ERIN MENDENHALL
Mayor

OFFICE OF THE MAYOR

CITY COUNCIL TRANSMITTAL

Lisa Shaffer (May 11, 2021 17:32 MDT)
Lisa Shaffer, Chief Administrative Officer

Date Received: May 11, 2021

Date Sent to Council: May 11, 2021

TO: Salt Lake City Council
Amy Fowler, Chair

DATE: May 11, 2021

Bill Wyatt (May 11, 2021 10:47 MDT)

FROM: Bill Wyatt, Salt Lake City Department of Airports, Executive Director

SUBJECT: Issuance of Series 2021 Bonds (the "Bonds") for Financing the Construction of the New SLC International Airport

STAFF CONTACTS: Bill Wyatt, Executive Director, 801-575-2408
Brian Butler, Airport Chief Financial Officer, 801-575-2923

DOCUMENT TYPE: Resolution

RECOMMENDATION: That the City Council adopt a resolution (the "Bond Resolution") on June 1, 2021, authorizing and/or approving: (1) the issuance and sale of up to $1,000,000,000 principal amount of Salt Lake City, Airport Revenue Bonds, Series 2021A and Series 2021B (collectively the "2021 Bonds"), and the giving of authority to certain officers to approve the final terms and provisions of and confirm the issuance of the 2021 Bonds within certain parameters set forth in the attached Bond Resolution; (2) certain documents to be entered into by the City in connection with the issuance of the 2021 Bonds or to be used in the marketing of the 2021 Bonds, (3) holding a public hearing on July 13, 2021, with respect to the issuance of the 2021 Bonds and the continued borrowing under the JPMorgan Chase line of credit at tax-exempt rates, and (4) certain other related matters associated with the issuance of the 2021 Bonds. This timeline (the adoption of the Bond Resolution on June 1, 2021, the subsequent publication of the notice of public hearing and the notice of bonds to be issued, and holding a public hearing on July 13, 2021) accommodates the required 30-day contest period to price and close the transaction on or about August 19, 2021.

BUDGET IMPACT: This financing will have no impact on the City's General Fund budget as no General Fund revenues are pledged toward the repayment of the 2021 Bonds. Further, neither the full faith and credit nor the taxing power of the City, the State or any political subdivision or agency of the State is pledged to the payment of the principal of, premium if any, and interest on the 2021 Bonds.

Instead, 100% of the debt service on the 2021 Bonds will be paid from the various types of revenues generated at Salt Lake City International Airport (the "Airport). Such revenues include the landing fees, terminal rentals, and other fees paid by the airlines serving the Airport, as well as various revenues generated from sources other than the airlines. Such non-airline revenues are derived from sources such as parking, rental cars, food and beverage concessions, news and gift concessions, cargo revenues and various types of rental income. The passenger facility charge ("PFC") revenues that the Airport receives from the $4.50 charge imposed on passengers boarding planes at the Airport will also be applied toward the payment of project costs and debt service on the 2021 Bonds, the Airport's outstanding bonds and any additional Airport bonds issued in the future.

BACKGROUND/DISCUSSION: In 2014, the City entered into a new 10-year Airline Use Agreement ("AUA") with the airlines serving the Airport. In the AUA, the airlines authorized the City to undertake the full Terminal Redevelopment Program (the "TRP") planned for the Airport. The Airport offered an extension of the AUA through June 30, 2034, which has been executed by Delta Air Lines. The Airport is currently in discussion with the other Signatory Airlines regarding their execution of the AUA extension. The TRP is a comprehensive and integrated series of projects that will result in the replacement of substantially all of the Airport's landside and terminal complex facilities. The TRP has a current estimated cost of $2.72 billion. Further, on April 30, 2015, the airlines that are signatories to the AUA voted unanimously to approve construction of the North Concourse Project (the "NCP"). The NCP will be undertaken instead of retaining and renovating the Airport's existing Concourses B, C and D. The NCP includes an additional concourse with approximately 31 gates and capacity for future expansion, and a connecting tunnel to the main terminal complex. The NCP is estimated to cost $1.73 billion.

Phase one of the TRP opened on September 15, 2020, and phase one of the NCP opened on October 27, 2020. Due to the global pandemic of COVID-19, the Airport, in consultation with the airlines, decided to accelerate demolition of the existing facilities and advance the schedule for additional phases of the TRP, including the construction of Concourse A-East. All of the legacy facilities of the old airport have been demolished and construction has commenced on Concourse A-East and the central tunnel. Additionally, construction of the next phases of the NCP, including the central node on Concourse B, as well as eight additional gates, are scheduled to begin in Q1 2022 (July 2021).

Proceeds of the Series 2021 bonds will be used to:0 (1) fund a portion of the costs of both the TRP and NCP which is now being referred to as the "New SLC", (2) repay the current outstanding balance of the Line of Credit, (3) fund capitalized interest on the 2021 Bonds, (4) fund a deposit to the Common Debt Service Reserve Fund, and (5) pay the costs of issuance on the series 2021 bonds. The Airport currently forecasts that additional bonds will be issued in 2023.

The Airport currently projects that the $4.45 billion of costs to construct the New SLC, as described above, will be funded from the following sources:

Estimated Sources of Funding	**Amounts in (millions)**
Proceeds of 2017 Bonds	$925
Proceeds of 2018 Bonds	798
Proceeds of 2021 Bonds	900
Proceeds of Future Bonds	683
Pay-as-you-go Passenger Facility Charges ("PFCs")	333
Customer Facility Charges ("CFCs")	200
Federal Grants (AIP and TSA)	191
Airport Internally-Generated Funds	421
Total	**$4,451**

The current interest rate environment provides another favorable opportunity for the financing for the Airport's very large capital development program. Assuming interest rates remain at their present levels at the time the 2021 Bonds are sold, the City's municipal advisor and underwriters estimate that the 2021 Bonds will be sold at a true interest cost of approximately 3.5% per annum.

The current plan calls for the 2021 Bonds to be sold on or about July 26, 2021. The Designated Officers defined in the attached Bond Resolution are authorized to approve the principal amounts, interest rate(s) and other terms and provisions relating to the 2021 Bonds by executing the Certificate of Determination, a form of which is attached to the Bond Resolution.

The Certificate of Determination will need to be signed by the Mayor and Council Chair or their respective designees on the afternoon of the date of pricing and sale of the 2021 Bonds, which is currently scheduled for July 26, 2021.

Included in section 11 of the Bond Resolution is a Declaration of Official Intent (Reimbursement of Expenditures) that will allow the Airport to seek reimbursement with proceeds of the Series 2021 Bonds, additional Bonds and/or the JPMorgan Chase line of credit for expenditures previously made with Airport cash related to the TRP and the NCP. This will allow the Airport to have more flexibility when paying for the construction costs of the TRP and the NCP at those times when there is a gap between the paying of construction costs and the Airport's issuance of debt.

The Bond Resolution and draft copies of the Certificate of Determination, the Third Supplemental Trust Indenture, the Preliminary Official Statement, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Notice of Public Hearing and the Notice of Bonds to Be Issued are included for your review. Please keep in mind that, other than the Bond Resolution, these certificates, documents and notices are preliminary drafts and are subject to change and completion.

ERIN MENDENHALL
Mayor

OFFICE OF THE MAYOR

Attachments: Bond Resolution
Exhibit A: Certificate of Determination
Exhibit B: Third Supplemental Trust Indenture
Exhibit C: Preliminary Official Statement
Exhibit D: Bond Purchase Agreement
Exhibit E: Continuing Disclosure Agreement
Exhibit F: Notice of Public Hearing
Exhibit G: Notice of Bonds to Be Issued

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RESOLUTION NO. _______ OF 2021

A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED $1,000,000,000 AGGREGATE PRINCIPAL AMOUNT OF ONE OR MORE SERIES OF AIRPORT REVENUE BONDS (THE "SERIES 2021 BONDS") FOR THE PURPOSE OF FINANCING AND REFINANCING CERTAIN CAPITAL IMPROVEMENTS TO THE SALT LAKE CITY INTERNATIONAL AIRPORT; GIVING AUTHORITY TO CERTAIN OFFICIALS AND OFFICERS TO APPROVE THE FINAL TERMS AND PROVISIONS OF THE SERIES 2021 BONDS WITHIN THE PARAMETERS SET FORTH HEREIN; AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF A THIRD SUPPLEMENTAL TRUST INDENTURE, A BOND PURCHASE AGREEMENT AND A CONTINUING DISCLOSURE AGREEMENT; AUTHORIZING AND APPROVING PRELIMINARY AND FINAL OFFICIAL STATEMENTS AND THE DISTRIBUTION THEREOF; PROVIDING FOR THE PUBLICATION OF A NOTICE OF PUBLIC HEARING AND A NOTICE OF BONDS TO BE ISSUED; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY FOR THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

W I T N E S S E T H :

WHEREAS, Salt Lake City, Utah (the "***City***"), is a duly organized and existing city of the first class, operating under the general laws of the State of Utah (the "***State***"); and

WHEREAS, on February 23, 2017, pursuant to authority contained in the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the "***Act***"), and other applicable provisions of law, and the Master Trust Indenture, dated as of February 1, 2017 (the "***Master Indenture***"), by and between the City and Wilmington Trust, National Association, as trustee (the "***Trustee***"), and the First Supplemental Trust Indenture, dated as of February 1, 2017, by and between the City and the Trustee, the City issued its Airport Revenue Bonds, Series 2017A (AMT) and Series 2017B (Non-AMT) (collectively, the "***Series 2017 Bonds***") in the aggregate principal amount of $1,000,000,000; and

WHEREAS, the Series 2017 Bonds were issued to (a) finance certain capital improvements to the Salt Lake City International Airport; (b) fund capitalized interest on the Series 2017 Bonds; (c) make a deposit to the Common Debt Service Reserve Fund (as defined in the Master Indenture); and (d) pay the costs incurred in connection with the issuance and sale of the Series 2017 Bonds; and

WHEREAS, on October 31, 2018, pursuant to authority contained in the Act, and other applicable provisions of law, and the Master Indenture and the Second Supplemental Trust Indenture, dated as of October 1, 2018, by and between the City and the Trustee, the City issued its Airport Revenue Bonds, Series 2018A (AMT) and Series 2018B (Non-AMT) (collectively, the "***Series 2018 Bonds***") in the aggregate principal amount of $850,550,000; and

WHEREAS, the Series 2018 Bonds were issued to (a) finance certain capital improvements to the Salt Lake City International Airport; (b) fund capitalized interest on the Series 2017 Bonds and the Series 2018 Bonds; (c) make a deposit to the Common Debt Service Reserve Fund; and (d) pay the costs incurred in connection with the issuance and sale of the Series 2018 Bonds; and

WHEREAS, on March 1, 2021, pursuant to authority contained in the Act, and other applicable provisions of law, the Master Subordinate Trust Indenture, dated as of March 1, 2021 (the "***Master Subordinate Indenture***"), by and between the City and Zions Bancorporation, National Association, as trustee (the "***Subordinate Trustee***"), the First Supplemental Subordinate Trust Indenture, dated as of March 1, 2021 (the "***First Supplemental Subordinate Indenture***," and together with the Master Subordinate Indenture, the "***Subordinate Indenture***"), by and between the City and the Subordinate Trustee, and the Credit Agreement, dated as of March 1, 2021 (the "***Subordinate Credit Agreement***"), by and between the City and JPMorgan Chase Bank, National Association (the "***Subordinate Bank***"), the City established a short-term borrowing program that provides for the issuance and/or incurrence, from time to time, of subordinate airport revenue short-term revolving obligations (the "***Subordinate Revolving Obligations***"), which may be outstanding at any one time in an aggregate principal amount not exceeding $300 million; and

WHEREAS, the Subordinate Revolving Obligations are issued and/or incurred, from time to time, to finance capital improvements to the Salt Lake City International Airport, to pay costs of issuance related to the Subordinate Revolving Obligations and to finance such other purposes permitted under the Act, the Subordinate Indenture and the Subordinate Credit Agreement; and

WHEREAS, the City considers it necessary and desirable and for the benefit of the City and its residents to issue additional Airport Revenue Bonds pursuant to the Master Indenture, in one or more series as hereinafter provided, for the purposes of (a) financing additional capital improvements to the Salt Lake City International Airport (the "***Series 2021 Projects***"); (b) repaying all or a portion of the outstanding Subordinate Revolving Obligations; (c) funding capitalized interest on all or a portion of such additional Airport Revenue Bonds; (d) funding any necessary reserves in connection with such additional Airport Revenue Bonds; and (e) paying the costs incurred in connection with the issuance and sale of such additional Airport Revenue Bonds (including, but not limited to, the purchase of one or more municipal bond insurance policies); and

WHEREAS, pursuant to authority contained in the Act and other applicable provisions of law, the Master Indenture and a Third Supplemental Trust Indenture (the "***Third Supplemental Indenture***," and together with the Master Indenture, the "***Indenture***"), to be executed and delivered by and between the City and the Trustee, a form of which is attached hereto as Exhibit B, and for the purposes set forth above, the City has determined to (a) issue its additional Airport Revenue Bonds, in one or more series, in an aggregate principal amount not to exceed $1,000,000,000 (collectively, the "***Series 2021 Bonds***") (subject to the further limitations outlined herein); and (b) cause the proceeds of the sale of the Series 2021 Bonds to be applied in accordance with the Indenture; and

WHEREAS, the City is authorized by the Act and the Master Indenture to execute and deliver the Third Supplemental Indenture, and to issue the Series 2021 Bonds to finance the Series 2021 Projects, to repay all or a portion of the outstanding Subordinate Revolving Obligations, to fund capitalized interest on the Series 2021 Bonds, to make a deposit to the Common Debt Service

Reserve Fund and/or one or more Series Debt Service Reserve Funds (as defined in the Master Indenture), and to pay all related costs authorized by law (including, but not limited to, one or more municipal bond insurance policies); and

WHEREAS, Sections 11-14-316 and 11-14-318 of the Act provide that, before issuing bonds, an issuing entity (a) may provide public notice of its intent to issue such bonds, and (b) must hold a public hearing to receive input from the public with respect to (i) the issuance of such bonds, and (ii) the potential economic impact that the improvement, facility or property for which the bonds pay all or part of the cost will have on the private sector; and

WHEREAS, a portion of the Series 2021 Bonds and a portion of the Subordinate Revolving Obligations will be issued and/or incurred, as the case may be, as "exempt facility bonds" as defined under Section 142(a)(2) of the Internal Revenue Code of 1986, as amended (the "***Code***"), and therefore are subject to the public approval and public hearing requirements set forth in Section 147(f) of the Code; and

WHEREAS, on February 16, 2021, a public hearing was held with respect to the issuance and/or incurrence of up to $300 million in aggregate principal amount of the Subordinate Revolving Obligations issued and/or incurred as "exempt facility bonds"; and

WHEREAS, solely for purposes of the public approval and the public hearing requirements set forth in Section 147(f) of the Code, the City considers it necessary and desirable to hold an additional public hearing with respect to the issuance and/or incurrence of additional Subordinate Revolving Obligations to be issued and/or incurred as "exempt facility bonds" in an aggregate principal amount not to exceed $300 million (which principal amount shall be in addition to the $300 million presented at the public hearing on February 16, 2021); and

WHEREAS, in compliance with Section 11-14-316 of the Act, the City desires to provide for the publication of a Notice of Bonds to be Issued (the "***Notice of Bonds to be Issued***") and the running of a 30-day contest period, and to cause the publication of the Notice of Bonds to be Issued at this time with respect to the issuance of the Series 2021 Bonds; and

WHEREAS, (a) with respect to the issuance of the Series 2021 Bonds, in compliance with Section 11-14-318 of the Act and Section 147(f) of the Code, and (b) with respect to the issuance and/or incurrence of an additional $300 million of Subordinate Revolving Obligations, solely for purposes of Section 147(f) of the Code, the City desires to call a public hearing and to publish a notice of such hearing with respect to the issuance of the Series 2021 Bonds, the issuance and/or incurrence of an additional $300 million of Subordinate Revolving Obligations and the capital improvements to the Salt Lake City International Airport to be financed with the proceeds of the Series 2021 Bonds and the Subordinate Revolving Obligations, and to provide for the publication of a Notice of Public Hearing (the "***Notice of Public Hearing***") at this time with respect to the issuance of the Series 2021 Bonds, the issuance and/or incurrence of an additional $300 million of Subordinate Revolving Obligations and the capital improvements to the Salt Lake City International Airport to be financed with the proceeds of the Series 2021 Bonds and the Subordinate Revolving Obligations; and

WHEREAS, in the opinion of the City Council of Salt Lake City, Utah (the "***City Council***"), it is in the best interests of the City and its residents that (a) the Designated Officers (defined below) be authorized to approve the final terms and provisions relating to the Series 2021 Bonds and to execute the Certificate of Determination (defined below) containing such terms and provisions and to accept the offer of Citigroup Global Markets Inc., on behalf of itself and Goldman Sachs & Co. LLC, BofA Securities, Inc. Morgan Stanley & Co. LLC, RBC Capital Markets, LLC, and ZB National Association (collectively, the "***Underwriters***"), for the purchase of the Series 2021 Bonds; and (b) the Designated Officers, and such other officials and officers of the City named herein, be authorized to execute and deliver the Third Supplemental Indenture, the Final Official Statement (defined below), the Bond Purchase Agreement (defined below), the Continuing Disclosure Agreement (defined below) and such other necessary documents with respect to the issuance of the Series 2021 Bonds, all as provided herein; and

WHEREAS, the City desires that this Resolution serve as an official action of the City Council in order to comply with Treasury Regulation Section 1.150-2 and any other regulations of the U.S. Department of the Treasury relating to the qualification for reimbursement of expenditures incurred by the City prior to the date(s) of issue of the Series 2021 Bonds, additional Bonds (as defined in the Master Indenture) and/or the Subordinate Revolving Obligations;

NOW, THEREFORE, BE IT RESOLVED by the City Council of Salt Lake City, Utah, as follows:

Section 1. Issuance of the Series 2021 Bonds.

(a) For the purposes set forth above, there is hereby authorized and directed the execution, issuance, sale and delivery of the Series 2021 Bonds in one or more series (with such adjustments to the series designation as are necessary or desirable) in the aggregate principal amount not to exceed $1,000,000,000. The Series 2021 Bonds shall be dated as of their date of initial delivery, issued in authorized denominations, and payable all as provided in the Indenture. The Series 2021 Bonds shall be subject to redemption prior to maturity as provided in the Indenture and the Certificate of Determination.

(b) The form of the Series 2021 Bonds set forth in the form of the Third Supplemental Indenture, subject to appropriate insertions and revisions in order to comply with the provisions of the Indenture, is hereby approved. The Mayor of the City or the Mayor's designee (the "***Mayor***") and the City Recorder of the City (the "***City Recorder***") or any Deputy City Recorder are hereby authorized and directed to execute and seal the Series 2021 Bonds and to deliver the Series 2021 Bonds to the Trustee for authentication. Any such execution of the Series 2021 Bonds by the Mayor and the City Recorder or any Deputy City Recorder may be made by manual or facsimile signature. Any facsimile signature of the Mayor and/or the City Recorder or any Deputy City Recorder shall have the same force and effect as if the Mayor and/or City Recorder or any Deputy City Recorder had manually signed each of such Series 2021 Bonds.

