trip (<10 seats); $1.50/seat (10+ seats) • **Comparable Structures:** BZN $1.50/pax at 16+ seats (matches proposed rate); PGD, MLB, MSO scale per-trip by seat count instead
Derelict Aircraft & Non-Aeronautical Storage Fees	• **Current:** Not currently collected • **Proposed:** $1,500/aircraft (tiedown) or 150% of hangar rent; appraised FMV/SF (non-aeronautical storage) • **Comparable Structures:** PGD $0.47/SF annually; PAE $0.61/SF monthly; a flat/percentage-based fee like BFI's proposed structure is a common alternative to a $/SF FMV approach
Through-the-Fence (TTF) Fee	• **Current:** 5% of applicable ground rent • **Proposed:** No change • **Comparable Structures:** APA ties TTF to its FBO ground rent rate (same principle); JQF, STS, and TLH use other bases, none directly comparable
Badge & AOA Vehicle Access Fees	• **Current:** $25 badge fee, flat; no separate vehicle access fee • **Proposed:** Badge fee unchanged; add tiered replacement $100/$150/$200 + key fees $10/$20/$30; AOA Vehicle Access Fee, $25 • **Comparable Structures:** Peers commonly charge $12–$50 / badge or vehicle separately for airfield access
Special Event Permits (Filming / Temporary Access)	• **Current:** Burden rate by staff position regardless of event type • **Proposed:** No change; recommend periodic review of burden rate • **Comparable Structures:** Peers have developed detailed filming/event fee schedules BFI has not adopted
Conference Room / Meeting Space Rental	• **Current:** Not currently monetized • **Proposed:** Main Terminal (25 seats): $75/hr, $500/day; Main Terminal (8 seats): $50/hr, $300/day; Flight Service Station (100 seats): $200/hr, $1,500/day • **Comparable Structures:** LGB $50/hr; SBP $150/hr, $800/day; PGD $150–$300/half-day
Administrative, Late & Credit Card Fees	• **Current:** 2.5% credit card convenience fee; no defined administrative/late fee • **Proposed:** Add a 2.5% Administrative/Late Payment Fee, matching the existing credit card fee • **Comparable Structures:** Peer admin fees 10%–15% of amount processed; credit card fees range 0%–3%
Lease Assignment & Tie-Down Change Fees	• **Current:** Percentage-based lease assignment fee, varies by lease; Hangar Tie-Down Change Administration Fee, $250 (2-hr minimum, cost recovery thereafter) • **Proposed:** No change • **Comparable Structures:** APA 3% of transfer value; VNY graduated by lease value; BZN $300 non-commercial / $3,000 commercial transfer

4.0 FINANCIAL PRO FORMA ANALYSIS

AGP prepared a ten-year financial pro forma for the Airport Operating Fund and Airport Capital Improvement Fund for FY 2026 through FY 2037. Given the inherent uncertainty in operating and capital assumptions, this analysis focuses on the five-year planning period from 2026 through 2030.

The pro forma draws on two primary sources. Baseline operating revenues and expenses, along with KCIA's locally funded capital expenses, were established using the King County 2026–2027 Biennial Budget. Capital improvement program assumptions were updated using the KCIA Taxiway B Cost Load Schedule, revised August 20, 2026, which provides the most current cost and phasing estimates for the airfield's federally eligible capital improvement program.

The scale of KCIA's capital program is the primary driver of the funding pressure described below. The Taxiway B Cost Load Schedule identifies capital needs exceeding $744 million across the ten-year period. The FY2026–2027 budget carries approximately $6.25 million in annual locally funded capital appropriations in addition to the federally eligible ACIP program.

The biennial budget operating baseline already reflects the fee increases previously proposed by the Airport in its revenue projections. Landing fee revenue was assumed to grow from $1.2 million in 2025 to $2.8 million in 2026, and fuel flowage revenue from $1.6 million to $3.3 million over the same period, with both escalating at 2.5% annually over the planning horizon. AGP independently validated these previously proposed increases against the market survey of comparable airports and concluded that the proposed rates and fees are warranted and justified based on this financial pro forma analysis.

