

*New*  
**LaGuardia Airport  
Redevelopment Program**

Public Board Meeting

May 28, 2015

# Existing LaGuardia Airport



# Terminal B Replacement Project Preferred Proposer Selection

- Enter into an exclusive negotiating period with the Preferred Proposer
- Include New Central Entry Portal
- Authorize up to \$7M in design and bid fees

# New Terminal B is the Largest PPP in North America

Key Challenges	Benefits of a Public Private Partnership
<b>Unique Site Constraints</b>	<i>Harnesses private sector Design &amp; Construction expertise and innovation</i>
<b>Coordination with Eight Airlines</b>	<i>Experienced world class operator assumes management of terminal operations throughout lease term</i>
<b>Cost and Schedule Certainty</b>	<i>Accelerates project delivery with greatest certainty of costs and schedule</i>

# Release of RFP: August 28, 2013

## Proposals Received: May 20, 2014

### Objectives

- Operate world-class terminal that ranks at the top of passenger satisfaction surveys
- Create enduring and innovative design that reflects the vitality of New York
- Minimize disruption to tenants and passengers
- Achieve best value for money with greatest certainty of construction cost / schedule
- Charge fair and reasonable cost to the Terminal B Airlines
- Optimize sharing of risks and benefits between Agency and Developer



# LaGuardia Gateway Partners

- 5 time Skytrax World Airport award winner
- 20 years in global airport experience
- Manage 9 airports around world
- Transitioned 19 airports from public to private



<b>Operations</b>	Vantage Airport Group
<b>Equity Investment</b>	Meridiam / Vantage / Skanska ID
<b>Debt Finance</b>	Citigroup Global Markets / Wells Fargo
<b>Construction</b>	Skanska ID Walsh Construction
<b>Design</b>	Hellmuth, Obata + Kassabaum, PC
<b>Aviation Planning &amp; Engineering</b>	Parsons Brinckerhoff



# LaGuardia Gateway Partners

An initial investment of \$5 million for the Existing CTB to Improve Customer Experience:



- Restroom enhancements
- Walls repairs and painting
- Security screening checkpoint improvements
- Flooring upgrades at strategic locations
- Lighting enhancements
- Interior landscaping

# New Terminal B Improvements at a Glance

Feature	Original CTB	New Terminal B
Terminal	835,000 sq ft	1,310,000 sq ft
Passenger Level of Service	Designed for 8 MAAP	Designed for 17.5 MAAP
Security Screening	20,000 sq ft	60,000 sq ft
Concessions	70,000 sq ft (10% post security)	97,000 sq ft (95% post security)
Terminal Frontage	2 levels	3 levels with dedicated HOV level

# Preferred Proposer - LGA Gateway Partners

<b>World-Class Terminal</b>	<ul style="list-style-type: none"><li>• <i>Award-winning terminal operator with global experience</i></li><li>• <i>Fully integrated team invested in long term partnership</i></li></ul>
<b>Enduring / Innovative Design</b>	<ul style="list-style-type: none"><li>• <i>Design provides iconic New York experience and can accommodate future airport enhancements.</i></li><li>• <i>LEED Gold Certification</i></li></ul>
<b>Minimize Disruption</b>	<ul style="list-style-type: none"><li>• <i>One move per airline – least disruptive to passengers</i></li></ul>
<b>Best Value / Greatest Certainty</b>	<ul style="list-style-type: none"><li>• <i>Headhouse and total project complete early</i></li><li>• <i>Efficient phasing/staging</i></li><li>• <i>Fixed all-in cost of \$3.2B</i></li></ul>
<b>Fair Reasonable Airline Cost</b>	<ul style="list-style-type: none"><li>• <i>Proven and transparent compensatory rate method</i></li></ul>
<b>Optimize Risk Sharing</b>	<ul style="list-style-type: none"><li>• <i>Nearly all cost and delay risk borne by Developer</i></li><li>• <i>Management fees tied to budgetary performance</i></li><li>• <i>Appropriate revenue share given risk allocations</i></li></ul>

# New Central Entry Portal

- Create a unifying architectural experience by accommodating a New Central Entry Portal
  - Links Terminal B and C for the first time
  - Contains amenities and retail for entering and transiting passengers
  - Subject to PA Board Approval consistent with Port Authority Capital Plan
  
- Accommodate the future development of one or more of the following elements:
  - People Mover
  - Air Train Station
  - Hotel, Conference and Meeting Facility
  - Retail, Food and Beverage Services

# Next Steps

Q2 2015

- PA negotiates with Preferred Proposer
- Seeks Board Authorization of Early Works by both PA and PPP

Q3 2015

- Final Advisory Panel Recommendations
- Preferred Proposer negotiates with Terminal B Airlines
- Federal, State and Local Agency Consultations
- Early Work Design / Site Investigation Begins

Q4 2015

- Board considers Project Agreements
- \$40M additional Letter of Credit posted (\$60M total)
- Seeks Board Authorization for the Program and achieve Lease Commercial Close

Q1 2016

- Achieve Lease Financial Close
- Lease Commencement
- Terminal B Construction begins