Section 2. Pledge to Secure the Series 2021 Bonds. The Series 2021 Bonds will be limited obligations of the City, payable solely from and secured by a pledge of Net Revenues (as defined in the Master Indenture) derived by the City from the operations of the Airport System (as defined in the Master Indenture) and certain funds and accounts established pursuant to the Indenture, on parity with the Series 2017 Bonds, the Series 2018 Bonds and any additional Bonds issued in the future. None of the properties of the Airport System will be subject to any mortgage or other lien for the benefit of the owners of the Series 2021 Bonds, and neither the full faith and credit nor the taxing power of the City, the State of Utah (the "***State***") or any political subdivision or agency of the State will be pledged to the payment of the principal of, premium, if any, or interest on the Series 2021 Bonds.

Section 3. Series 2021 Bond Details; Delegation of Authority.

(a) The Series 2021 Bonds shall mature on the dates and in the principal amounts, and shall bear interest (calculated on the basis of a year of 360 days consisting of twelve 30-day months) at the rates per annum and be payable on the dates, all as to be provided in a Certificate of Determination, a form of which is attached hereto as Exhibit A, to be delivered pursuant to this Section 3, which shall set forth certain terms and provisions of the Series 2021 Bonds (the "***Certificate of Determination***").

(b) For the purposes of this Resolution and the Series 2021 Bonds, there is hereby delegated to (i) the Mayor or, in the event of the absence or incapacity of the Mayor, the Mayor's Chief of Staff, or in the event of the absence or incapacity of both the Mayor and the Mayor's Chief of Staff, either the Executive Director for the Department of Airports of the City or his designee (the "***Airport Executive Director***") or the Director of Finance for the Department of Airports of the City (also referred to as the Chief Financial Officer for the Department of Airports of the City) or his designee (the "***Airport Director of Finance***"); and (ii) the Chair of the City Council or, in the event of the absence or incapacity of the Chair of the City Council, the Vice Chair of the City Council, or in the event of the absence or incapacity of both the Chair and the Vice Chair of the City Council, the most senior member of the City Council then available (collectively, the "***Designated Officers***"), subject to the parameters set forth in this Resolution, the power to determine the following with respect to the Series 2021 Bonds, and any one of the Designated Officers from each of (i) and (ii) above are together hereby authorized to make such determinations:

(i) the principal amount of each series of the Series 2021 Bonds necessary to accomplish the purposes of the Series 2021 Bonds set forth in the recitals hereto; provided that the aggregate principal amount of the Series 2021 Bonds shall not exceed $1,000,000,000; provided further, that, if so determined by the Designated Officers in the Certificate of Determination, the Series 2021 Bonds may be issued as two or more series, with the appropriate adjustment to the series designation, and the combined principal amount of all series of the Series 2021 Bonds may not exceed the maximum aggregate principal amount set forth in this Section 3(b)(i) (all series of bonds are subject to all of the determinations set forth in this Section 3(b));

(ii) the maturity date and principal amount of each maturity of each series of the Series 2021 Bonds to be issued; provided, however, that the Series 2021 Bonds shall mature over a period of not to exceed forty (40) years from their date of initial delivery;

(iii) the interest rate or rates to be borne by the Series 2021 Bonds, the dates on which interest shall be paid and the date on which payment of such interest shall commence, provided, however, that the interest rate or rates to be borne by any Series 2021 Bond shall not exceed six percent (6.00%) per annum;

(iv) the sale of the Series 2021 Bonds and the purchase price to be paid by the Underwriters; provided, however, that the discount from par of the Series 2021 Bonds in the aggregate shall not exceed two percent (2.00%) (expressed as a percentage of the principal amount);

(v) the Series 2021 Bonds, if any, to be retired from mandatory sinking fund redemption payments and the dates and the amounts thereof;

(vi) the time and redemption price, if any, at which the Series 2021 Bonds may be called for redemption prior to their maturity at the option of the City; and

(vii) any other provisions deemed advisable by the Designated Officers not materially in conflict with the provisions of this Resolution.

Following the sale of the Series 2021 Bonds, the Designated Officers shall obtain such information as they deem necessary to make such determinations as provided above and shall make such determinations as provided above and shall execute the Certificate of Determination containing such terms and provisions of each series of the Series 2021 Bonds, which execution shall be conclusive evidence of the action or determination of the Designated Officers as to the matters stated therein.

Section 4. Approval and Execution of the Third Supplemental Indenture. The Third Supplemental Indenture, in substantially the form attached hereto as Exhibit B, is hereby authorized and approved, and the Mayor is hereby authorized, empowered and directed to execute and deliver the Third Supplemental Indenture on behalf of the City, and the City Recorder or any Deputy City Recorder is hereby authorized, empowered and directed to affix to the Third Supplemental Indenture the seal of the City and to attest such seal and countersign such Third Supplemental Indenture, with such changes to the Third Supplemental Indenture from the form attached hereto as are approved by the Mayor, her execution thereof to constitute conclusive evidence of such approval. The Master Indenture and the Third Supplemental Indenture, shall constitute a "system of registration" for all purposes of the Registered Public Obligations Act of Utah.

Section 5. Preliminary Official Statement Deemed Final. The Preliminary Official Statement (including the Report of the Airport Consultant provided by Landrum & Brown, Incorporated appended to the Preliminary Official Statement as Appendix B thereto) with respect to the Series 2021 Bonds, in substantially the form presented at this meeting and in the form attached hereto as Exhibit C (collectively, the "***Preliminary Official Statement***"), including the use and distribution thereof, is hereby authorized and approved, with such changes, omissions, insertions, revisions and supplements as shall be necessary to complete the same and as the Mayor, the Airport Executive Director or the Airport Director of Finance shall deem advisable. The

Mayor, the Airport Executive Director and the Airport Director of Finance are, and each of them is, hereby authorized to do or perform all such acts and to execute all such certificates, documents and other instruments as may be necessary or advisable to deem final the Preliminary Official Statement within the meaning and for purposes of paragraph (b)(1) of Rule 15c2-12 of the Securities and Exchange Commission, as amended ("***Rule 15c2-12***"), subject to completion thereof with the information established at the time of the sale of the Series 2021 Bonds. The Underwriters are hereby authorized to distribute (via printed format and/or electronic means) the Preliminary Official Statement in connection with the sale of the Series 2021 Bonds to the public. In connection with the distribution of the Preliminary Official Statement, the Underwriters are hereby further authorized to distribute (via printed format and/or through electronic means) copies of the most recent comprehensive annual financial report of the Department of Airports of the City and such other financial statements of the City or the Department of Airports of the City as the Airport Executive Director or the Airport Director of Finance shall deem necessary or desirable.

Section 6. Final Official Statement. The final Official Statement with respect to the Series 2021 Bonds, in substantially the form of the Preliminary Official Statement (including the Report of the Airport Consultant provided by Landrum & Brown, Incorporated appended to the Preliminary Official Statement as Appendix B thereto) presented at this meeting and in the form attached hereto as <u>Exhibit C</u> (collectively, the "***Final Official Statement***"), including the use and distribution thereof, is hereby authorized with such changes, omissions, insertions, revisions and supplements as the Mayor, the Airport Executive Director and the Airport Director of Finance shall deem advisable in order for such Final Official Statement to be deemed a "final official statement" within the meaning of and for purposes of Rule 15c2-12, including the completion thereof with the information established at the time of the sale of the Series 2021 Bonds set forth in the Certificate of Determination. The Mayor and the Airport Executive Director shall sign and deliver the Final Official Statement, and any supplements thereto, for distribution (via printed format and/or electronic means) to prospective purchasers of the Series 2021 Bonds and other interested persons. The approval of any such changes, omissions, insertions, revisions and supplements shall be conclusively established by the Mayor's and the Airport Executive Director's execution of such Final Official Statement. The Underwriters are hereby authorized to distribute (via printed format and/or electronic means) the Final Official Statement in connection with the sale of the Series 2021 Bonds to the public. In connection with the distribution of the Final Official Statement, the Underwriters are hereby further authorized to distribute (via printed format and/or through electronic means) copies of the most recent comprehensive annual financial report of the Department of Airports of the City and such other financial statements of the City or the Department of Airports of the City as the Airport Executive Director or the Airport Director of Finance shall deem necessary or desirable.

Section 7. Sale of the Series 2021 Bonds; Bond Purchase Agreement. The Series 2021 Bonds authorized to be issued herein are hereby authorized to be sold and delivered to the Underwriters, upon the terms and conditions set forth in the Bond Purchase Agreement. The Mayor and the Airport Executive Director (or the Airport Director of Finance) are hereby authorized, empowered and directed to execute and deliver the Bond Purchase Agreement on behalf of the City in substantially the form attached hereto as <u>Exhibit D</u>, with such changes therein from the form attached hereto as are approved by the Mayor and the Airport Executive Director (or the Airport Director of Finance), their execution thereof to constitute conclusive evidence of such approval (the "***Bond Purchase Agreement***"). The City Recorder or any Deputy City

Recorder is hereby authorized, empowered and directed to affix to the Bond Purchase Agreement the seal of the City and to attest such seal and countersign the Bond Purchase Agreement.

Section 8. Other Certificates and Documents Required to Evidence Compliance with Federal Tax and Securities Laws. Each of the Mayor, the City Recorder or any Deputy City Recorder, the Airport Executive Director and the Airport Director of Finance, acting singularly, is hereby authorized and directed to execute (a) such certificates and documents, including one or more tax compliance certificates, as are required to evidence compliance with the Code relating to the tax-exempt status of interest on the Series 2021 Bonds; and (b) a Continuing Disclosure Agreement, in substantially the form attached hereto as Exhibit E (the "***Continuing Disclosure Agreement***"), and such other certificates and documents as shall be necessary to comply with the requirements of Rule 15c2-12 and other applicable federal securities laws.

Section 9. Other Actions With Respect to the Series 2021 Bonds. The officers and employees of the City shall take all action necessary or reasonably required to carry out, give effect to, and consummate the transactions contemplated hereby and shall take all action necessary or desirable in conformity with the Act and the Indenture to carry out the issuance of the Series 2021 Bonds, including, without limitation, the execution and delivery of any closing and other documents required to be delivered in connection with the sale and delivery of the Series 2021 Bonds. If (a) the Mayor; (b) the City Recorder; (c) the Airport Executive Director; or (d) the Airport Director of Finance shall be unavailable or unable to execute or attest and countersign, respectively, the Series 2021 Bonds or the other documents that they are hereby authorized to execute, attest and countersign, the same may be executed, or attested and countersigned, respectively, (i) by the Mayor's Chief of Staff; (ii) by any Deputy City Recorder; (iii) by any designee of the Airport Executive Director; or (iv) by any designee of the Airport Director of Finance. Without limiting the generality of the foregoing, the officers and employees of the City are authorized and directed to take such action as shall be necessary and appropriate to issue the Series 2021 Bonds.

Section 10. Notice of Public Hearing and Notice of Bonds to be Issued; Contest Period.

(a) *Notice of Public Hearing*. In accordance with Section 11-14-318 of the Act and Section 147(f) of the Code, as applicable, the City shall hold a public hearing on July 13, 2021, or such other date as selected by the City Council, to receive input from the public with respect to (i) (A) the issuance of the Series 2021 Bonds in an aggregate principal amount not to exceed $1,000,000,000; and (B) the potential economic impact that the Series 2021 Projects will have on the private sector, and (ii) the issuance and/or incurrence of the Subordinate Revolving Obligations in an additional aggregate principal amount of $300,000,000, from time to time. The hearing date shall not be less than 14 days after the Notice of Public Hearing is published, such publication to be made (x) in *The Salt Lake Tribune*, a newspaper of general circulation in the City; and (y) on the Utah Public Notice Website created under Section 63A-12-201 Utah Code Annotated 1953, as amended. The City directs its officers and staff to cause the Notice of Public Hearing, in substantially the form attached hereto as Exhibit F, to be published at the time and in the newspaper and on the website described in this Section 10. After the public hearing, the Mayor is hereby authorized to approve the issuance of the Series 2021 Bonds and the issuance and/or incurrence of the Subordinate Revolving Obligations in accordance with Section 147(f) of the Code.

(b) _Notice of Bonds to be Issued; Contest Period_. In accordance with Section 11-14-316 of the Act, the City directs its officers and staff to cause the Notice of Bonds to be Issued with respect to the Series 2021 Bonds, in substantially the form attached hereto as Exhibit G, to be published in *The Salt Lake Tribune*, a newspaper of general circulation in the City; (ii) on the Utah Public Notice Website created under Section 63A-12-201 Utah Code Annotated 1953, as amended; and (iii) on the Utah Legal Notices website (www.utahlegals.com) created under Section 45-1-101, Utah Code Annotated 1953, as amended. The City Recorder shall cause a copy of this Resolution (together with all exhibits hereto) to be kept on file electronically and at 349 South 200 East, Salt Lake City, Utah, for public examination during the regular business hours of the City until at least thirty (30) days from and after the date of publication of the Notice of Bonds to be Issued.

Section 11. Declaration of Official Intent (Reimbursement of Expenditures). The City Council hereby declares the official intent of the City to reimburse the City with proceeds of the Series 2021 Bonds, additional Bonds and/or the Subordinate Revolving Obligations for expenditures with respect to the "Terminal Redevelopment Program" and the "North Concourse Program" at Salt Lake International Airport, made on and after a date that is no more than 60 days prior to the adoption of this Resolution. The "Terminal Redevelopment Program" and the "North Concourse Program" at Salt Lake International consist of the following components, among others: Concourse A-East, Concourse A-West, Concourse B-East, Concourse B-West, Terminal Building, Gateway Center, the Central Utility Plant, hardstand facilities, baggage handling systems, the Central Tunnel, airfield projects, "remain-overnight" airfield pavement, apron paving, the hydrant fueling system, taxiway paving, the parking garage, surface parking lots, parking roadways and terminal roadways.

Each of said expenditures was and will be either (a) of a type properly chargeable to a capital account under general federal income tax principles (determined in each case as of the date of the expenditure), (b) a cost of issuance with respect to the Series 2021 Bonds, additional Bonds and/or the Subordinate Revolving Obligations, (c) a nonrecurring item that is not customarily payable from current revenues, or (d) a grant to pay a party that is not related to or an agent of the City so long as such grant does not impose any obligation or condition (directly or indirectly) to repay any amount to or for the benefit of the City. The maximum principal amount of the Series 2021 Bonds, additional Bonds and/or the Subordinate Revolving Obligations to be issued to finance the remaining portions of the "Terminal Redevelopment Program" and the "North Concourse Program" at Salt Lake International is approximately $1.6 billion (inclusive of financing costs).

The City will make a reimbursement allocation, which is a written allocation by the City that evidences the City's use of proceeds of the Series 2021 Bonds, additional Bonds and/or the Subordinate Revolving Obligations to reimburse an expenditure, no later than 18 months after the later of the date on which the expenditure is paid or the applicable component of the "Terminal Redevelopment Program" or the "North Concourse Program" at Salt Lake International is placed in service or abandoned, but in no event more than three years after the date on which the expenditure is paid.

Section 12. Prior Acts Ratified, Approved and Confirmed. All acts of the officers and employees of the City heretofore or hereafter undertaken in connection with the issuance of the Series 2021 Bonds are hereby ratified, approved and confirmed.

Section 13. Resolution Irrepealable. Following the execution and delivery of the Third Supplemental Indenture, this resolution shall be and remain irrepealable until all of the Series 2021 Bonds and the interest thereon shall have been fully paid, cancelled, and discharged.

Section 14. Severability. If any section, paragraph, clause, or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

Section 15. Effective Date. This Resolution shall be effective immediately upon its approval and adoption.

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ADOPTED AND APPROVED by the City Council of Salt Lake City, Utah, this 1st day of June, 2021.

SALT LAKE CITY, UTAH

By ____________________________________
Chair, Salt Lake City Council

ATTEST:

By ____________________________________
City Recorder

[SEAL]

APPROVED:

By ____________________________________
Mayor

APPROVED AS TO FORM:

By Megan DePaulis 5/11/2021
Megan DePaulis
Senior City Attorney

EXHIBIT A

CERTIFICATE OF DETERMINATION

PURSUANT TO

RESOLUTION NO. [___] OF 2021
PROVIDING FOR THE ISSUANCE OF
AIRPORT REVENUE BONDS

Dated: [____________], 2021

1. **Authority; Definitions**. Pursuant to Resolution No. [___] of 2021, adopted by the City Council (the "City Council") of Salt Lake City, Utah (the "City") on June 1, 2021 (the "Resolution"), the City Council has authorized the issuance of the City's Airport Revenue Bonds, Series 2021A (AMT) (the "Series 2021A Bonds") and Airport Revenue Bonds, Series 2021B (Non-AMT) (the "Series 2021B Bonds," and together with the Series 2021A Bonds, the "Series 2021 Bonds") under and pursuant to the Master Trust Indenture, dated as of February 1, 2017 (the "Master Indenture"), by and between the City and Wilmington Trust, National Association, as trustee (the "Trustee"), and a Third Supplemental Trust Indenture, to be dated as of [________] 1, 2021 (the "Third Supplemental Indenture," and together with the Master Indenture, the "Indenture"), to be executed and delivered by and between the City and the Trustee. This certificate is executed pursuant to and in accordance with the delegation of authority contained in the Resolution, as authorized by law. All terms used herein and not otherwise defined herein shall have the meanings specified in the Resolution or the Indenture.

2. **Acceptance of Offer**. The offer of Citigroup Global Markets Inc., Goldman Sachs & Co. LLC, BofA Securities, Inc., Morgan Stanley & Co. LLC, RBC Capital Markets, LLC, and ZB National Association (collectively, the "Underwriters") for the purchase of the Series 2021 Bonds, which is set out in full in the Bond Purchase Agreement, dated [________], 2021 (the "Bond Purchase Agreement"), between the City and Citigroup Global Markets Inc., on behalf of itself and the other Underwriters, is hereby accepted, it being hereby found, determined and declared that such offer is in the best interests of the City. The Series 2021 Bonds shall be issued by the City for the purposes set forth in the Indenture.

The sale of the Series 2021A Bonds to the Underwriters at the price of $[__________] (representing the par amount of the Series 2021A Bonds, plus an original issue premium of $[_________], less an original issue discount of $[__________], and less an Underwriters' discount of $[_________]) is hereby confirmed. The Series 2021A Bonds shall be delivered to the Underwriters and the proceeds of sale thereof applied as provided in the Indenture, the Bond Purchase Agreement and paragraph 5 hereof.