Even without the intensive capital program, fee increases would be necessary to offset the Airport’s growth in operating expenses relative to revenues. Total operating revenue is forecast to grow from $42.3 million in 2026 to $44.5 million in 2030, roughly 1.3% annually while total operating expenses grow from $36.7 million to $43.6 million over the same period, roughly 4.4% annually and more than three times the rate of revenue growth. The gap is driven in large part by a projected 13.2% annual escalation in intragovernmental central rate charges, well above the 6.25% - 6.85% escalation applied to salaries, supplies, services, and other direct costs. The result is that Total Airport Operating Profit available to support the capital reserve is projected to fall from $5.6 million in 2026 to just $0.9 million in 2030, an 83% decline, before accounting for the capital program's draw on the reserve.

The capital reserve is projected to decline sharply over the planning period because the operating surplus available to support capital funding is shrinking just as the capital program demands accelerate. Absent supplemental debt financing, the reserve expressed as a percentage of Uncompleted Projects Funding in Reserve, falls from approximately 20% in 2026 to a deficit of -12% (approximately $9.9 million) by 2030.

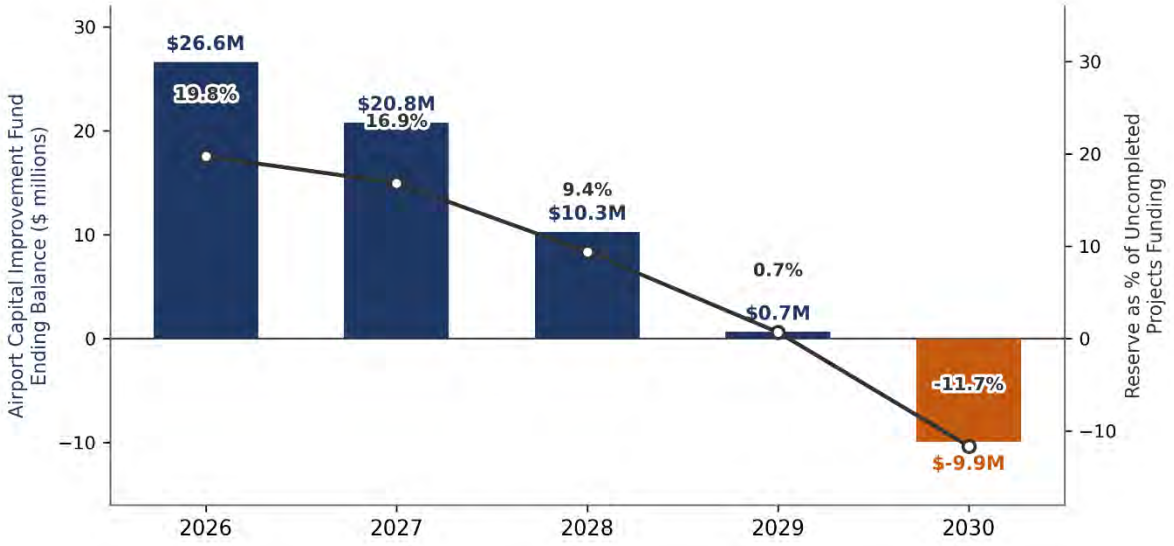

Figure 11. Capital Reserve Trajectory, FY2026 - FY2030.

After the reserve fund has been depleted, the Airport would need to rely entirely on debt financing to fund the remaining capital plan. While debt financing is a less favorable financing position than maintaining a positive reserve, it is likely unavoidable given the necessary capital improvements required to comply with FAA safety and design standards. Therefore, AGP concludes that the proposed fee increases are necessary regardless of KCIA's position relative to the peer market described in Section 2.