The sale of the Series 2021B Bonds to the Underwriters at the price of $[__________] (representing the par amount of the Series 2021B Bonds, plus an original issue premium of $[_________], less an original issue discount of $[__________], and less an Underwriters' discount of $[_________]) is hereby confirmed. The Series 2021B Bonds shall be delivered to the Underwriters and the proceeds of sale thereof applied as provided in the Indenture, the Bond Purchase Agreement and paragraph 5 hereof.

3. **Maturity Dates, Principal Amounts and Interest Rates of Series 2021 Bonds**. The Series 2021A Bonds shall be issued in the aggregate principal amount of $[________]. The Series 2021A Bonds shall mature on July 1 of the years and in the principal amounts, and shall bear interest payable semiannually on January 1 and July 1, commencing on January 1, 20[22], at the rates per annum, as follows:

Maturity Date (July 1)	**Principal Amount**	**Interest Rate**
	$	%

The Series 2021B Bonds shall be issued in the aggregate principal amount of $[________]. The Series 2021B Bonds shall mature on July 1 of the years and in the principal amounts, and shall bear interest payable semiannually on January 1 and July 1, commencing on January 1, 20[22], at the rates per annum, as follows:

Maturity Date (July 1)	**Principal Amount**	**Interest Rate**
	$	%

4. **Redemption of Series 2021 Bonds**.

Optional Redemption of the Series 2021 Bonds.

(a) The Series 2021A Bonds maturing on or before July 1, 20[__] are not subject to optional redemption prior to maturity. The Series 2021A Bonds maturing on or after July 1, 20[__] are redeemable at the option of the City on or after [_______] 1, 20[__], in whole or in part at any time, from any moneys that may be provided for such purpose, at a redemption price equal to [___]% of the principal amount of the Series 2021A Bonds to be redeemed plus accrued interest to the date fixed for redemption, without premium.

(b) The Series 2021B Bonds maturing on or before July 1, 20[__] are not subject to optional redemption prior to maturity. The Series 2021B Bonds maturing on or after July 1, 20[__] are redeemable at the option of the City on or after [_______] 1, 20[__], in whole or in part at any time, from any moneys that may be provided for such purpose and at a redemption price equal to [____]% of the principal amount of such Series 2021B Bonds to be redeemed plus accrued interest to the date fixed for redemption, without premium.

Mandatory Sinking Fund Redemption of the Series 2021 Term Bonds.

(a) The Series 2021A Bonds maturing on July 1, 20[__] are subject to mandatory sinking fund redemption in part, by lot, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the date fixed for redemption, without premium, on July 1 of the following years and in the following principal amounts:

July 1 of the Year	**Principal Amount**
	$
*	

*Final Maturity Date

(b) The Series 2021B Bonds maturing on July 1, 20[__] are subject to mandatory sinking fund redemption in part, by lot, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the date fixed for redemption, without premium, on July 1 of the following years and in the following principal amounts:

July 1 of the Year	Principal Amount
	$
*	

*Final Maturity Date

5. **Use of Proceeds of Series 2021 Bonds**.

(a) The proceeds of the sale of the Series 2021A Bonds, being the amount of $[________] (which sum represents the par amount of the Series 2021A Bonds of $[________] plus an original issue premium of $[_________], less an original issue discount of $[__________], and less an Underwriters' discount of $[_________]), shall be deposited and used as follows:

(i) $[__________], representing Capitalized Interest, shall be deposited into the Interest Account of the Series 2021A Debt Service Fund (held by the Trustee) to be used to pay the interest due and payable on the Series 2021A Bonds on the following dates and in the following amounts:

Interest Payment Date	Amount to be Used to Pay Interest
	All remaining amounts on deposit in Interest Account

(ii) $[________] shall be deposited into the Common Debt Service Reserve Fund (held by the Trustee);

(iii) $[________] shall be deposited into the Series 2021A Costs of Issuance Account (held by the City) to be used to pay the Costs of Issuance of the Series 2021A Bonds; and

(iv) $[________] shall be deposited into the Series 2021A Construction Fund (held by the City) to be used to pay the Costs of the Series 2021A Project.

(b) The proceeds of the sale of the Series 2021B Bonds, being the amount of $[________] (which sum represents the par amount of the Series 2021B Bonds of $[________] plus an original issue premium of $[_________], less an original issue discount of $[__________], and less an Underwriters' discount of $[_________]), shall be deposited and used as follows:

(i) $[__________], representing Capitalized Interest, shall be deposited into the Interest Account of the Series 2021B Debt Service Fund (held by the Trustee) to be used to pay the interest due and payable on the Series 2021B Bonds on the following dates and in the following amounts:

Interest Payment Date	**Amount to be Used to Pay Interest**
	All remaining amounts on deposit in Interest Account

(ii) $[________] shall be deposited into the Common Debt Service Reserve Fund (held by the Trustee);

(iii) $[________] shall be deposited into the Series 2021B Costs of Issuance Account (held by the City) to be used to pay the Costs of Issuance of the Series 2021B Bonds; and

(iv) $[________] shall be deposited into the Series 2021B Construction Fund (held by the City) to be used to pay the Costs of the Series 2021B Project.

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IN WITNESS WHEREOF, we have hereunto set our hand on the _____ day of ____, 2021.

By ____
Mayor

By ____
Chair, Salt Lake City Council

Approved as to form:

By ____
Senior City Attorney

EXHIBIT B

[ATTACH FORM OF THIRD SUPPLEMENTAL TRUST INDENTURE]

THIRD SUPPLEMENTAL TRUST INDENTURE

by and between

SALT LAKE CITY, UTAH,
a municipal corporation and political subdivision of the State of Utah

and

WILMINGTON TRUST, NATIONAL ASSOCIATION
as Trustee

Relating to

$[PARA]	$[PARB]
Salt Lake City, Utah	Salt Lake City, Utah
Airport Revenue Bonds	Airport Revenue Bonds
Series 2021A	Series 2021B
(AMT)	(Non-AMT)

Dated as of [•] 1, 2021

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ARTICLE VI
MISCELLANEOUS

THIRD SUPPLEMENTAL TRUST INDENTURE

THIS THIRD SUPPLEMENTAL TRUST INDENTURE (this "***Third Supplemental Indenture***"), dated as of [•] 1, 2021, is entered into by and between **SALT LAKE CITY, UTAH** (the "***City***"), a municipal corporation and political subdivision of the State of Utah, and **WILMINGTON TRUST, NATIONAL ASSOCIATION**, a national banking association organized and existing under the laws of the United States of America, as trustee (the "***Trustee***"), and supplements that Master Trust Indenture, dated as of February 1, 2017 (as amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof, the "***Master Indenture***"), by and between the City and the Trustee.

WHEREAS, the Master Indenture provides in Section 2.09 thereof for the issuance of Bonds and in Section 10.02 thereof for the execution and delivery of Supplemental Indentures setting forth the terms of such Bonds; and

WHEREAS the City now, for the purpose of providing money to finance certain capital improvements to Salt Lake City International Airport, by execution and delivery of this Third Supplemental Indenture and in compliance with the provisions of the Master Indenture (a) sets forth the terms of its (i) $[PARA] Airport Revenue Bonds, Series 2021A (AMT) (the "***Series 2021A Bonds***") and (ii) its $[PARB] Airport Revenue Bonds, Series 2021B (Non-AMT) (the "***Series 2021B Bonds***" and, together with the Series 2021A Bonds, the "***Series 2021 Bonds***"), (b) provides for the deposit and use of the proceeds of the Series 2021 Bonds, and (c) makes other provisions relating to the Series 2021 Bonds.

GRANTING CLAUSE

In order to secure the payment of the Series 2021 Bonds, the City hereby pledges, assigns and grants to the Trustee with respect to the Series 2021 Bonds all of the liens, rights, interests and privileges set forth in the Granting Clauses of, and elsewhere in, the Master Indenture. To secure further the payment of the Series 2021 Bonds, the City in furtherance of the Master Indenture hereby pledges and grants to the Trustee a lien on and security interest in and assigns to the Trustee all right, title and interest of the City, except as otherwise provided herein, in and to (a) the Common Debt Service Reserve Fund (as defined in the Master Indenture) and all moneys and securities held from time to time therein and, with respect to any Debt Service Reserve Fund Surety Policy (as defined in the Master Indenture) provided at any time in satisfaction of all or a portion of the Reserve Requirement (as defined in the Master Indenture) with respect to the Common Debt Service Reserve Fund, all rights, title and interest in such instruments and the proceeds thereof, (b) the Series 2021A Construction Fund (as hereinafter defined) and all moneys and securities held from time to time therein, (c) the Series 2021B Construction Fund (as hereinafter defined) and all moneys and securities held from time to time therein, (d) the Series 2021A Debt Service Fund (as hereinafter defined) and all moneys and securities held from time to time therein, including any Capitalized Interest, (e) the Series 2021B Debt Service Fund (as hereinafter defined) and all moneys and securities held from time to time therein, including any Capitalized Interest, and (f) the Series 2021 Costs of Issuance Fund (as hereinafter defined) and all moneys and securities held from time to time therein.

ARTICLE I

DEFINITIONS; INTERPRETATIONS

Section 1.01. Definitions. The following definitions shall apply to terms used in this Third Supplemental Indenture unless the context clearly requires otherwise. Capitalized terms not otherwise defined in this Section 1.01 or elsewhere in this Third Supplemental Indenture shall have the same meanings as set forth in the Master Indenture.

"*Authorized Denominations*" means $5,000 principal amount and integral multiples thereof.

"*Continuing Disclosure Agreement*" means the agreement of the City, dated the date of issuance of the Series 2021 Bonds, pursuant to which the City shall agree to undertake for the benefit of the Holders and the beneficial owners of the Series 2021 Bonds certain ongoing disclosure requirements.

"*Costs of Issuance*" means all costs and expenses incurred by the City in connection with the issuance of the Series 2021 Bonds, including, but not limited to, costs and expenses of printing and copying documents, the preliminary and final official statements and the Series 2021 Bonds, underwriters' compensation, and the fees, costs and expenses of rating agencies, the Trustee, counsel, accountants, financial advisors, feasibility consultants and other consultants.

"*Interest Payment Date*" means each July 1 and January 1, commencing January 1, 2022, the dates upon which interest on the Series 2021 Bonds becomes due and payable.

"*Master Indenture*" means the Master Trust Indenture, dated as of February 1, 2017, by and between the City and the Trustee, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof.

"*Paying Agent*" means, for purposes of this Third Supplemental Indenture and the Series 2021 Bonds, the Trustee, or any other institution appointed by the City.

"*Record Date*" means for a January 1 Interest Payment Date the preceding December 15 and for a July 1 Interest Payment Date the preceding June 15.

"*Registrar*" means for purposes of this Third Supplemental Indenture and the Series 2021 Bonds, the Trustee, or any other institution appointed by the City.

"*Series 2021A Bonds*" means $[PARA] aggregate principal amount of Bonds issued under the Master Indenture and this Third Supplemental Indenture and designated as "Salt Lake City, Utah, Airport Revenue Bonds, Series 2021A (AMT)."

"*Series 2021A Construction Fund*" means the Construction Fund of such designation established pursuant to Section 4.01(d) hereof and into which money is to be deposited to pay Costs of the Series 2021A Projects.

"*Series 2021A Costs of Issuance Account*" means the Account of such designation established in the Series 2021 Costs of Issuance Fund pursuant to Section 4.01(c) hereof and into which money is to be deposited to pay Costs of Issuance of the Series 2021A Bonds.

"*Series 2021A Debt Service Fund*" means the Debt Service Fund of such designation established pursuant to Section 4.01(a) hereof and into which money is to be deposited to pay debt service on the Series 2021A Bonds.

"*Series 2021A Projects*" means, collectively, any or all of those capital projects listed in Exhibit C-1 attached hereto which are to be financed with a portion of the proceeds of the Series 2021A Bonds.

"*Series 2021A Term Bonds*" means, collectively, the Series 2021A Bonds maturing on July 1, 20[•] and July 1, 20[•].

"*Series 2021B Bonds*" means $[PARB] aggregate principal amount of Bonds issued under the Master Indenture and this Third Supplemental Indenture and designated as "Salt Lake City, Utah, Airport Revenue Bonds, Series 2021B (Non-AMT)."

"*Series 2021B Construction Fund*" means the Construction Fund of such designation established pursuant to Section 4.01(e) hereof and into which money is to be deposited to pay Costs of the Series 2021B Projects.

"*Series 2021B Costs of Issuance Account*" means the Account of such designation established in the Series 2021 Costs of Issuance Fund pursuant to Section 4.01(c) hereof and into which money is to be deposited to pay Costs of Issuance of the Series 2021B Bonds.

"*Series 2021B Debt Service Fund*" means the Debt Service Fund of such designation established pursuant to Section 4.01(b) hereof and into which money is to be deposited to pay debt service on the Series 2021B Bonds.

"*Series 2021B Projects*" means, collectively, any or all of those capital projects listed in Exhibit C-2 attached hereto which are to be financed with a portion of the proceeds of the Series 2021B Bonds.

"*Series 2021B Term Bonds*" means, collectively, the Series 2021B Bonds maturing on July 1, 20[•] and July 1, 20[•].

"*Series 2021 Bonds*" means, collectively, the Series 2021A Bonds and the Series 2021B Bonds.

"*Series 2021 Costs of Issuance Fund*" means the Fund of such designation established pursuant to Section 4.01(c) hereof and into which money is to be deposited to pay Costs of Issuance of the Series 2021 Bonds.

"*Series 2021 Rebate Fund*" means the Fund of such designation that may be established from time to time pursuant to Section 5.01 hereof and the provisions of the Tax Certificate.

"*Series 2021 Term Bonds*" means, collectively, the Series 2021A Term Bonds and the Series 2021B Term Bonds.

"*Tax Certificate*" means the Tax Compliance Certificate, dated the date of issuance of the Series 2021 Bonds, as amended from time to time, entered into by the City and executed with respect to the Series 2021 Bonds.

"*Third Supplemental Indenture*" means this Third Supplemental Trust Indenture, dated as of [•] 1, 2021, by and between the City and the Trustee and which, among other things, sets forth the terms of the Series 2021 Bonds.

Section 1.02. Article and Section References. Except as otherwise indicated, references to Articles and Sections are to Articles and Sections of this Third Supplemental Indenture.

ARTICLE II

THE SERIES 2021 BONDS

Section 2.01. Designation of the Series 2021 Bonds; Principal Amount. The Bonds authorized to be issued under the Master Indenture and this Third Supplemental Indenture shall be designated as (a) "Salt Lake City, Utah, Airport Revenue Bonds, Series 2021A (AMT)", which shall be issued in the original principal amount of $[PARA], and (b) "Salt Lake City, Utah, Airport Revenue Bonds, Series 2021B (Non-AMT)", which shall be issued in the original principal amount of $[PARB].

Section 2.02. Series 2021 Bonds Under the Master Indenture; Security; Parity. The Series 2021 Bonds are issued under and subject to the terms of the Master Indenture, shall be Bonds as defined pursuant to the Master Indenture and are secured by and payable, on parity with all Outstanding Bonds, from Net Revenues and other security provided in the Granting Clauses of the Master Indenture and this Third Supplemental Indenture and in accordance with the terms of the Master Indenture and this Third Supplemental Indenture. In order to secure the payment of the Series 2021 Bonds, the City hereby pledges, assigns and grants to the Trustee with respect to the Series 2021 Bonds all of the liens, rights, interests and privileges set forth in the Granting Clauses of, and elsewhere in, the Master Indenture and this Third Supplemental Indenture.

Section 2.03. General Terms of the Series 2021 Bonds. The Series 2021 Bonds shall, upon initial issuance, be dated [•], 2021. Each Series 2021 Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof unless such date of authentication is an Interest Payment Date, in which event such Series 2021 Bond shall bear interest from such date of authentication, or unless such date of authentication is after a Record Date and before the next succeeding Interest Payment Date, in which event such Series 2021 Bond shall bear interest from such succeeding Interest Payment Date, or unless such date of authentication is on or before December 15, 2021, in which, event such Series 2021 Bond shall bear interest from [•], 2021. If interest on the Series 2021 Bonds shall be in default, Series 2021 Bonds issued in exchange for Series 2021 Bonds surrendered for transfer or exchange shall bear interest from the Interest Payment Date to which interest has been paid in full on the Series 2021 Bonds surrendered.

The Series 2021 Bonds shall be initially issued as Book-Entry Bonds as provided in Section 2.06 of the Master Indenture. The Series 2021 Bonds shall be issued in Authorized Denominations.

Interest on the Series 2021 Bonds shall be paid on each Interest Payment Date. Interest on the Series 2021 Bonds shall be calculated on the basis of a year of 360 days and twelve 30-day months.

The Series 2021A Bonds shall be issued in the original principal amount of $[PARA] and shall mature on the dates and in the principal amounts and bear interest at the interest rates as set forth in the following schedule:

Maturity Date (July 1)	**Principal Amount**	**Interest Rate**

The Series 2021B Bonds shall be issued in the original principal amount of $[PARB] and shall mature on the dates and in the principal amounts and bear interest at the interest rates as set forth in the following schedule:

Maturity Date (July 1)	Principal Amount	Interest Rate

Payment of the principal of the Series 2021 Bonds shall be made upon surrender of the Series 2021 Bonds to the Trustee or its agent; provided that with respect to the Series 2021 Bonds which are Book-Entry Bonds, the payment of the principal shall be made as provided in Section 2.06 of the Master Indenture and the Representation Letter. Payment of interest on Series 2021 Bonds which are not Book-Entry Bonds shall be paid by check or draft of the Trustee mailed on the Interest Payment Date by first-class mail to the person who is the Holder thereof on the Record Date, and such payment shall be mailed to such Holder at his address as it appears on the registration books of the Registrar. The payment of interest on Book-Entry Bonds shall be made as provided in Section 2.06 of the Master Indenture and the Representation Letter. With respect to all Series 2021 Bonds, interest due and payable on any Interest Payment Date shall be paid to the person who is the Holder as of the Record Date. The Series 2021 Bonds shall be substantially in the form of Exhibit A attached hereto.

If the principal of a Series 2021 Bond becomes due and payable, but shall not have been paid as a result of a default hereunder, and no provision is made for its payment, then such Series 2021 Bond shall bear interest at the same rate after such default as on the day before the default occurred.

Section 2.04. Exchange of Series 2021 Bonds. Series 2021 Bonds which are delivered to the Registrar for exchange may be exchanged for an equal total principal amount of Series 2021 Bonds of the same Series, interest rate and maturity date.

The Registrar will not, however, be required to transfer or exchange any such Series 2021 Bond during the period established by the Registrar for selection of Series 2021 Bonds for redemption or any Series 2021 Bond which has been selected for redemption.

ARTICLE III

REDEMPTION OF THE SERIES 2021 BONDS

Section 3.01. Notices to Holders. If the City wishes that any Series 2021 Bonds be redeemed pursuant to any optional redemption provision in this Third Supplemental Indenture, the City will notify the Trustee of the applicable provision, the redemption date, the applicable Series, the maturity date, the interest rate, the CUSIP number and the principal amount of the applicable Series 2021 Bonds to be redeemed and other necessary particulars. The City will give notice to the Trustee at least thirty-five (35) days before the redemption date, provided that the Trustee may, at its option, waive such notice or accept notice at a later date. The Trustee shall give notice of redemption, in the name of the City, to Holders affected by redemption at least thirty (30) days but not more than sixty (60) days before each redemption date, send such notice of redemption by first-class mail (or with respect to Series 2021 Bonds held by DTC, either via electronic means or by an express delivery service for delivery on the next following Business Day) to each Holder of a Series 2021 Bond to be redeemed; each such notice shall be sent to the Holder's registered address.

Each notice of redemption shall specify the date of issue, the applicable Series, the maturity date, the interest rate and the CUSIP number of the applicable Series 2021 Bonds to be redeemed, if less than all Series 2021 Bonds of a Series, maturity date and interest rate are called for redemption, the numbers assigned to such Series 2021 Bonds to be redeemed, the principal amount to be redeemed, the date fixed for redemption, the redemption price, the place or places of payment, the Trustee's name, that payment will be made upon presentation and surrender of the applicable Series 2021 Bonds to be redeemed, that interest, if any, accrued to the date fixed for redemption and not paid will be paid as specified in said notice, and that on and after said date interest thereon will cease to accrue.

The City may provide that, if at the time of mailing of notice of an optional redemption there shall not have been deposited with the Trustee moneys and/or securities sufficient to redeem all the applicable Series 2021 Bonds called for redemption, such notice may state that it is conditional, that is, subject to the deposit of the redemption moneys with the Trustee not later than one (1) Business Day prior to the scheduled redemption date, and such notice shall be of no effect unless such moneys are so deposited. In the event sufficient moneys and/or securities are not on deposit one (1) Business Day prior to the scheduled redemption date, then the redemption shall be canceled and on such cancellation date notice shall be mailed (or otherwise provided) to the Holders of such Series 2021 Bonds to be redeemed in the manner provided in this Section.

Failure to give any required notice of redemption as to any particular Series 2021 Bonds will not affect the validity of the call for redemption of any Series 2021 Bonds in respect of which no failure occurs. Any notice sent as provided herein will be conclusively presumed to have been given whether or not actually received by the addressee. When notice of redemption is given, Series 2021 Bonds called for redemption become due and payable on the date fixed for redemption at the applicable redemption price. In the event that funds are deposited with the Trustee sufficient for redemption, interest on the Series 2021 Bonds to be redeemed will cease to accrue on and after the date fixed for redemption.

If any Series 2021 Bonds at the time of redemption, are not Book-Entry Bonds, then, at the time of the mailing required by the first paragraph of this Section, such redemption notice shall be given by (i) registered or certified mail, postage prepaid; (ii) telephonically confirmed facsimile transmission; or (iii) overnight delivery service, to:

The Depository Trust Company
55 Water Street, 50th Floor
New York, NY 10041-0099
Attention: Call Notification
Facsimile: (212) 855-7232

Failure to give the notice described in the immediately preceding paragraph or any defect therein shall not in any manner affect the redemption of any Series 2021 Bonds.

Section 3.02. Redemption Dates. The date fixed for redemption for Series 2021 Bonds to be optionally redeemed in accordance with Section 3.03 hereof will be a date designated by the City in the notice delivered pursuant to Section 3.01 hereof. The date fixed for mandatory sinking fund redemptions of the Series 2021 Term Bonds will be as set forth in Section 3.04 hereof.

Section 3.03. Optional Redemption of the Series 2021 Bonds.

(a) The Series 2021A Bonds maturing on or before July 1, 20[•] are not subject to optional redemption prior to maturity. The Series 2021A Bonds maturing on or after July 1, 20[•] are redeemable at the option of the City on or after July 1, 20[•], in whole or in part at any time, from any moneys that may be provided for such purpose, at a redemption price equal to 100% of the principal amount of the Series 2021A Bonds to be redeemed plus accrued interest to the date fixed for redemption, without premium.

(b) The Series 2021B Bonds maturing on or before July 1, 20[•] are not subject to optional redemption prior to maturity. The Series 2021B Bonds maturing on or after July 1, 20[•] are redeemable at the option of the City on or after July 1, 20[•], in whole or in part at any time, from any moneys that may be provided for such purpose and at a redemption price equal to 100% of the principal amount of such Series 2021B Bonds to be redeemed plus accrued interest to the date fixed for redemption, without premium.

Section 3.04. Mandatory Sinking Fund Redemption of the Series 2021 Term Bonds.

(a) The Series 2021A Bonds maturing on July 1, 20[•] are subject to mandatory sinking fund redemption in part, by lot, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the date fixed for redemption, without premium, on July 1 of the following years and in the following principal amounts:

July 1 of the Year	Principal Amount

*Final Maturity Date

(b) The Series 2021A Bonds maturing on July 1, 20[•] are subject to mandatory sinking fund redemption in part, by lot, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the date fixed for redemption, without premium, on July 1 of the following years and in the following principal amounts:

July 1 of the Year	Principal Amount

*Final Maturity Date

(c) The Series 2021B Bonds maturing on July 1, 20[•] are subject to mandatory sinking fund redemption in part, by lot, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the date fixed for redemption, without premium, on July 1 of the following years and in the following principal amounts:

July 1 of the Year	Principal Amount

*Final Maturity Date

(d) The Series 2021B Bonds maturing on July 1, 20[•] are subject to mandatory sinking fund redemption in part, by lot, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the date fixed for redemption, without premium, on July 1 of the following years and in the following principal amounts:

July 1 of the Year	Principal Amount

*Final Maturity Date

(f) Except as otherwise provided in Section 2.06 of the Master Indenture, on or before the forty-fifth (45th) day prior to any mandatory sinking fund redemption date, the Trustee shall proceed to select for redemption (by lot in such manner as the Trustee may determine), from each applicable Series 2021 Term Bonds, an aggregate principal amount of such applicable Series 2021 Term Bonds equal to the amount for such year as set forth in the appropriate table above and shall call such Series 2021 Term Bonds or portions thereof (in Authorized Denominations) for redemption and give notice of such call.

(g) At the option of the City, to be exercised by delivery of a written certificate to the Trustee on or before the sixtieth (60th) day next preceding any mandatory sinking fund redemption date, it may (i) deliver to the Trustee for cancellation Series 2021 Term Bonds or portions thereof (in Authorized Denominations) purchased in the open market or otherwise acquired by the City or (ii) specify a principal amount of such Series 2021 Term Bonds or portions thereof (in Authorized Denominations) which prior to said date have been optionally redeemed and previously cancelled by the Trustee at the request of the City and not theretofore applied as a credit against any mandatory sinking fund redemption requirement. Each such Series 2021 Term Bond or portion thereof so purchased, acquired or optionally redeemed and delivered to the Trustee for cancellation shall be credited by the Trustee at 100% of the principal amount thereof against the obligation of the City to pay the principal of such Series 2021 Term Bond on such mandatory sinking fund redemption date. In the event the City redeems any of the Series 2021 Term Bonds pursuant to Section 3.03 hereof or purchases or acquires any of the Series 2021 Term Bonds as described in this paragraph (g), the City will provide the Trustee with revised mandatory sinking fund schedules, if applicable.

Section 3.05. Payment of Series 2021 Bonds Called for Redemption. Upon surrender to the Trustee or the Trustee's agent, the Series 2021 Bonds called for redemption shall be paid at the redemption price stated in the notice, plus, when applicable, interest accrued to the date fixed for redemption.

Section 3.06. Selection of Series 2021 Bonds for Redemption; Series 2021 Bonds Redeemed in Part. The Series 2021 Bonds are subject to redemption in such order of maturity date within each applicable Series (except mandatory sinking fund payments on the Series 2021 Term Bonds) as the City may direct and by lot, selected in such manner as the Trustee (or DTC, as long as DTC is the securities depository for the Series 2021 Bonds) shall deem appropriate, within a maturity date and interest rate.

Upon surrender of a Series 2021 Bond to be redeemed in part only, the Trustee will authenticate for the Holder a new Series 2021 Bond of the same Series, maturity date and interest rate equal in principal amount to the unredeemed portion of the Series 2021 Bond surrendered.

Section 3.07. Effect of Redemption Call. On the date so designated for redemption, notice having been given in the manner and under the conditions provided herein and sufficient moneys for payment of the redemption price being held in trust by the Trustee to pay the redemption price, interest on such Series 2021 Bonds shall cease to accrue from and after such redemption date, such Series 2021 Bonds shall cease to be entitled to any lien, benefit or security under the Master Indenture and this Third Supplemental Indenture and the Holders of such Series 2021 Bonds shall have no rights in respect thereof except to receive payment of the redemption price.

Series 2021 Bonds which have been duly called for redemption under the provisions of this Article III and for the payment of the redemption price of which moneys shall be held in trust for the Holders of the Series 2021 Bonds to be redeemed, all as provided in this Third Supplemental Indenture, shall not be deemed to be Outstanding under the provisions of the Master Indenture and this Third Supplemental Indenture.

ARTICLE IV

ESTABLISHMENT OF FUNDS AND APPLICATION THEREOF

Section 4.01. Establishment of Funds and Accounts. The following funds and accounts are hereby established:

(a) Salt Lake City, Utah, Airport Revenue Bonds, Series 2021A Debt Service Fund (the "***Series 2021A Debt Service Fund***") and therein an Interest Account, a Principal Account and a Redemption Account, to be held by the Trustee;

(b) Salt Lake City, Utah, Airport Revenue Bonds, Series 2021B Debt Service Fund (the "***Series 2021B Debt Service Fund***") and therein an Interest Account, a Principal Account and a Redemption Account, to be held by the Trustee;

(c) Salt Lake City, Utah, Airport Revenue Bonds, Series 2021 Costs of Issuance Fund (the "***Series 2021 Costs of Issuance Fund***") and therein (i) the Salt Lake City, Utah, Airport Revenue Bonds, Series 2021A Costs of Issuance Account (the "***Series 2021A Costs of Issuance Account***"), and (ii) the Salt Lake City, Utah, Airport Revenue Bonds, Series 2021B Costs of Issuance Account (the "***Series 2021B Costs of Issuance Account***"), to be held by the City;

(d) Salt Lake City, Utah, Airport Revenue Bonds, Series 2021A Construction Fund (the "***Series 2021A Construction Fund***"), to be held by the City; and

(e) Salt Lake City, Utah, Airport Revenue Bonds, Series 2021B Construction Fund (the "***Series 2021B Construction Fund***"), to be held by the City.

Section 4.02. Application of Series 2021A Bond Proceeds. The proceeds of the sale of the Series 2021A Bonds, in the amount of $[•] (which sum represents the par amount of the Series 2021A Bonds of $[PARA].00, plus an original issue premium in the amount of $[•] and less an underwriters' discount in the amount of $[•]), received by the Trustee ($[•] was received by the Trustee) and the City ($[•] was received by the City) shall be deposited by the Trustee and the City as follows:

(a) $[•] of the amount received by the Trustee, representing Capitalized Interest on the Series 2021A Bonds, shall be deposited by the Trustee into the Interest Account of the Series 2021A Debt Service Fund to be used to pay the interest due and payable on the Series 2021A Bonds on the following dates and in the following amounts:

Interest Payment Date	**Amount to be Used to Pay Interest**
	All remaining amounts on deposit in Interest Account

(b) $[•] of the amount received by the Trustee shall be deposited by the Trustee into the Common Debt Service Reserve Fund;

(c) $[•] of the amount received by the City shall be deposited by the City into the Series 2021A Costs of Issuance Account to be used to pay the Costs of Issuance of the Series 2021A Bonds; and

(d) $[•] of the amount received by the City shall be deposited by the City into the Series 2021A Construction Fund to be used to pay the Costs of the Series 2021A Projects.

Section 4.03. Application of Series 2021B Bond Proceeds. The proceeds of the sale of the Series 2021B Bonds, in the amount of $[•] (which sum represents the par amount of the Series 2021B Bonds of $[PARB].00, plus an original issue premium in the amount of $[•], and less an underwriters' discount in the amount of $[•]), received by the Trustee ($[•] was received by the Trustee) and the City ($[•] was received by the City) shall be deposited by the Trustee and the City as follows:

(a) $[•] of the amount received by the Trustee, representing Capitalized Interest on the Series 2021B Bonds, shall be deposited by the Trustee into the Interest Account of the Series 2021B Debt Service Fund to be used to pay the interest due and payable on the Series 2021B Bonds on the following dates and in the following amounts:

Interest Payment Date	**Amount to be Used to Pay Interest**
	All remaining amounts on deposit in Interest Account

(b) $[•] of the amount received by the Trustee shall be deposited by the Trustee into the Common Debt Service Reserve Fund;

(c) $[•] of the amount received by the City shall be deposited by the City into the Series 2021B Costs of Issuance Account to be used to pay the Costs of Issuance of the Series 2021B Bonds; and

(d) $[•] of the amount received by the City shall be deposited by the City into the Series 2021B Construction Fund to be used to pay the Costs of the Series 2021B Projects.

Section 4.04. Series 2021A Debt Service Fund. The Trustee shall make deposits into the Series 2021A Debt Service Fund as follows:

(a) ***Interest Account***. The Trustee shall deposit into the Interest Account the amount as provided in Section 4.02(a) hereof and shall, thereafter, deposit into the Interest Account the amounts received from the City, as provided in the Master Indenture, to be used to pay interest on the Series 2021A Bonds. The Trustee shall also deposit into the Interest Account any other amounts deposited with the Trustee for deposit in the Interest Account or transferred from other Funds and Accounts for deposit therein. All amounts held at any time in the Interest Account shall be held on a priority basis for the ratable security and payment of interest due on the Series 2021A Bonds in accordance with their terms.

Earnings on amounts representing Capitalized Interest on deposit in the Interest Account shall be retained in the Interest Account until the Series 2021A Projects are completed. On the completion date of the Series 2021A Projects, any amounts representing Capitalized Interest, and any earnings thereon, remaining on deposit in the Interest Account shall be transferred to the Series 2021A Construction Fund.

Earnings on all other amounts in the Interest Account (other than earnings on amounts representing Capitalized Interest) shall be withdrawn and paid to the City on the Business Day following an Interest Payment Date for deposit into the Revenue Account unless an Event of Default exists under the Master Indenture, in which event the earnings shall be retained in the Interest Account.

(b) ***Principal Account***. The Trustee shall deposit into the Principal Account the amounts received from the City, as provided in the Master Indenture, to be used to pay the principal of the Series 2021A Bonds whether at maturity or by mandatory sinking fund redemption as provided in Section 3.04 hereof. The Trustee shall also deposit into the Principal Account any other amounts deposited with the Trustee for deposit into the Principal Account or transferred from other Funds and Accounts for deposit therein. On or about each July 15, earnings on amounts in the Principal Account shall be withdrawn by the Trustee and paid to the City for deposit into the Revenue Account unless an Event of Default exists under the Master Indenture, in which event the earnings shall be retained in the Principal Account.

(c) ***Redemption Account***. The Trustee shall deposit into the Redemption Account amounts received from the City as provided in the Master Indenture to be used to pay the redemption price of Series 2021A Bonds being redeemed as provided in Section 3.03 hereof. The Trustee shall also deposit into the Redemption Account any other amounts deposited with the Trustee for deposit into the Redemption Account or transferred from other Funds and Accounts for deposit therein. Earnings on the Redemption Account shall be withdrawn and paid to the City on the Business Day following a redemption date for deposit into the Revenue Account unless an Event of Default exists under the Master Indenture, in which event the earnings shall be retained in the Redemption Account.

The Series 2021A Debt Service Fund shall be invested and reinvested by the Trustee as directed by an Authorized City Representative in Permitted Investments.

Section 4.05. Series 2021A Construction Fund.

(a) There shall be deposited into the Series 2021A Construction Fund the amounts as provided in Section 4.02(d) hereof, any amounts transferred from the Interest Account of the Series 2021A Debt Service Fund representing Capitalized Interest and earnings thereon as described in Section 4.04(a) hereof, and any earnings from the Series 2021A Costs of Issuance Account as described in Section 4.08(d) hereof.

(b) The City shall apply amounts on deposit in the Series 2021A Construction Fund to pay the Costs of the Series 2021A Projects and will expend amounts on deposit in the Series 2021A Construction Fund only in accordance with and subject to the limitations set forth in the Tax Certificate. Amounts on deposit in the Series 2021A Construction Fund shall not be used to pay Costs of Issuance. The City shall maintain records of all expenditures made from the Series 2021A Construction Fund, which records shall include (i) the name of each entity to which payment was made, (ii) the applicable amount paid to such entity, and (iii) the applicable Series 2021A Projects for which such payment relates.

(c) Moneys held in the Series 2021A Construction Fund shall be invested and reinvested in Permitted Investments as directed by an Authorized City Representative. Earnings on the Series 2021A Construction Fund shall be retained in the Series 2021A Construction Fund.

(d) The completion of the Series 2021A Projects shall be evidenced by the filing with the Trustee of a certificate of an Authorized City Representative stating either (i) the date of completion of the Series 2021A Projects and the amount, if any, required in the opinion of such Authorized City Representative for the payment of any remaining part of the Costs of the Series 2021A Projects or (ii) that all amounts in the Series 2021A Construction Fund have been disbursed or expenses in respect thereof have been incurred. Any amount remaining in the Series 2021A Construction Fund following the delivery of such certificate, except for amounts required for the payment of any remaining part of the Costs of the Series 2021A Projects, or upon the determination of the City not to proceed with all or a portion of the Series 2021A Projects, may, at the determination of the City, be applied to any other lawful purpose. As a condition to the disbursement of funds for a purpose other than the financing of the Series 2021A Projects, an opinion of Bond Counsel shall be delivered to the City and the Trustee that the purpose for which such funds are to be used is a lawful purpose for which such proceeds may be used under the Act and that such use shall not result in the inclusion of interest on any Series 2021A Bonds in gross income of the recipient thereof for federal income tax purposes.

Section 4.06. Series 2021B Debt Service Fund. The Trustee shall make deposits into the Series 2021B Debt Service Fund as follows:

(a) ***Interest Account***. The Trustee shall deposit into the Interest Account the amount as provided in Section 4.03(a) hereof and shall, thereafter, deposit into the Interest Account the amounts received from the City, as provided in the Master Indenture, to be used to pay interest on the Series 2021B Bonds. The Trustee shall also deposit into the Interest Account any other amounts deposited with the Trustee for deposit in the Interest Account or transferred from other Funds and Accounts for deposit therein. All amounts held at any time in the Interest Account shall be held on a priority basis for the ratable security and payment of interest due on the Series 2021B Bonds in accordance with their terms.