These revenue projections do not include the new and currently uncollected fee categories AGP recommends in Section 3 of this report. TNC/rental car and ground transportation permitting along with derelict aircraft and nonaeronautical storage fees and the other categories discussed have no baseline activity at KCIA to forecast and any projection of their future revenue would be speculative. The actual reserve position could be more favorable than conservatively modeled here to the extent that the Airport implements the Section 3 recommendations and these fees generate meaningful revenue.

Further, any cost savings from deferred or eliminated capital projects the Airport can realize in executing the capital plan would not reduce the need for the recommended fee increases but could further extend the reserve and reduce the Airport’s dependence on debt financing.

Given this, AGP recommends the Airport revisit the fee schedule every two years, consistent with the biennial budget cycle, to validate the actual revenue generated by the proposed increases and assess the sufficiency of current capital reserve funds. This will allow the Airport to adjust fees based on recent revenue and reserve trends into projections determining the need for further rate adjustments necessary to sustain the capital reserve at that time.

5.0 KEY FINDINGS AND RECOMMENDATIONS

5.1 KEY FINDINGS

- BFI's current aeronautical fees from operations such as landing fees, fuel flowage fees, and aircraft parking fall below the peer market range, in several cases well below the low end of that range.
- Airport revenue is comparatively over reliant on ground and hangar rents, while other core aeronautical fee categories are priced well below peers across most categories.
- This imbalance is structural. Ground and facility lease rents are periodically reset to fair market value through King County's appraisal process while aeronautical fees are set directly by the Airport and have not kept pace with the market or escalating operating costs.
- Total operating expenses are projected to grow roughly three times faster than total operating revenue over the five-year planning period (4.4% vs. 1.3% annually).
- Even with the fee increases already reflected in the King County 2026–2027 Biennial Budget, KCIA's capital reserve is projected to fall from approximately 20% of Uncompleted Projects Funding in Reserve in 2026 to a deficit of roughly $9.9 million by 2030.

5.2 RECOMMENDATIONS

1. AGP independently validated aeronautical rates and fees previously proposed by the Airport against the peer market survey and concludes they are warranted and justified. AGP recommends the County proceed with adoption of the Airport Fee Schedule in Appendix A.
2. The Airport should collect activity data on new and currently uncollected fee categories identified in this study that represent revenue opportunities present at peer airports but absent at BFI.
3. The Airport should also revisit aeronautical rates in the Airport Fee Schedule in two years, consistent with the biennial budget cycle, to validate actual revenue performance against projections and assess the need for further adjustments to sustain the capital reserve.
4. Finally, the Airport should evaluate opportunities for value engineering or cost savings realized in executing the capital plan. While this does not eliminate the need for the recommended fee increases, it could reduce the scale of future fee increases as well as extend the capital reserve further, thereby reducing the Airport's dependence on debt financing.

APPENDIX A — AIRPORT FEE SCHEDULE

King County International Airport – Boeing Field (BFI)