Earnings on amounts representing Capitalized Interest on deposit in the Interest Account shall be retained in the Interest Account until the Series 2021B Projects are completed. On the completion date of the Series 2021B Projects, any amounts representing Capitalized Interest, and any earnings thereon, remaining on deposit in the Interest Account shall be transferred to the Series 2021B Construction Fund.

Earnings on all other amounts in the Interest Account (other than earnings on amounts representing Capitalized Interest) shall be withdrawn and paid to the City on the Business Day following an Interest Payment Date for deposit into the Revenue Account unless an Event of Default exists under the Master Indenture, in which event the earnings shall be retained in the Interest Account.

(b) ***Principal Account***. The Trustee shall deposit into the Principal Account the amounts received from the City, as provided in the Master Indenture, to be used to pay the principal of the Series 2021B Bonds whether at maturity or by mandatory sinking fund redemption as provided in Section 3.04 hereof. The Trustee shall also deposit into the Principal Account any other amounts deposited with the Trustee for deposit into the Principal Account or transferred from other Funds and Accounts for deposit therein. On or about each July 15, earnings on amounts in the Principal Account shall be withdrawn by the Trustee and paid to the City for deposit into the Revenue Account unless an Event of Default exists under the Master Indenture, in which event the earnings shall be retained in the Principal Account.

(c) ***Redemption Account***. The Trustee shall deposit into the Redemption Account amounts received from the City as provided in the Master Indenture to be used to pay the redemption price of Series 2021B Bonds being redeemed as provided in Section 3.03 hereof. The Trustee shall also deposit into the Redemption Account any other amounts deposited with the Trustee for deposit into the Redemption Account or transferred from other Funds and Accounts for deposit therein. Earnings on the Redemption Account shall be withdrawn and paid to the City on the Business Day following a redemption date for deposit into the Revenue Account unless an Event of Default exists under the Master Indenture, in which event the earnings shall be retained in the Redemption Account.

The Series 2021B Debt Service Fund shall be invested and reinvested by the Trustee directed by an Authorized City Representative in Permitted Investments.

Section 4.07. Series 2021B Construction Fund.

(a) There shall be deposited into the Series 2021B Construction Fund the amounts as provided in Section 4.03(d) hereof, any amounts transferred from the Interest Account of the Series 2021B Debt Service Fund representing Capitalized Interest and earnings thereon as described in Section 4.06(a) hereof, and any earnings from the Series 2021B Costs of Issuance Account as described in Section 4.08(e) hereof.

(b) The City shall apply amounts on deposit in the Series 2021B Construction Fund to pay the Costs of the Series 2021B Projects and will expend amounts on deposit in the Series 2021B Construction Fund only in accordance with and subject to the limitations set forth in the Tax Certificate. Amounts on deposit in the Series 2021B Construction Fund shall not be used to pay Costs of Issuance. The City shall maintain records of all expenditures made from the Series 2021B Construction Fund, which records shall include (i) the name of each entity to which payment was made, (ii) the applicable amount paid to such entity, and (iii) the applicable Series 2021B Projects for which such payment relates.

(c) Moneys held in the Series 2021B Construction Fund shall be invested and reinvested in Permitted Investments as directed by an Authorized City Representative. Earnings on the Series 2021B Construction Fund shall be retained in the Series 2021B Construction Fund.

(d) The completion of the Series 2021B Projects shall be evidenced by the filing with the Trustee of a certificate of an Authorized City Representative stating either (i) the date of completion of the Series 2021B Projects and the amount, if any, required in the opinion of such Authorized City Representative for the payment of any remaining part of the Costs of the Series 2021B Projects or (ii) that all amounts in the Series 2021B Construction Fund have been disbursed or expenses in respect thereof have been incurred. Any amount remaining in the Series 2021B Construction Fund following the delivery of such certificate, except for amounts required for the payment of any remaining part of the Costs of the Series 2021B Projects, or upon the determination of the City not to proceed with all or a portion of the Series 2021B Projects, may, at the determination of the City, be applied to any other lawful purpose. As a condition to the disbursement of funds for a purpose other than the financing of the Series 2021B Projects, an opinion of Bond Counsel shall be delivered to the City and the Trustee that the purpose for which such funds are to be used is a lawful purpose for which such proceeds may be used under the Act and that such use shall not result in the inclusion of interest on any Series 2021B Bonds in gross income of the recipient thereof for federal income tax purposes.

Section 4.08. Series 2021 Costs of Issuance Fund.

(a) There shall be deposited into the respective Accounts within the Series 2021 Costs of Issuance Fund the amounts as provided in <u>Sections 4.02(c) and 4.03(c)</u> hereof.

(b) The City shall apply amounts on deposit in the Series 2021 Costs of Issuance Fund to pay Costs of Issuance of the Series 2021 Bonds and will expend amounts on deposit in the Series 2021 Costs of Issuance Fund only in accordance with and subject to the limitations set forth in the Tax Certificate. The City shall maintain records of all expenditures made from the Series 2021 Costs of Issuance Fund, which records shall include (i) the name of each entity to which payment was made, (ii) the applicable amount paid to such entity, (iii) the Account in the Series 2021 Costs of Issuance Fund from which such payment was made, and (iv) a description of the Costs of Issuance represented by such payment.

(c) Moneys held in the Series 2021 Costs of Issuance Fund shall be invested and reinvested in Permitted Investments as directed by an Authorized City Representative.

(d) Earnings on the Series 2021A Costs of Issuance Account shall be deposited into the Series 2021A Construction Fund. Any amounts remaining in the Series 2021A Costs of Issuance Account on [•], 2022 shall be transferred to the Series 2021A Construction Fund and the Series 2021A Costs of Issuance Account shall be closed.

(e) Earnings on the Series 2021B Costs of Issuance Account shall be deposited into the Series 2021B Construction Fund. Any amounts remaining in the Series 2021B Costs of Issuance Account on [•], 2022 shall be transferred to the Series

2021B Construction Fund and the Series 2021B Costs of Issuance Account shall be closed.

Section 4.09. Common Debt Service Reserve Fund. The City hereby elects to have the Series 2021 Bonds participate in the Common Debt Service Reserve Fund established pursuant to the Master Indenture. As provided in Sections 4.02(b) and 4.03(b) hereto, at the time of the sale of the Series 2021 Bonds, a portion of the proceeds of the Series 2021 Bonds shall be deposited into the Common Debt Service Reserve Fund so that such amount on deposit in the Common Debt Service Reserve Fund will be equal to the Reserve Requirement for the Common Debt Service Reserve Fund. At the time of issuance of the Series 2021 Bonds, the Reserve Requirement for the Common Debt Service Reserve Fund shall be $[•].

Section 4.10. Sources of Payment of the Series 2021 Bonds. The Series 2021 Bonds shall be secured by and payable, on parity with all Outstanding Bonds, from the Net Revenues and other security provided in the Granting Clauses of the Master Indenture and this Third Supplemental Indenture and in accordance with the terms of the Master Indenture and this Third Supplemental Indenture. The City may, but is not obligated to, provide for the payment of the principal of and interest on the Series 2021 Bonds from any other source or from any other funds of the Department.

Section 4.11. Perfection of Security Interest.

(a) The Master Indenture and this Third Supplemental Indenture create a valid and binding pledge and assignment of and security interest in all of the Net Revenues pledged under the Master Indenture and this Third Supplemental Indenture in favor of the Trustee as security for payment of the Series 2021 Bonds, enforceable by the Trustee in accordance with the terms thereof.

(b) Under the laws of the State, such pledge and assignment and security interest is automatically perfected by Section 11-14-501, Utah Code Annotated 1953, as amended, and is and shall have priority as against all parties having claims of any kind in tort, contract, or otherwise hereafter imposed on the Net Revenues.

ARTICLE V

TAX COVENANTS

Section 5.01. Series 2021 Rebate Fund. The City hereby agrees that it will execute the Tax Certificate and will, pursuant to the provisions of the Tax Certificate, cause the Series 2021 Rebate Fund to be established at such times, if any, as provided for in the Tax Certificate, which fund will be funded if so required under the Tax Certificate and amounts in such Series 2021 Rebate Fund shall be held and disbursed in accordance with the Tax Certificate.

Section 5.02. Preservation of Tax Exemption.

(a) The City shall comply with the covenants and agreements set forth in the Tax Certificate.

(b) The City shall not use or permit the use of any proceeds of Series 2021 Bonds or any other funds of the City held by the Trustee under the Master Indenture and this Third Supplemental Indenture, directly or indirectly, to acquire any securities or obligations, and shall not use or permit the use of any amounts received by the City or the Trustee with respect to the Series 2021 Bonds in any manner, and shall not take or permit to be taken any other action or actions, which would cause any Series 2021 Bond to be "federally guaranteed" within the meaning of Section 149(b) of the Code or an "arbitrage bond" within the meaning of Section 148 of the Code and applicable regulations promulgated from time to time thereunder and under Section 103(c) of the Code. The City shall observe and not violate the requirements of Section 148 of the Code and any such applicable regulations. In the event the City is of the opinion that it is necessary to restrict or limit the yield on the investment of money held by the Trustee, or to use such money in certain manners, in order to avoid the Series 2021 Bonds being considered "arbitrage bonds" within the meaning of Section 148 of the Code and the regulations thereunder as such may be applicable to the Series 2021 Bonds at such time, the City shall issue to the Trustee a certificate to such effect together with appropriate instructions, in which event the Trustee shall take such action as it is directed to take to use such money in accordance with such certificate and instructions, irrespective of whether the Trustee shares such opinion.

(c) The City shall at all times do and perform all acts and things permitted by law and this Third Supplemental Indenture which are necessary or desirable in order to assure that interest paid on the Series 2021 Bonds will not be included in gross income for federal income tax purposes and shall take no action that would result in such interest being included in gross income for federal income tax purposes (other than interest paid to holders of the Series 2021A Bonds that are a "substantial user" of the facilities financed or refinanced with the Series 2021A Bonds or a "related person" within the meaning of Section 147(a) of the Code) and shall take no action that would result in such interest being included in gross income for federal income tax purposes (other than interest paid to holders of the Series 2021A Bonds that are a "substantial user" of the facilities financed or refinanced with the Series 2021A Bonds or a "related person" within the meaning of Section 147(a) of the Code).

ARTICLE VI

MISCELLANEOUS

Section 6.01. Parties in Interest. Except as otherwise specifically provided herein, nothing in this Third Supplemental Indenture expressed or implied is intended or shall be construed to confer upon any person, firm or corporation other than the City, the Trustee, the Paying Agent and the Holders of the Series 2021 Bonds any right, remedy or claim under or by reason of this Third Supplemental Indenture or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Third Supplemental Indenture contained by and on behalf of the City shall be for the sole and exclusive benefit of the City, the Trustee and the Holders of the Series 2021 Bonds.

Section 6.02. Continuing Disclosure. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provision of this Third Supplemental Indenture, failure of the City to comply with its obligations set forth in the Continuing Disclosure Agreement shall not constitute an Event of Default (as specified in Article VIII of the Master Indenture); provided, however, that any participating underwriter for the Series 2021 Bonds or any Holder or beneficial owner of the Series 2021 Bonds may take such actions as may be necessary and appropriate to compel performance by the City of its obligations under this Section, including seeking mandate or specific performance by court order.

Section 6.03. Severability. In case any one or more of the provisions of this Third Supplemental Indenture, or of any Series 2021 Bonds issued hereunder shall, for any reason, be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Third Supplemental Indenture or of the Series 2021 Bonds, and this Third Supplemental Indenture and any Series 2021 Bonds issued hereunder shall be construed and enforced as if such illegal or invalid provisions had not been contained herein or therein.

Section 6.04. No Personal Liability of City Members and Officials; Limited Liability of City to Bondholders. No covenant or agreement contained in the Series 2021 Bonds or in this Third Supplemental Indenture shall be deemed to be the covenant or agreement of any present or future Mayor, Council member, official, officer, agent or employee of the City, the Department of Airports or the Airport System, in their individual capacity, and neither the members of the Council, the officers and employees of the City, nor any person executing the Series 2021 Bonds shall be liable personally on the Series 2021 Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 6.05. Execution of Instruments; Proof of Ownership. Any request, direction, consent or other instrument in writing required or permitted by this Third Supplemental Indenture to be signed or executed by the Holders of the Series 2021 Bonds or on their behalf by an attorney-in-fact may be in any number of concurrent instruments of similar tenor and may be signed or executed by such Holders in person or by an agent or attorney-in-fact appointed by an instrument in writing or as provided in the Series 2021 Bonds. Proof of the execution of any such instrument and of the ownership of Series 2021 Bonds shall be sufficient for any purpose of this Third Supplemental Indenture and shall be conclusive in favor of the Trustee with regard to any action taken by it under such instrument if made in the following manner:

(a) The fact and date of the execution by any person of any such instrument may be proved by the certificate of any officer in any jurisdiction who, by the laws thereof, has power to take acknowledgments within such jurisdiction, to the effect that the person signing such instrument acknowledged before him the execution thereof, or by an affidavit of a witness to such execution.

(b) The ownership of Series 2021 Bonds shall be proved by the registration books kept under the provisions of Section 2.04 of the Master Indenture.

Nothing contained in this Section 6.05 shall be construed as limiting the Trustee to such proof. The Trustee may accept any other evidence of matters herein stated which it may deem sufficient. Any request, consent of, or assignment by any Holder of the Series 2021 Bonds shall bind every future Holder of the same Series 2021 Bonds or any Series 2021 Bonds issued in lieu thereof in respect of anything done by the Trustee or the City in pursuance of such request or consent.

Section 6.06. System of Registration. The Master Indenture and this Third Supplemental Indenture shall constitute a system of registration within the meaning and for all purposes of the Registered Public Obligations Act, Chapter 7 of Title 15, Utah Code Annotated 1953, as amended.

Section 6.07. Plan of Financing. The Master Indenture and this Third Supplemental Indenture shall constitute a plan of financing within the meaning and for all purposes of the Act.

Section 6.08. Governing Law. The laws of the State shall govern the construction and enforcement of this Third Supplemental Indenture and of all of the Series 2021 Bonds issued hereunder.

Section 6.09. Notices. Except as otherwise provided in this Third Supplemental Indenture, all notices, certificates, requests, requisitions or other communications by the City, the Trustee, the Paying Agent or the Registrar pursuant to this Third Supplemental Indenture shall be in writing and shall be sufficiently given and shall be deemed given when mailed by registered mail, postage prepaid, addressed as follows: if to the City, to the Salt Lake City Department of Airports, Attention: Chief Financial Officer, by delivery or by mail, P.O. Box 145550, Salt Lake City, Utah, 84114-5550, with a copy to the City Attorney at the same address; if to the Trustee, the Paying Agent and the Registrar to Wilmington Trust, National Association 650 Town Center Drive, Suite 600, Costa Mesa, California 92626, Attention: Corporate Trust Department. Any of the foregoing may, by notice given hereunder to each of the others, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent hereunder.

Section 6.10. Holidays. If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this Third Supplemental Indenture, shall not be a Business Day, such payment may, unless otherwise provided in this Third Supplemental Indenture, be made or act performed or right exercised on the next succeeding Business Day with the same force and effect as if done on the nominal date provided in this Indenture; provided that no interest shall accrue between the scheduled date of payment and the actual date of payment.

Section 6.11. Counterparts. This Third Supplemental Indenture may be signed in several counterparts. Each will be an original, but all of them together constitute the same instrument.

Pursuant to the Uniform Electronic Transactions Act, Title 46, Chapter 4 of the Utah Code Annotated 1953, as amended, the City and the Trustee hereby agree and consent to the use of electronic signatures and electronic records in connection with the Series 2021 Bonds; provided, however, that such consent and agreement only permits the use of, but does not require, electronic signatures or electronic records, including on documents delivered in counterparts.

Section 6.12. Representation Regarding Ethical Standards for City Officers and Employees and Former City Officers and Employees. The Trustee represents that it has not: (a) provided an illegal gift or payoff to a City officer or employee or former City officer or employee, or his or her relative or business entity; (b) retained any person to solicit or secure the Trustee's appointment under this Third Supplemental Indenture upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, other than bona fide employees or bona fide commercial selling agencies for the purpose of securing business; (c) knowingly breached any of the ethical standards set forth in the City's conflict of interest ordinance, Chapter 2.44 of the City Code; or (d) knowingly influenced, and hereby promises that it will not knowingly influence, a City officer or employee or former City officer or employee to breach any of the ethical standards set forth in the City's conflict of interest ordinance, Chapter 2.44 of the City Code.

[Remainder of page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Third Supplemental Trust Indenture to be duly executed, all as of the date first above written.

SALT LAKE CITY, UTAH

By ________________________________
Mayor

Attest:

By ________________________
City Recorder

[SEAL]

Approved as to form:

By ________________________________
Senior City Attorney

WILMINGTON TRUST, NATIONAL ASSOCIATION, as Trustee

By ________________________________
Authorized Representative

[Signature page to Third Supplemental Trust Indenture]

EXHIBIT A

FORM OF SERIES 2021 BOND

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AS DEFINED IN THE HEREINAFTER DEFINED INDENTURE) TO THE TRUSTEE (AS HEREINAFTER DEFINED) FOR REGISTRATION OF, TRANSFER, EXCHANGE, OR PAYMENT, AND ANY SERIES 2021[A/B] BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

REGISTERED	REGISTERED
No. R-___	Principal Amount: $___________

UNITED STATES OF AMERICA

STATE OF UTAH

SALT LAKE CITY, UTAH
AIRPORT REVENUE BOND
SERIES 2021[A/B]
[(AMT)/(Non-AMT)]

Interest Rate	**Maturity Date**	**Original Dated Date**	**CUSIP**
____%	July 1, 20__	[•], 2021	795576___

Registered Owner:

Principal Amount:

KNOW ALL MEN BY THESE PRESENTS that Salt Lake City, Utah (the “City”), a duly organized and existing municipal corporation and political subdivision of the State of Utah (the “State”), acknowledges itself indebted and for value received hereby promises to pay, in the manner and from the source hereinafter provided, to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above, unless this Bond shall have been called for redemption and payment of the redemption price shall have been duly made or provided for, upon presentation and surrender hereof, the principal amount identified above, and to pay, in the manner and from the source hereinafter provided, to the Registered Owner hereof interest on the balance of said principal amount from time to time remaining unpaid from the Interest Payment Date next preceding the date of registration and authentication of this Bond, unless this Bond is registered and authenticated as of an Interest Payment Date, in which event this Bond shall bear interest from such Interest Payment Date, or unless this Bond is registered and authenticated prior to the first Interest Payment Date, in which event this Bond shall bear interest from the Original Dated Date specified above, or unless, as shown by the records of the hereinafter referred to Trustee, interest on the hereinafter referred to Series 2021[A/B] Bonds shall be in default, in which event this Bond shall bear interest from the date to which interest has been paid in full, at the rate per annum specified above (calculated on the basis of a year of 360 days comprised of twelve 30-day months), payable in each year on January 1 and July 1, beginning January 1, 2022, until payment in full of such principal amount, except as the provisions hereinafter set forth with respect to redemption prior to maturity may become applicable hereto. This Bond, as to principal and redemption price when due, will be payable at the principal corporate trust operations office of Wilmington Trust, National Association, as paying agent of the City, or its successor as such paying agent, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts; provided, however, that payment of the interest hereon shall be made to the Registered Owner hereof and shall be paid by check or draft mailed to the person who is the Registered Owner as of the applicable Record Date at his address as it appears on the registration books of the Trustee or at such other address as is furnished in writing by such registered owner to the Trustee prior to the Record Date. Notwithstanding the previous sentence, if this Bond is a Book-Entry Bond, as defined in the hereinafter defined Master Indenture, principal, redemption price and interest will be paid as provided in Section 2.06 of the Master Indenture. The Record Date for a January 1 payment is the preceding December 15, and the Record Date for a July 1 payment is the preceding June 15. All capitalized terms not defined herein shall have the meanings set forth in the hereinafter defined Indenture.

THIS BOND IS A LIMITED OBLIGATION OF THE CITY, PAYABLE SOLELY FROM AND SECURED BY A PLEDGE OF NET REVENUES DERIVED BY THE CITY FROM THE OPERATIONS OF THE AIRPORT SYSTEM AND CERTAIN FUNDS AND ACCOUNTS. NONE OF THE PROPERTIES OF THE AIRPORT SYSTEM ARE SUBJECT TO ANY MORTGAGE OR OTHER LIEN FOR THE BENEFIT OF THE OWNERS OF THE BONDS, AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY, THE STATE OR ANY POLITICAL SUBDIVISION OR AGENCY OF THE STATE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS.

This Bond and the issue of Bonds of which it is a part are issued in conformity with and after full compliance with the Constitution of the State of Utah and pursuant to the provisions of the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the “Act”), and all other laws applicable thereto.

This Bond is a limited obligation of the City and is one of the Airport Revenue Bonds of the City (the “Bonds”) issued under and by virtue of the Act and under and pursuant to a Master Trust Indenture, dated as of February 1, 2017 (the “Master Indenture”), by between the City and Wilmington Trust, National Association, as trustee (said trustee and any successor thereto under the Master Indenture being herein referred to as the “Trustee”), and as supplemented by a Third Supplemental Trust Indenture, dated as of [•] 1, 2021 (the “Third Supplemental Indenture,” and together with the Master Indenture, the “Indenture”), between the City and the Trustee, for the purpose of financing costs of certain capital improvements to the Salt Lake City International

Airport, funding a debt service reserve fund and paying all expenses incident thereto and to the issuance of the Series 2021[A/B] Bonds described below.

As provided in the Master Indenture, Bonds may be issued from time to time in one or more series in various principal amounts, may mature at different times, may bear interest at different rates, and may otherwise vary as provided in the Master Indenture, and the aggregate principal amount of Bonds which may be issued is not limited. All Bonds issued and to be issued under the Master Indenture are and will be equally and ratably secured by the pledge and covenants made therein, except as otherwise expressly provided or permitted in or pursuant to the Master Indenture.

This Bond is one of a Series of Bonds designated as "Airport Revenue Bonds, Series 2021[A/B] [(AMT)/(Non-AMT)]" (the "Series 2021[A/B] Bonds"), issued in the aggregate principal amount of $[[PARA]/[PARB]], dated as of the Original Dated Date identified above, and duly issued under and by virtue of the Act and under and pursuant to the Indenture. Copies of the Indenture are on file at the office of the City Recorder in Salt Lake City, Utah, and at the principal corporate trust office of the Trustee, in Costa Mesa, California, and reference to the Indenture and the Act is made for a description of the pledge and covenants securing the Series 2021[A/B] Bonds, the nature, manner and extent of enforcement of such pledge and covenants, the terms and conditions upon which the Series 2021[A/B] Bonds are issued and additional Bonds may be issued thereunder, and a statement of the rights, duties, immunities and obligations of the City and of the Trustee. Such pledge and other obligations of the City under the Indenture may be discharged at or prior to the maturity or redemption of the Series 2021[A/B] Bonds upon the making of provision for the payment thereof on the terms and conditions set forth in the Indenture.

Simultaneously with the issuance of the Series 2021[A/B] Bonds, the City is issuing $[[PARA]/[PARB]] of its Airport Revenue Bonds, Series 2021[A/B] [(AMT)/(Non-AMT)] (the "Series 2021[A/B] Bonds") under the Indenture. Additionally, the City has previously issued $826,210,000 of its Airport Revenue Bonds, Series 2017A (AMT) (the "Series 2017A Bonds"), $173,790,000 of its Airport Revenue Bonds, Series 2017B (Non-AMT) (the "Series 2017B Bonds," and together with the Series 2017A Bonds, the "Series 2017 Bonds"), $753,855,000 of its Airport Revenue Bonds, Series 2018A (AMT) (the "Series 2018A Bonds"), and $96,695,000 of its Airport Revenue Bonds, Series 2018B (Non-AMT) (the "Series 2018B Bonds," and together with the Series 2018A Bonds, the "Series 2018 Bonds") under the Master Indenture. The Series 2021[A/B] Bonds, the Series 2021[A/B] Bonds, the Series 2017 Bonds and the Series 2018 Bonds are equally and ratably secured under the Master Indenture. The Master Indenture also provides for the incurrence of additional debt, including the issuance of additional bonds, to be secured under the Master Indenture equally and ratably with the Series 2021[A/B] Bonds, the Series 2021[A/B] Bonds, the Series 2017 Bonds and the Series 2018 Bonds.

The Series 2021[A/B] Bonds maturing on or before July 1, 20[•] are not subject to optional redemption prior to maturity. The Series 2021[A/B] Bonds maturing on or after July 1, 20[•] are redeemable at the option of the City on or after July 1, 20[•], in whole or in part at any time, from any moneys that may be provided for such purpose and at a redemption price equal to 100% of the principal amount of the Series 2021[A/B] Bonds to be redeemed plus accrued interest to the date fixed for redemption, without premium.

The Series 2021[A/B] Bonds with a stated Maturity Date of July 1, 20[•] will be subject to mandatory sinking fund redemption on July 1, 20[•] and each July 1, thereafter, to and including July 1, 20[•] in accordance with the terms of a mandatory sinking fund redemption schedule set forth in the Third Supplemental Indenture.

The Series 2021[A/B] Bonds are available in Authorized Denominations of $5,000 of original principal amount and integral multiples thereof. A holder may transfer or exchange Series 2021[A/B] Bonds in accordance with the Indenture. The Trustee may require a holder, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Master Indenture.

The Registered Owner of this Bond shall be treated as the owner of it for all purposes.

If money for the payment of principal or interest remains unclaimed for two years, the Trustee will pay the money to or for the account of the City. After that, holders entitled to the money must look only to the City and not to the Trustee for payment.

If the City at any time deposits with the Trustee money or Government Obligations as described in the Master Indenture sufficient to pay at maturity principal of and interest on the Outstanding Series 2021[A/B] Bonds, and if the City also pays all other sums then payable by the City under the Master Indenture, the Master Indenture will be discharged. After discharge, Bondholders must look only to the deposited money and securities for payment. If the City at any time deposits with the Trustee money or Government Obligations as described in the Master Indenture sufficient to pay at maturity, principal of and interest on all or any portion of the Outstanding Series 2021[A/B] Bonds, such Series 2021[A/B] Bonds, with respect to which the deposit was made, shall no longer be deemed to be Outstanding and shall no longer be secured by the Master Indenture except to the extent of the funds set aside therefor.

The Master Indenture, the Third Supplemental Indenture and the Series 2021[A/B] Bonds may be amended or supplemented, and any past default or compliance with any provision may be waived, as provided in the Master Indenture. Any consent given by the owner of this Bond shall bind any subsequent owner of this Bond or any Bond delivered in substitution for this Bond.

The Master Indenture provides that the occurrences of certain events constitute Events of Default. If an Event of Default occurs and is continuing, the Trustee may exercise the remedies set forth in the Master Indenture and the Third Supplemental Indenture. Under no circumstances does an Event of Default grant any right to accelerate payment of this Bond. An Event of Default and its consequences may be waived as provided in the Master Indenture and the Third Supplemental Indenture. Bondholders may not enforce the Master Indenture or this Bond except as provided in the Master Indenture and the Third Supplemental Indenture. The Trustee may refuse to enforce the Master Indenture or this Bond unless it receives indemnity satisfactory to it. Subject to certain limitations, holders of a majority of the principal amount of the Series 2021[A/B] Bonds (determined in accordance with the terms of the Master Indenture and the Third Supplemental Indenture) may direct the Trustee in its exercise of any trust or power.

No member, director, officer or employee of the City shall have any personal liability for any obligations of the City under this Bond, the Master Indenture or the Third Supplemental Indenture or for any claim based on such obligations or their creation or be subject to any personal liability or accountability by reason of the issuance thereof. Each Bondholder, by accepting this Bond, waives and releases all such liability. The waiver and release are part of the consideration for the issuance of this Bond.

It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State of Utah or by the Act or the Indenture to exist, to have happened or to have been performed precedent to or in the issuance of this Bond exist, have happened and have been performed and that the issue of Bonds, together with all other indebtedness of the City, is within every debt and other limit prescribed by said Constitution and statutes.

This Bond shall not be valid until the Certificate of Authentication hereon shall have been signed by the Trustee.

IN WITNESS WHEREOF, SALT LAKE CITY, UTAH, has caused this Bond to be signed in its name and on its behalf by the signature of its Mayor, and its corporate seal to be impressed or imprinted hereon, and attested and countersigned by the signature of its City Recorder, all as of the Original Dated Date specified above.

SALT LAKE CITY, UTAH

By ____
Mayor

Attest and Countersign:

By ____________________________
City Recorder

[SEAL]

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within mentioned Indenture and is one of the Airport Revenue Bonds, Series 2021[A/B][(AMT/Non-AMT)], of Salt Lake City, Utah.

Date of registration and authentication: _____________

WILMINGTON TRUST, NATIONAL ASSOCIATION, as Trustee

By ____
Authorized Representative

FORM OF ASSIGNMENT

I or we assign and transfer to

Insert social security or other
identifying number of assignee

[______________]

[______________]
____

____

____

(Print or type name, address and zip code of assignee) this Bond and irrevocably appoint

____

_______________________ agent to transfer this Bond on the books of the City. The agent may substitute another to act for him.

Dated: _____________________________

Signed ____
(Sign exactly as name appears on the face of this Bond)

Signature guaranteed: ____
(NOTE: Signature must be guaranteed by an Eligible Guarantor Institution.)

EXHIBIT B

DEBT SERVICE SCHEDULES

$[PARA]
Salt Lake City, Utah
Airport Revenue Bonds
Series 2021A
(AMT)

Date	Principal	Interest	Total

Date	Principal	Interest	Total

$[PARB]
Salt Lake City, Utah
Airport Revenue Bonds
Series 2021B
(Non-AMT)

Date	Principal	Interest	Total

Date	Principal	Interest	Total

EXHIBIT C-1

SERIES 2021A PROJECTS

EXHIBIT C-2

SERIES 2021B PROJECTS

EXHIBIT C

[ATTACH FORM OF PRELIMINARY OFFICIAL STATEMENT]

PRELIMINARY OFFICIAL STATEMENT DATED ________ __, 2021

NEW ISSUE-BOOK-ENTRY ONLY **Ratings:** See "RATINGS" herein.

In the opinion of Kutak Rock LLP, Bond Counsel to the City, under existing laws, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and continuing compliance with certain covenants, interest on the Series 2021 Bonds is excluded from gross income for federal income tax purposes, except for interest on any Series 2021A Bond for any period during which such Series 2021A Bond is held by a "substantial user" of the facilities financed or refinanced by the Series 2021A Bonds, or a "related person" within the meaning of Section 147(a) of the Internal Revenue Code of 1986, as amended. Bond Counsel is further of the opinion that (a)interest on the Series 2021A Bonds constitutes an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals, and (b) interest on the Series 2021B Bonds is not an item of tax preference for purposes of the federal alternative minimum tax. Bond Counsel is further of the opinion that, under the existing laws of the State of Utah, as presently enacted and construed, interest on the Series 2021 Bonds is exempt from State of Utah individual income taxes. See "TAX MATTERS" herein.

$____________*
SALT LAKE CITY, UTAH
$__________* Airport Revenue Bonds, Series 2021A (AMT)
$__________* Airport Revenue Bonds, Series 2021B (Non-AMT)

SALT LAKE CITY INTERNATIONAL AIRPORT

Dated: Date of Delivery **Due: July 1, as shown on the inside cover page hereof**

Salt Lake City, Utah (the "*City*") is issuing its Airport Revenue Bonds, Series 2021A (AMT) (the "*Series 2021A Bonds*") and its Airport Revenue Bonds, Series 2021B (Non-AMT) (the "*Series 2021B Bonds*" and, with the Series 2021A Bonds, the "*Series 2021 Bonds*") to finance and refinance portions of the Terminal Redevelopment Program and the North Concourse Program, as described herein, and related costs of the City's Department of Airports (the "*Department*") at Salt Lake City International Airport (the "*Airport*"). The Series 2021 Bonds will be issued pursuant to a Master Trust Indenture (the "*Master Indenture*") and a Third Supplemental Trust Indenture (the "*Third Supplemental Indenture,*" and, with the Master Indenture, the "*Indenture*"), each by and between the City and Wilmington Trust, National Association, as trustee (the "*Trustee*"). The Series 2021 Bonds are limited obligations of the City payable solely from and secured by a pledge of (a) Net Revenues, (b) certain funds and accounts held by the Trustee under the Indenture, and (c) other amounts payable under the Indenture, all as defined herein. The Series 2021 Bonds will be secured by a pledge of Net Revenues on parity with the City's Airport Revenue Bonds Series 2017A, Series 2017B, Series 2018A and Series 2018B, which as of July 2, 2021 were outstanding in the aggregate principal amount of $1,849,410,000. None of the properties of the Airport System, as defined herein, are subject to any mortgage or other lien for the benefit of the owners of the Series 2021 Bonds, and neither the full faith and credit nor the taxing power of the City, the State of Utah (the "*State*") or any political subdivision or agency of the State is pledged to the payment of the principal of or interest on the Series 2021 Bonds.

The Series 2021 Bonds will be issued as fully registered bonds and, when issued, will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC"). Purchasers will acquire beneficial ownership interests in the Series 2021 Bonds in denominations of $5,000 or integral multiples thereof and will not receive physical delivery of bond certificates. So long as Cede & Co. is the registered owner of the Series 2021 Bonds, principal of, premium if any, and interest on the Series 2021 Bonds will be payable by the Trustee to Cede & Co., as nominee for DTC. See "APPENDIX E – Book-Entry Only System" herein.

The Series 2021 Bonds will bear interest from their date of original delivery, payable each January 1 and July 1, commencing on January 1, 2022.

The Series 2021 Bonds are subject to optional and mandatory redemption prior to maturity as described herein.

See the inside cover page hereof for maturities, principal amounts, interest rates, yields and prices of the Series 2021 Bonds.

This cover page contains information for quick reference only. It is not a summary of this issue. Investors must read this entire Official Statement to obtain information essential to the making of an informed investment decision.

The Series 2021 Bonds are offered when, as and if issued by the City and received by the Underwriters, subject to the receipt of an unqualified approving opinion as to validity of Kutak Rock LLP, Denver, Colorado, Bond Counsel to the City, and certain other conditions. Certain legal matters will be passed upon for the City by the City Attorney, Katherine N. Lewis, and Disclosure Counsel to the City, Kaplan Kirsch & Rockwell LLP, Boston, Massachusetts, and for the Underwriters by their counsel, Gilmore & Bell, P.C., Salt Lake City, Utah. PFM Financial Advisors LLC, San Francisco, California, serves as Municipal Advisor to the City. Delivery of the Series 2021 Bonds to DTC or its custodial agent is expected in New York, New York on or about July __, 2021.

Citigroup **Goldman Sachs & Co. LLC**

______ __, 2021

* Preliminary, subject to change

SALT LAKE CITY, UTAH

$____________*

Airport Revenue Bonds, Series 2021A (AMT)

Due (July 1)	Principal Amount	Interest Rate	Yield	Price	CUSIP†
					795576
					795576
					795576
					795576
					795576
					795576
					795576
					795576
					795576
					795576
					795576
					795576
					795576
					795576
					795576

$____________ ____% Term Bonds due July 1, 20__; Yield ____%; Price _______ CUSIP† 795576___
$___________ ____% Term Bonds due July 1, 20__; Yield ____%; Price________ CUSIP† 795576___

$____________*

Airport Revenue Bonds, Series 2021B (Non-AMT)

Due (July 1)	Principal Amount	Interest Rate	Yield	Price	CUSIP†
					795576
					795576
					795576
					795576
					795576
					795576
					795576
					795576
					795576
					795576
					795576
					795576
					795576

$____________ ____% Term Bonds due July 1, 20__; Yield ____%; Price _______ CUSIP† 795576___
$___________ ____% Term Bonds due July 1, 20__; Yield ____%; Price________ CUSIP† 795576___

* Preliminary, subject to change

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SALT LAKE CITY, UTAH

CITY COUNCIL

Amy Fowler .... Council Chair
James Rogers .... Council Vice Chair
Ana Valdemoros .... Council Member
Dan Dugan .... Council Member
Darin Mano .... Council Member
Chris Wharton .... Council Member
One vacant position

CITY ADMINISTRATION

Erin J. Mendenhall .... Mayor
Rachel Otto .... Chief of Staff
Katherine N. Lewis .... City Attorney
Cindy Lou Trishman .... City Recorder
Marina Scott .... City Treasurer

AIRPORT ADVISORY BOARD

Steve Price .... Chair
Theresa Foxley .... Vice Chair
Roger Boyer .... Member
Arlyn Bradshaw .... Member
Dirk Burton .... Member
Tye Hoffman .... Member
Karen Mayne .... Member
Cynthia D. Miller .... Member
Larry Pinnock .... Member
James Rogers .... Member

DEPARTMENT OF AIRPORTS

Bill Wyatt .... Executive Director
Treber Anderson .... Director of Operations
Shane Andreasen .... Director of Administration and Commercial Services
Brian Butler .... Chief Financial Officer
Edwin M. Cherry .... Director of Information Technology
Eddie R. Clayson .... Director of Maintenance
Brady Fredrickson .... Director of Planning and Environmental
Medardo Gomez .... Director of Operational Readiness, Activation, and Transition
Peter L. Higgins .... Chief Operating Officer
Kevin F. Robins .... Director of Engineering
Nancy Volmer .... Director of Communication and Marketing

BOND COUNSEL
Kutak Rock LLP
Denver, Colorado

DISCLOSURE COUNSEL
Kaplan Kirsch & Rockwell LLP
Boston, Massachusetts

MUNICIPAL ADVISOR
PFM Financial Advisors LLC
San Francisco, California

INDEPENDENT AUDITORS
Eide Bailly LLP
Salt Lake City, Utah

AIRPORT CONSULTANT
Landrum & Brown, Inc.
Cincinnati, Ohio

TRUSTEE
Wilmington Trust, National Association
Los Angeles, California

The information contained in this Official Statement has been furnished by the City, DTC and other sources that are believed to be reliable. No dealer, broker, salesperson or any other person has been authorized by the City or the Underwriters to give any information or to make any representations other than those contained in this Official Statement in connection with the offering contained herein, and, if given or made, such information or representations must not be relied upon as having been authorized by the City or the Underwriters.