Fee / Charge	Rate	Basis / Notes
A. AERONAUTICAL FEES		
Landing Fee (>= 8,000 lbs MTOW)	$3.00	*Per 1,000 lbs MTOW*
Fuel Flowage Fee — Jet A	$0.15	*Per gallon*
Fuel Flowage Fee — Avgas (100LL) / SAF	$0.10	*Per gallon*
Fuel Flowage Fee — Avgas (Unleaded)	$0.01	*Per gallon*
Commercial Aeronautical Permit — SASO, Initial	$1,000	*1-year term*
Commercial Aeronautical Permit — SASO, Renewal	$500	*2-year term*
Commercial Aeronautical Permit — Independent	$150	*Annual*
B. AIRCRAFT PARKING		
Single Engine (wingspan <36')	$0 | $10	*(<4 hrs) / (4-24 hrs)*
Group I (wingspan <49')	$10 | $30	*(<4 hrs) / (4-24 hrs)*
Group II (wingspan 49' < 79')	$25 | $75	*(<4 hrs) / (4-24 hrs)*
Group III (wingspan 79' < 118')	$100 | $600	*(<4 hrs) / (4-24 hrs)*
Group IV (wingspan 118' < 171')	$150 | $900	*(<4 hrs) / (4-24 hrs)*
Group V (wingspan 171' < 214')	$200 | $1,200	*(<4 hrs) / (4-24 hrs)*
Group VI (wingspan 214' < 262')	$250 | $1,500	*(<4 hrs) / (4-24 hrs)*
Rotary Wing – Small (rotor diameter <36')	$10 | $30	*(<4 hrs) / (4-24 hrs)*
Rotary Wing – Large (rotor diameter >36')	$25 | $75	*(<4 hrs) / (4-24 hrs)*
C. GROUND & FACILITY LEASE RENTS — SET BY COUNTY APPRAISAL[1]		
Ground Rent (Private Hangars)	$4.42	*Per SF / year*
Ground Rent (Commercial)	$3.30 - $4.42	*Per SF / year*
Midfield Airpark - Bldg A (Small Executive Box)	$4,197.65	*Per month*
Midfield Airpark - Bldg B (Large Executive Box)	$5,822.54	*Per month*
Midfield Airpark - Bldg C (Large T-Hangar)	$1,419.53	*Per month*
Midfield Airpark - Bldg D (Small T-Hangar)	$1194.98	*Per month*
Northeast Airpark - Bldg A (Small T-Hangar)	$1044.00	*Per month*
Northeast Airpark - Bldg B (Small T-Hangar)	$1044.00	*Per month*
Northeast Airpark - Bldg C (Small T-Hangar)	$1044.00	*Per month*
Northeast Airpark - Bldgs A & B (Half Bays)	$515.00	*Per month*
Southwest Airpark - Bldgs C, D, E (Large T-Hangar)	$1026.00	*Per month*
Southwest Airpark - End Units - C8, E8 (Large T-Hangar)	$1047.00	*Per month*
Midfield Airpark Tiedowns	$148.95	*Per month*
Northeast Airpark Tiedowns	$148.95	*Per month*
Southwest Airpark Tiedowns	$148.95	*Per month*
Non-Aeronautical Storage Fee	Appraised FMV	*Per SF / month*
D. ACCESS & SECURITY FEES		
AOA Vehicle Access Fee — Initial / Renewal	$25.00	*Per issuance*
Badge Fee — Initial / Renewal	$25.00	*Per issuance*
Badge Replacement — 1st / 2nd / 3rd	$100 / $150 / $200	*Per issuance*
Key Fee — 1st / 2nd / 3rd	$10 / $20 / $30	*Per issuance*
Unreturned Badge — Tenant / Contractor	$100 / $500	*Per badge*

Fee / Charge	Rate	Basis / Notes
E. VEHICLE & GROUND TRANSPORTATION FEES		
Vehicle Parking — Hourly	$3.00	*Per hour*
Vehicle Parking — Daily	$15.00	*Per day*
Vehicle Parking — Weekly	$100.00	*Per week*
Vehicle Parking — Tenant Employee Monthly	$100.00	*Per month*
Rental Car Concession Fee	10%	*Of gross receipts*
Transportation Network Company (TNC) Fee	$4.00	*Per trip*
Ground Transportation Permit (Shuttle <10 seats)	$4.00	*Per trip*
Ground Transportation Permit (Charter 10+ seats)	$1.50	*Per seat*
Electric Vehicle Charging (Tier 1 and 2)	$0.25	*Per kWh*
F. OTHER FEES & CHARGES		
Derelict Aircraft Fee (Tiedown)	$1,500	*Per year*
Non-Operational Storage Fee (Hangars)	150%	*Of hangar rent*
Hangar Tie-Down Change Administration Fee	$250.00	*Per occurrence*
Through-the-Fence Fee	5%	*Of ground rent*
Administrative / Late Payment Fee	2.5%	*Of total due*
Lease Assignment Fee	Percentage based	*Per lease agreement*
Credit Card Convenience Fee	2.5%	*Of total*
Conference Room: 1st Floor Terminal (seats 25)	$75 | $500	*Hourly | Daily*
Conference Room: 2nd Floor Terminal (seats 8)	$50 | $300	*Hourly | Daily*
Conference Room: Flight Service Station (seats 100)	$200 | $1,500	*Hourly | Daily*