This Official Statement does not constitute an offer to sell or solicitation of an offer to buy, nor shall there be any sale of the Series 2021 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information and expressions of opinion herein are subject to change without notice, and neither delivery of this Official Statement nor any sale made thereafter shall under any circumstances create any implication that there has been no change in the affairs of the City or in any other information contained herein, since the date of this Official Statement.

The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

The Series 2021 Bonds have not been registered under the Securities Act of 1933, as amended, in reliance upon exemptions contained in such act. Any registration or qualification of the Series 2021 Bonds in accordance with applicable provisions of the securities laws of the states in which the Series 2021 Bonds have been registered or qualified and the exemption from registration or qualification in other states cannot be regarded as a recommendation thereof.

THE SERIES 2021 BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION, NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

This Official Statement contains "forward-looking statements" within the meaning of the federal securities laws in the sections hereof entitled "THE NEW SLC," "THE AIRPORT," "REPORT OF THE AIRPORT CONSULTANT" and APPENDIX B. These forward-looking statements include, among others, statements concerning expectations, beliefs, opinions, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. The forward-looking statements in this Official Statement are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by such statements.

This Official Statement contains projections and estimates that are based on current expectations and assumptions. In light of the important factors that may materially affect the financial condition of the City and the aviation industry generally and other economic and financial matters, the inclusion in this Official Statement of such projections and estimates should not be regarded as a representation by the City or the Underwriters that such projections and estimates will occur. Such projections and estimates are not intended as representations of fact or guarantees of results.

The City and the Department each maintain a website. However, the information presented on those websites is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the Series 2021 Bonds.

TABLE OF CONTENTS

OFFICIAL STATEMENT

of

SALT LAKE CITY, UTAH

Relating to its

$______________* Airport Revenue Bonds, Series 2021A (AMT)
$_____________* Airport Revenue Bonds, Series 2021B (Non-AMT)

INTRODUCTION

General

This Official Statement of Salt Lake City, Utah (the "*City*") sets forth certain information concerning the City, its Department of Airports (the "*Department*"), the Salt Lake City International Airport (the "*Airport*") and the City's $__________* Airport Revenue Bonds, Series 2021A (AMT) (the "*Series 2021A Bonds*") and its $_________* Airport Revenue Bonds, Series 2021B (Non-AMT) (the "*Series 2021B Bonds*" and, with the Series 2021A Bonds, the "*Series 2021 Bonds*").

Salt Lake City

The City, a municipal corporation and political subdivision of the State of Utah (the "*State*"), has a Council-Mayor form of government. The City Council consists of seven members, who are elected by voters within seven geographic districts of approximately equal population. The Mayor is elected at large by the voters of the City and is charged with the executive and administrative duties of the government. The Mayor appoints and the City Council approves the appointment of the Executive Director of the Department. See "THE AIRPORT – The City" herein.

The Airport is owned by the City. In addition to the Airport, the City owns South Valley Regional Airport ("*South Valley*" or "*U42*") and Tooele Valley Airport ("*Tooele*" or "*TVY*") (collectively with the Airport, the "*Airport System*"), which are all operated and managed by the Department. The Mayor of the City and the City Council oversee the Department's affairs. An eleven-member advisory board (the "*Airport Advisory Board*") of citizen volunteers advises the Mayor.

Salt Lake City Department of Airports

The day-to-day operations of the Airport System are managed by the Executive Director of the Department, who reports directly to the Mayor. The Executive Director leads the management staff of the Department and the Department's Division Directors oversee each of the primary operating and administrative divisions of the Department and report to the Executive Director.

Salt Lake City International Airport

The Airport is located on approximately 9,400 acres about five miles west of the City's downtown. The airfield at the Airport contains four runways, three of which are used for airline traffic and the fourth of which is used for general aviation traffic. A new terminal facility was placed into service at the Airport on September 15, 2020, and it replaced the prior terminal complex in its entirety. The new terminal facility consists of three levels and includes a federal inspection services area, passenger circulation areas, a centralized security screening checkpoint, a ticketing area for departing passengers, a conference center and administrative offices for the Department and other tenants at the Airport. The Airport also currently contains a new five-level parking structure for short-term parking along with surface parking for longer-term parking and employees. The Airport is classified by the Federal Aviation Administration ("*FAA*") as a Large Hub facility based upon its share of nationwide enplaned passengers. The FAA classifies Large Hub airports as those serving at least 1% of annual U.S. passenger enplanements. See "THE AIRPORT – Airport Management" and " – Airport Facilities" herein. The Airport is also a principal hub for Delta Air Lines, Inc. ("*Delta*"). In the fiscal year ended June 30, 2020 ("*FY 2020*"), Delta and its affiliates carried

*Preliminary, subject to change

approximately 73% of the passengers enplaned at the Airport. See "THE AIRPORT – Aviation Activity at the Airport."

COVID-19

The worldwide outbreak of a highly contagious, upper respiratory tract illness caused by a novel strain of coronavirus (together with variants thereof, "*COVID-19*") has caused significant disruption to domestic and international air travel, including passenger operations, and has had significant negative and adverse effects on the economies of the nation and the world. The information in this Official Statement that describes revenues, financial affairs, operations and general economic conditions of the City and the Department for Fiscal Year 2020 reflects only four months of COVID-19 impacts. Subsequent data through March 31, 2021 is included in this Official Statement where available. All of this information should be considered in light of the negative and adverse impacts from COVID-19 subsequent to the dates of such data. The effects of COVID-19 and actions taken at the state and national levels to halt its spread have had, and are expected to continue to have, a significant adverse effect on the revenues, financial condition and operations of the Department. COVID-19 developments, and associated governmental and regulatory responses, are rapidly changing and cannot be predicted with any assurance. For a more detailed discussion of the current and projected impacts of COVID-19 on the Department's revenues, financial condition and operations, see "IMPACT OF COVID-19 PANDEMIC ON THE AIRPORT" and APPENDIX B –Report of the Airport Consultant.

The New SLC

The "New SLC", formerly known as the Airport Redevelopment Program, is a comprehensive and integrated series of projects that will result in the replacement of substantially all of the Airport's landside and terminal complex facilities and the demolition of a number of existing facilities. The New SLC consists of the Terminal Redevelopment Program ("*TRP*") and the North Concourse Program ("*NCP*"). The TRP is a $2.72 billion capital improvement program that consists of the following project elements: (1) the South Economy parking lot, (2) the Rental Car Quick Turn Around and three Rental Car Remote Service Site facilities, (3) the Central Utility Plant, (4) a new Terminal Facility, (5) the Gateway Center, (6) Concourse A West, including 25 gates, (7) the Parking Garage, (8) a new terminal roadway system to serve the new landside facilities, (9) Concourse A East, including 22 gates, and (10) related infrastructure improvements, including apron reconfiguration, information technology, utilities and landscaping. By September 15, 2020 the major elements of the TRP, including the new Terminal Facility, Concourse A West, Central Utility Plant, Parking Garage, Gateway Center, roadways, and airfield paving were placed in service. The NCP is a separate, but programmatically integrated $1.73 billion set of projects consisting of a concourse (the "*Concourse B*") planned to contain a total of 31 domestic gates and will be constructed in two phases. Concourse B is located parallel to Concourse A and is connected to it, currently, by a temporary mid-concourse passenger tunnel. Concourse B West was placed in service on October 27, 2020, on schedule, with 21 gates. Concourse B East and the final central passenger tunnel remain to be constructed. Not all elements of the New SLC have been bid and are subject to a construction contract and, accordingly, the project budget remains subject to change. See "THE NEW SLC" herein.

Plan of Finance

The Series 2021 Bonds are being issued to finance a portion of the design and construction of the New SLC, make a deposit to the Common Reserve Fund (as defined herein), repay the outstanding Subordinate Revolving Obligations (as defined below), fund a portion of the interest accruing on the Series 2021 Bonds, and pay the costs of issuance of the Series 2021 Bonds. As described under "THE NEW SLC" and "APPENDIX B – REPORT OF THE AIRPORT CONSULTANT – CIP Plan of Finance," the City has funded to date and expects to continue to fund the design and construction of the New SLC from a variety of sources, including Department funds, proceeds of airport revenue bonds, drawings on a revolving line of credit (as described below), passenger facility charges ("*PFCs*"), customer facility charges ("*CFCs*") and federal grants. In addition to the Series 2021 Bonds, the City previously issued its Airport Revenue Bonds, Series 2017A (AMT) (the "*Series 2017A Bonds*"), Airport Revenue Bonds, Series 2017B (Non-AMT) (the "*Series 2017B Bonds*" and, with the 2017A Bonds, the "*Series 2017 Bonds*"), Airport Revenue Bonds, Series 2018A (AMT) (the "*Series 2018A Bonds*") and Airport Revenue Bonds, Series 2018B (Non-AMT) (the "*Series 2018B Bonds*" and, with the 2018A Bonds, the "*Series 2018 Bonds*"). As of July 2, 2021, the Series 2017 Bonds and the Series 2018 Bonds were outstanding in the aggregate principal amount of $1,849,410,000. The City currently expects that it will issue airport revenue bonds under the Master Indenture, in addition to the Series 2021 Bonds, to fund a total of approximately $____________ million of construction costs of elements of the New

SLC. Given the complexity and timing of the New SLC, the final plan of finance remains subject to change. See "THE NEW SLC" and "APPENDIX B – REPORT OF THE AIRPORT CONSULTANT – CIP Plan of Finance."

Additionally, pursuant to the Master Subordinate Trust Indenture, dated as of March 1, 2021 (the "*Master Subordinate Indenture*"), by and between the City and Zions Bancorporation, National Association, as trustee (the "*Subordinate Trustee*"), the First Supplemental Subordinate Trust Indenture, dated as of Mach 1, 2021 (the "*First Supplemental Subordinate Indenture*," and with the Master Subordinate Indenture, the "*Subordinate Indenture*"), by and between the City and the Subordinate Trustee, and the Credit Agreement, dated as of March 1, 2021 (the "*Subordinate Revolving Obligations Credit Agreement*"), by and between the City and JPMorgan Chase Bank, National Association (the "*Subordinate Revolving Obligations Bank*"), the City is authorized to issue and have outstanding, from time to time, up to $300,000,000 in aggregate principal amount of its Salt Lake City, Utah Subordinate Airport Revenue Short-Term Revolving Obligations (collectively, the "*Subordinate Revolving Obligations*"). As of July 1, 2021, the City had $[____] aggregate principal amount of Subordinate Revolving Obligations outstanding. All Subordinate Revolving Obligations issued by the City are purchased by the Subordinate Revolving Obligations Bank in accordance with the terms of the Subordinate Revolving Obligations Credit Agreement. On or about the date of issuance of the Series 2021 Bonds, the City expects to repay all of the outstanding Subordinate Revolving Obligations with a portion of the proceeds of the Series 2021 Bonds. The City expects to issue additional Subordinate Revolving Obligations, from time to time, to finance, on an interim basis, construction costs of elements of the New SLC. See "SECURITY FOR THE SERIES 2021 BONDS -- Subordinate Obligations (Subordinate Revolving Obligations)."

The Series 2021 Bonds

The Series 2021 Bonds are being issued pursuant to the Master Trust Indenture dated as of February 1, 2017 (the "*Master Indenture*") by and between the City and Wilmington Trust, National Association, as trustee (the "*Trustee*"), the Third Supplemental Trust Indenture to be dated as of August 1, 2021 (the "*Third Supplemental Indenture*" and, collectively with the Master Indenture, and all supplements thereto, the "*Indenture*") by and between the City and the Trustee, and the Act, as defined in the Master Indenture. The Series 2021 Bonds have been approved by a resolution of the City Council adopted on [June 1], 2021. The Series 2021 Bonds are subject to optional and mandatory redemption prior to maturity as provided herein. See "THE SERIES 2021 BONDS" herein.

Security for the Bonds

The Series 2021 Bonds, the Series 2017 Bonds and the Series 2018 Bonds and any additional airport revenue bonds issued pursuant to the Master Indenture (collectively, the "*Bonds*") will be limited obligations of the City payable solely from and secured by a pledge of (1) Net Revenues, (2) certain funds and accounts held by the Trustee under the Indenture, and (3) other amounts payable under the Indenture. None of the properties of the Airport System are subject to any mortgage or other lien for the benefit of the owners of the Series 2021 Bonds or any other Bonds, and neither the full faith and credit nor the taxing power of the City, the State or any political subdivision or agency of the State is pledged to the payment of the principal of, premium, if any, and interest on the Series 2021 Bonds or any other Bonds. See "SECURITY FOR THE SERIES 2021 BONDS."

Forward-Looking Statements

This Official Statement contains projections and estimates that are based on current expectations. In light of the important factors that may materially affect the financial condition of the Department and the aviation industry generally and other economic and financial matters, the inclusion in this Official Statement of such projections and estimates should not be regarded as a representation by the City that such projections and estimates will occur. Such projections and estimates are not intended as representations of fact or guarantees of results. The Department disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Department's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Additional Information

This Official Statement includes a description of the City, the Department and the Department's facilities and certain financial and operational factors relating to the Department, and a description of the Series 2021 Bonds and the security therefor. Except where noted, all information presented in this Official Statement has been provided by the City. The following appendices are included as part of this Official Statement: APPENDIX A – COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE DEPARTMENT FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND JUNE 30, 2019; APPENDIX B – REPORT OF THE AIRPORT CONSULTANT dated ________, 2021; APPENDIX C – FORM OF MASTER INDENTURE; APPENDIX D – FORM OF AIRLINE USE AGREEMENT; APPENDIX E – BOOK-ENTRY ONLY SYSTEM; APPENDIX F – FORM OF CONTINUING DISCLOSURE AGREEMENT; and APPENDIX G – FORM OF OPINION OF BOND COUNSEL. APPENDIX B has been prepared by Landrum & Brown, Inc. ("*Landrum*" or the "*Airport Consultant*"), Airport Consultant to the City. APPENDICES C and G have been prepared by Kutak Rock LLP, Bond Counsel to the City. APPENDIX F has been prepared by Kaplan Kirsch & Rockwell LLP, Disclosure Counsel to the City. The information included in APPENDIX E has been obtained from The Depository Trust Company ("*DTC*").

Certain defined terms that are capitalized but not defined herein are defined in the Master Indenture. See "APPENDIX C – FORM OF MASTER INDENTURE - ARTICLE I – DEFINITIONS; INTERPRETATION." All references in this Official Statement to the Master Indenture, the Third Supplemental Indenture, the Series 2021 Bonds, the Continuing Disclosure Agreement, the Airline Use Agreement and all other agreements, statutes and instruments are qualified by reference to the complete document. Copies of the Third Supplemental Indenture are available for examination at the offices of the Department and the Trustee.

The Department's principal office is located at 3920 West Terminal Drive, Salt Lake City, Utah 84122. The Department's telephone number is (801) 575-2400. Copies of certain documents, including the Department's Comprehensive Annual Financial Report ("*CAFR*") for FY 2020, are available electronically on the Department's website at: http://www.slcairport.com/about-the-airport/financial-information. However, no information on the Department's or the City's website is part of or incorporated into this Official Statement, except to the extent such information is expressly disclosed herein.

The Department's CAFR for fiscal year 2019 ("*FY 2019*") has been awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association ("*GFOA*") and the Department has submitted the CAFR for FY 2020 to the GFOA. The Department's CAFR has been awarded the Certificate of Achievement for Excellence in Financial Reporting by the GFOA for more than ten consecutive years.

THE SERIES 2021 BONDS

General Provisions

The Series 2021 Bonds will bear interest at the rates and mature on the dates set forth on the inside front cover page of this Official Statement. Interest will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The Series 2021 Bonds will be dated their initial date of delivery, and will bear interest from that date payable semi-annually on January 1 and July 1 of each year, commencing January 1, 2022 (each an "*Interest Payment Date*"). Interest due and payable on the Series 2021 Bonds on any Interest Payment Date will be paid to the person who is the registered owner as of the Record Date (DTC, so long as the book-entry system with DTC is in effect). Each Series 2021 Bond will bear interest from the Interest Payment Date next preceding the date of authentication thereof unless such date of authentication is an Interest Payment Date, in which event such Series 2021 Bond will bear interest from such date of authentication, or unless such date of authentication is after a Record Date and before the next succeeding Interest Payment Date, in which event such Series 2021 Bond will bear interest from such succeeding Interest Payment Date, or unless such date of authentication is on or before December 15, 2021, in which event such Series 2021 Bond will bear interest from its date of delivery. If interest on the Series 2021 Bonds is in default, Series 2021 Bonds issued in exchange for Series 2021 Bonds surrendered for transfer or exchange will bear interest from the last Interest Payment Date to which interest has been paid in full on the Series 2021 Bonds surrendered.

The Series 2021 Bonds will be issued in denominations of $5,000 and integral multiples thereof. The Series 2021 Bonds will be issued in fully registered form and will be registered in the name of Cede & Co., as registered owner and nominee of DTC. DTC will act as securities depository for the Series 2021 Bonds. Individual purchases may be made in book-entry form only. Purchasers will not receive certificates representing their interest in the Series 2021 Bonds purchased. So long as Cede & Co., as nominee of DTC, is the registered owner of the Series 2021 Bonds, references herein to the Bondholders or registered owners means Cede & Co. and does not mean the Beneficial Owners of the Series 2021 Bonds.

So long as Cede & Co. is the registered owner of the Series 2021 Bonds, the principal of and interest on the Series 2021 Bonds will be payable by wire transfer by the Trustee to Cede & Co., as nominee for DTC, which is required, in turn, to remit such amounts to the DTC participants for subsequent disbursement to the Beneficial Owners. See “APPENDIX E — BOOK-ENTRY ONLY SYSTEM.”

Redemption of the Series 2021 Bonds

Optional Redemption

The Series 2021 Bonds maturing on or before July 1, 20__ are not subject to optional redemption prior to maturity. The Series 2021 Bonds maturing on or after July 1, 20__ are redeemable on or after _____ 1, 20__ at the option of the City, in whole or in part at any time, from any moneys that may be provided for such purpose and at a redemption price equal to ___% of the principal amount of the Series 2021 Bonds to be redeemed plus accrued interest to the date fixed for redemption, without premium.