APPENDIX B - KCIA TAXIWAY B COST LOAD SCHEDULE, AUGUST 20, 2026

Taxiway B Addedum Cost Schedule

August 20, 2026

Project	Activity	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	Total Cost
Taxiway B Relocation	Design/Planning/Environmental							$ 12,600,350	$ 12,600,350					
	Construction									$ 126,003,500	$ 126,003,500			$ 277,207,700
Taxiway Z Removal & Hammer Head Taxiway	Design/Planning/Environmental									$ 717,600	$ 717,600			
	Construction											$ 14,352,000		$ 15,787,200
Boeing Commercial Apron	Design/Planning/Environmental				$ 258,250	$ 258,250								
	Construction						$ 6,180,000							$ 6,696,500
Lot 13-12 Development (New ATCT)	Design/Planning/Environmental	$ 4,993,700	$ 4,993,700											
	Construction			$ 66,925,000	$ 32,949,000									$ 109,861,400
Lot 13-12 Development (KBFI ARFF)	Design/Planning/Environmental			$ 1,696,700	$ 1,696,700									
	Construction					$ 16,967,000	$ 16,967,000							$ 37,327,400
Lot 13-12 Development (Boeing ARFF)	Design/Planning/Environmental		$ 2,481,150	$ 2,481,150										
	Construction				$ 24,811,500	$ 24,811,500								$ 54,585,300
Mid-Field Airpark	Design/Planning/Environmental						$ 1,031,250	$ 1,031,250						
	Construction								$ 20,825,000					$ 22,687,500
Corporate Tenant Development	Design/Planning/Environmental						$ 104,550	$ 104,550						
	Construction								$ 2,091,000					$ 2,300,100
Woods Meadow Aeronautical Development	Design/Planning/Environmental						$ 702,200	$ 702,200						
	Construction								$ 14,044,000					$ 15,448,400
Southwest Airpark Development	Design/Planning/Environmental						$ 99,700	$ 99,700						
	Construction								$ 1,994,000					$ 2,193,400
Museum of Flight Modifications	Design/Planning/Environmental					$ 9,850	$ 9,850							
	Construction							$ 197,000						$ 216,700
Boeing Military Delivery Center	Design/Planning/Environmental						$ 9,400	$ 9,400						
	Construction								$ 188,000					$ 206,800
Southeast Airpark Expansion	Design/Planning/Environmental						$ 123,200	$ 123,200						
	Construction								$ 2,464,000					$ 2,710,400
Woods Meadows Property Acquisition	Acquisition		$ 30,290,000											$ 30,290,000
Runway 14R-32L Reconstruction	Construction									$ 7,500,000	$ 7,500,000	$ 72,800,000	$ 78,500,000	$ 166,300,000
Environmental Assessment	Environmental	$ 1,000,000												$ 1,000,000
		$ 5,993,700	$ 37,764,850	$ 71,102,850	$ 59,715,450	$ 42,046,600	$ 25,227,150	$ 14,867,650	$ 54,006,350	$ 134,221,100	$ 134,221,100	$ 87,152,000	$ 78,500,000	**$ 744,818,800**
	Design/Planning/Environmental	$ 5,993,700	$ 7,474,850	$ 4,177,850	$ 1,954,950	$ 268,100	$ 2,080,150	$ 14,670,650	$ 12,600,350	$ 717,600	$ 717,600	$ -	$ -	
	Construction	$ -	$ -	$ 66,925,000	$ 57,760,500	$ 41,778,500	$ 23,147,000	$ 197,000	$ 41,406,000	$ 133,503,500	$ 133,503,500	$ 87,152,000	$ 78,500,000	
	Acquisition		$ 30,290,000											