Mandatory Sinking Fund Redemption

The Series 2021A Bonds maturing on July 1, 20__, are subject to mandatory sinking fund redemption in part, by lot, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the date fixed for redemption, without premium, on July 1 of the following years and in the following principal amounts:

July 1 of the Year	Principal Amount
*	

*Final Maturity Date

The Series 2021A Bonds maturing on July 1, 20__ (together with the Series 2021A Bonds maturing on July 1, 20__, the “*Series 2021A Term Bonds*”), are subject to mandatory sinking fund redemption in part, by lot, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the date fixed for redemption, without premium, on July 1 of the following years and in the following principal amounts:

July 1 of the Year	Principal Amount
*	

*Final Maturity Date

The Series 2021B Bonds maturing on July 1, 20__ are subject to mandatory sinking fund redemption in part, by lot, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the date fixed for redemption, without premium, on July 1 of the following years and in the following principal amounts:

July 1 of the Year	Principal Amount
*	

*Final Maturity Date

The Series 2021B Bonds maturing on July 1, 20__ (together with the Series 2021B Bonds maturing on July 1, 20__, the "*Series 2021B Term Bonds*") are subject to mandatory sinking fund redemption in part, by lot, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the date fixed for redemption, without premium, on July 1 of the following years and in the following principal amounts:

July 1 of the Year	Principal Amount
*	

*Final Maturity Date

At the option of the City, to be exercised by delivery of a written certificate to the Trustee on or before the 60th day next preceding any mandatory sinking fund redemption date for the Series 2021A Term Bonds or the Series 2021B Term Bonds (collectively, the "*Series 2021 Term Bonds*"), the City may (a) deliver to the Trustee, for cancellation, Series 2021 Term Bonds or portions thereof (in Authorized Denominations) purchased in the open market or otherwise acquired by the City or (b) specify a principal amount of such Series 2021 Term Bonds or portions thereof (in Authorized Denominations), which prior to said date have been optionally redeemed and previously cancelled by the Trustee at the request of the City and not theretofore applied as a credit against any mandatory sinking fund redemption requirement. Each such Series 2021 Term Bond or portion thereof so purchased, acquired or optionally redeemed and delivered to the Trustee for cancellation will be credited by the Trustee, at 100% of the principal amount thereof, against the obligation of the City to pay the principal of such applicable Series 2021 Term Bond on such mandatory sinking fund redemption date.

Notices of Redemption to Bondholders; Conditional Notice of Optional Redemption

The Trustee will give notice of redemption, in the name of the City, to Bondholders affected by redemption (DTC, so long as the book-entry system with DTC is in effect) at least 30 days but not more than 60 days before each redemption date. The Trustee will send such notice of redemption by first class mail (or with respect to Series 2021 Bonds held by DTC, either via electronic means or by an express delivery service for delivery on the next following Business Day) to each registered owner of a Series 2021 Bond to be redeemed; each such notice will be sent to the owner's registered address. The City will also post, or cause to be posted, such notice of redemption on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("*EMMA*") website.

Each notice of redemption will specify the date of issue, the applicable Series, the maturity date, the interest rate and the CUSIP number of the applicable Series 2021 Bonds to be redeemed, if less than all Series 2021 Bonds of a Series, maturity date and interest rate are called for redemption, the numbers assigned to the Series 2021 Bonds to be redeemed, the principal amount to be redeemed, the date fixed for redemption, the redemption price, the place or places of payment, the Trustee's name, that payment will be made upon presentation and surrender of the applicable Series 2021 Bonds to be redeemed, that interest, if any, accrued to the date fixed for redemption and not paid will be paid as specified in said notice, and that on and after said date interest thereon will cease to accrue.

The City may provide that, if at the time of mailing of notice of an optional redemption there has not been deposited with the Trustee moneys and/or securities sufficient to redeem all the applicable Series 2021 Bonds called for redemption, such notice may state that it is conditional, that is, subject to the deposit of the redemption moneys with the Trustee not later than one Business Day prior to the scheduled redemption date, and such notice will be of no effect unless such moneys are so deposited. In the event sufficient moneys are not on deposit one Business Day prior to the scheduled redemption date, then the redemption will be canceled and on such cancellation date notice will be mailed to the Holders of such Series 2021 Bonds.

Failure to give any required notice of redemption as to any particular Series 2021 Bonds will not affect the validity of the call for redemption of any Series 2021 Bonds in respect of which no failure occurs. Any notice sent as provided in the Indenture will be conclusively presumed to have been given whether or not actually received by the addressee. When notice of redemption is given, Series 2021 Bonds called for redemption become due and payable on the date fixed for redemption at the applicable redemption price. In the event that funds are deposited with the Trustee sufficient for redemption, interest on the Series 2021 Bonds to be redeemed will cease to accrue on and after the date fixed for redemption.

Effect of Redemption

On the date so designated for redemption, notice having been given in the manner and under the conditions provided in the Indenture and as described above and sufficient moneys for payment of the redemption price being held in trust to pay the redemption price, interest on such applicable Series 2021 Bonds will cease to accrue from and after such redemption date, such Series 2021 Bonds will cease to be entitled to any lien, benefit or security under the Indenture and the owners of such Series 2021 Bonds will have no rights in respect thereof except to receive payment of the redemption price. Series 2021 Bonds which have been duly called for redemption and for the payment of the redemption price of which moneys will be held in trust for the holders of the respective Series 2021 Bonds to be redeemed, all as provided in the Indenture, will not be deemed to be Outstanding under the provisions of the Indenture.

Selection of Series 2021 Bonds for Redemption; Series 2021 Bonds Redeemed in Part

Redemption of the Series 2021 Bonds will only be in Authorized Denominations. The Series 2021 Bonds are subject to redemption in such order of maturity and interest rate within a Series (except mandatory sinking fund payments on the Series 2021 Term Bonds) as the City may direct and by lot within such maturity and interest rate of such Series selected in such manner as the Trustee (or DTC, as long as DTC is the securities depository for the Series 2021 Bonds) deems appropriate.

Except as otherwise provided under the procedures of DTC, on or before the 45th day prior to any mandatory sinking fund redemption date, the Trustee will proceed to select for redemption (by lot in such manner as the Trustee may determine) from the Series 2021 Term Bonds an aggregate principal amount of such Series 2021 Term Bonds equal to the amount for such year as set forth in the applicable table under "Mandatory Sinking Fund Redemption" above and will call such Series 2021 Term Bonds or portions thereof (in Authorized Denominations) for redemption and give notice of such call.

Book-Entry Only System

DTC will act as securities depository for the Series 2021 Bonds. The Series 2021 Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity of each Series of the Series 2021 Bonds in the aggregate principal amount of such maturity, and will be deposited with DTC. For more information regarding DTC and its procedures, see "APPENDIX E – BOOK-ENTRY ONLY SYSTEM."

ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources and uses of funds in connection with the issuance of the Series 2021 Bonds are summarized below (rounded to the nearest dollar):*

	Series 2021A Bonds	Series 2021B Bonds	Total
Sources of Funds			
Principal amount			
Plus/minus Original Issue Premium/Discount			
Total Sources of Funds			
Uses of Funds			
Deposit to Construction Fund			
Capitalized Interest[1]			
Repayment of Subordinate Revolving Obligations			
Deposit to Common Reserve Fund			
Costs of Issuance[2]			
Total Uses of Funds			

*Amounts may not add due to rounding.
[1] Interest capitalized on specific components of the New SLC to the earlier of the date such components are expected to be placed in service or July 1, 2024. See also footnote 2 to the schedule under the heading "DEBT SERVICE SCHEDULE" herein.
[2] Includes underwriters' discount, trustee fees, legal fees, financial advisor and consultant fees, rating agency fees, printing expenses and other miscellaneous fees and expenses.

DEBT SERVICE SCHEDULE

Upon issuance of the Series 2021 Bonds, the Series 2017 Bonds, the Series 2018 Bonds and the Series 2021 Bonds will be the only outstanding Bonds of the City payable from the Net Revenues of the Airport System. (Subject to the final pricing of the Series 2021 Bonds, the City currently expects to issue a total of approximately $___ million of additional Bonds to fund additional project costs for the New SLC through FY 2025). The following schedule sets forth the debt service for the Bonds:

	Series 2021A Bonds		Series 2021B Bonds			
Period Ending[1]	Principal	Interest[2]	Principal	Interest[2]	Aggregate Debt Service on Series 2017 Bonds and Series 2018 Bonds[3]	Aggregate Debt Service on Bonds
7/1/2022					113,065,500	
7/1/2023					115,703,250	
7/1/2024					106,523,250	
7/1/2025					120,987,250	
7/1/2026					123,148,000	
7/1/2027					130,592,500	
7/1/2028					133,217,250	
7/1/2029					133,215,250	
7/1/2030					133,220,750	
7/1/2031					133,212,250	
7/1/2032					133,229,000	
7/1/2033					133,223,000	
7/1/2034					133,213,250	
7/1/2035					133,217,500	
7/1/2036					133,222,250	
7/1/2037					133,224,250	
7/1/2038					133,215,000	
7/1/2039					133,206,000	
7/1/2040					133,217,750	
7/1/2041					133,214,250	
7/1/2042					133,210,750	
7/1/2043					133,216,250	
7/1/2044					133,213,750	
7/1/2045					133,216,500	
7/1/2046					133,219,000	
7/1/2047					133,217,750	
7/1/2048					59,558,750	
7/1/2049						
7/1/2050						
7/1/2051						
Total						

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[1] Pursuant to the provisions of the Master Indenture, the City is required to make monthly deposits to the applicable Debt Service Funds for the Bonds so that sufficient amounts are on deposit in such funds 15 days prior to each applicable principal payment date (July 1) and interest payment date (January 1 and July 1) for the Outstanding Bonds. See "SECURITY FOR THE SERIES 2021 BONDS" and "APPENDIX C —FORM OF MASTER INDENTURE."

[2] A portion of the interest due on the Series 2021 Bonds during the periods ending July 1, 2022 through, and including, July 1, 2024 will be paid with a portion of the proceeds of the Series 2021 Bonds. Interest is capitalized on specific components of the New SLC to the earlier of the date such component is expected to be placed in service or July 1, 2024.

[3] A portion of the interest due on the Series 2018A Bonds during the periods ending July 1, 2022 through, and including, July 1, 2023 will be paid with a portion of the proceeds of the Series 2018A Bonds.

IMPACT OF COVID-19 PANDEMIC ON THE AIRPORT

The following information regarding recent developments in finances and operations of the Department supplements information set forth elsewhere in this offering document describing Revenues and information contained under the heading "THE AIRPORT," certain of which historical information predates the COVID-19 pandemic or was prepared before the outbreak of COVID-19 and should be considered in light of possible negative and adverse impacts of COVID-19. The data for FY 2020 contains information that pre-dates the outbreak of COVID-19 in the United States. The effects of the COVID-19 pandemic on passenger traffic, airline operations and related effects on revenues began to be experienced at the Airport in March of 2020.

This section contains "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. Such statements may involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance and achievements to be different from future results, performance and achievements expressed or implied by such forward-looking statements. Investors are cautioned that the actual results could differ materially from those set forth in the forward-looking statements.

COVID-19 Outbreak

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has had significant adverse health and financial impacts throughout the world and the State of Utah and has caused significant disruptions to domestic and international air travel, including both passenger and cargo operations. Many states and local governments in the United States, including the State, initially issued "stay at home" or "shelter in place" orders, which severely restricted movement and limited businesses and activities to essential functions. While some of these orders have been lifted, there remain restrictions in place throughout the country to varying levels of degree and the current resurgence of the virus may cause further restrictions to be imposed. Additionally, a number of nations have actually or effectively closed their borders by restricting entry and exit to only essential travel and/or requiring travelers to self-isolate for 14 days, further depressing demand for passenger air travel.

The approvals by the U.S. Food and Drug administration of three vaccines for COVID-19 are expected to result in some relief from the pandemic, but there are many uncertainties regarding such vaccines, including the number of people who will choose not to be vaccinated, and how effective the vaccines will be in eliminating the further spread of the COVID-19 pandemic, including the spread of variants thereof, and the length of time that the vaccines will remain effective.

Airports in the United States, including the Airport, have been significantly affected by the reductions in passenger volumes and flights, as well as by the broader economic shutdown resulting from the COVID-19 outbreak. The outbreak has adversely affected domestic and international travel and travel-related industries. Airlines, including those operating at the Airport, have reported unprecedented reductions in passenger volumes, causing the cancellation of numerous flights and a dramatic reduction in network capacity, including suspension of service on certain routes, including some to and from the Airport.

The safety and health of passengers and employees is the Department's top priority, and the Department has been working in coordination with its airline partners, building cleaning contractors, local public health and emergency response organizations, and other stakeholders to keep travel safe and to comply with guidelines issued by the Centers for Disease Control (the "*CDC*").

The COVID-19 pandemic is ongoing, and its dynamic nature leads to uncertainties, including relating to the severity of the disease; the duration of the pandemic; the efficacy and availability of vaccines against the COVID -19 virus; actions that may be taken by governmental authorities to contain the outbreak or to treat its impact; the impact of the pandemic and any travel restrictions on the demand for air travel, including at the Airport, or on Airport revenues and expenses; the impact of the outbreak on the local or global economies or on the airlines and concessionaires serving the Airport, or on the airline or travel industry generally. Due to the evolving nature of the COVID-19 pandemic and the response of governments, businesses and individuals to the COVID-19 pandemic, Airport management cannot predict, among other things: (i) the duration or extent of the COVID-19 outbreak or another outbreak or pandemic; (ii) the scope or duration of restrictions or warnings related to air travel, gatherings or any other activities, and the duration or extent to which airlines will reduce services at the Airport, or whether airlines will cease operations at the Airport or shut down in response to such restrictions or warnings; (iii) what effect any COVID-19 or other outbreak or pandemic-related restrictions or warnings may have on air travel and the resulting impact on Airport revenues and expenses; (iv) whether and to what extent the COVID-19 or another outbreak or pandemic may disrupt the local, State, national or global economies, manufacturing or supply chain, or whether any such disruption may adversely impact Airport-related construction, the cost, sources of funds, schedule or implementation of the Airport's capital program, or other Airport operations; (v) the extent to which the COVID-19 outbreak or another outbreak or pandemic, or the resultant disruption to the local, State, national or global economies, may result in changes in demand for air travel, or may have an impact on the airlines or concessionaires serving the Airport, or the airline and travel industry, generally, including resulting in the bankruptcy or cessation of operations of airlines or Airport tenants; (vi) whether or to what extent the Authority may provide deferrals, forbearances, adjustments or other changes to the Authority's arrangements with its tenants and Airport concessionaires; or (vii) the extent to which any of the foregoing will have a material adverse effect on the finances and operations of the Airport.

The information included in this Official Statement includes audited data for FY 2020, which reflects approximately four months of impact from the COVID-19 pandemic, as well as unaudited data for the first nine months of FY 2021 (through March 2021). Due to the evolving nature of the COVID-19 pandemic, the full impact of the COVID-19 pandemic on the Airport cannot be fully quantified at this time.

Impact of COVID-19 on the Airport

The outbreak of COVID-19 and related restrictions have had an adverse effect on airlines serving the Airport, retail concessionaires at the Airport and Airport Revenues as more fully discussed herein. Historical patterns of passenger and cargo traffic at the Airport were drastically disrupted by the emergence of the COVID-19 pandemic in early 2020 and the Airport has witnessed a sharp contraction in activity since March 2020. For example, in May 2020, the Airport's average daily flights were approximately 149 per day, down from 341 per day in May 2019.

During the first eight months of FY 2020 (the City's fiscal year ends June 30), prior to the COVID-19 outbreak, the Airport continued to experience strong business activity. Airport Revenues, enplaned passengers, landed weights and PFCs collected increased each fiscal year from 2016 through 2019, but Revenues were 7% less in FY 2020 than FY 2019 and enplaned passengers were reduced by 22.9% during the same period.

Since the COVID-19 outbreak, however, the Airport has seen steep declines in many financial and operating metrics, although many of these same metrics have shown improvement since spring 2020. April 2020 represented the low point in terms of enplaned passengers, which totaled 87,557 or 8.1% of April 2019 enplanements. Scheduled seat capacity was reduced starting in April 2020, although actual passenger traffic was reduced starting mid-March 2020. Decreases in passenger numbers started in mid-March 2020, and by March 2021 had recovered to 62.4% of those recorded in March 2019. Unlike many U.S. airports, domestic service at the Airport has begun to rebound and did not dip as substantially as at other airports during the same period. In particular, Delta has increased seat capacity at the Airport in April and May 2021 compared to the same months in 2019, before the impacts of the pandemic. See APPENDIX B – REPORT OF THE AIRPORT CONSULTANT.

For FY 2020, service as measured by average daily departing seats was 12.7% lower than in FY 2019, while average daily enplaned passenger numbers were 22.7% lower. The average load factor (enplaned passengers divided by departing seats) was 70.6% in FY 2020 versus 87.8% in FY 2019. For the first nine months of FY 2021 (through March 2021), service as measured by average daily departing seats was 20.7% lower than for the first nine months of FY 2020, while average daily enplaned passenger numbers were 49.4% lower. The average load factor was 53% for the first nie months of FY 2021 versus 82% for the same period in FY 2020. Network decisions made by each airline regarding their rate of reduction in flight operations can impact the significance of this load factor during the COVID-19 pandemic.

Enplaned passengers at the Airport totaled 10,095,732 passengers for FY 2020, a 22.9% decrease from the 13,090,133 enplaned passengers who used the Airport in the prior year. For the first nine months of FY 2021 (through March 2021), the Airport experienced passenger declines of approximately 49.6% when compared to the same nine month period in FY 2020.

The declines in passenger traffic also reduces demand for commercial parking as well as retail and services provided by Airport concessionaires, including but not limited to restaurants, retail and rental car services, and ground transportation services, such as those provided by taxis and transportation network companies such as Uber and Lyft. Airport parking revenues decreased from approximately $35.4 million in FY 2019 to $28.0 million in FY 2020 primarily due to decreased activity as a result of the pandemic. For the first nine months of FY 2021, the Airport experienced a decrease in parking revenues (the Airport's largest source of non-aeronautical income) of approximately $17.5 million, or 54%, when compared to the same period in FY 2020.

Impact of COVID-19 on Passenger Facility Charges (PFCs)

PFCs collected, including investment income, during FY 2020 were $40,607,278, which was $9,113,261 less than FY 2019 collections of $49,720,539. In developing the FY 2021 PFC projection, the Airport has assumed a 47% reduction in enplanements and PFCs compared to FY 2019, which results in an expected decrease in PFC collections to $22.1 million. The reduction in PFC collections is essentially a timing event, since the Department's authority to collect PFCs is not determined by time but by the approved amount.

Department's Response to COVID-19

The Department responded to the effects of COVID-19 by cutting operating costs, providing financial relief to tenants, and providing financial assistance to both airline and concessions tenants for the build out of new space in the Terminal and Concourses A and B. The Department also undertook enhanced cleaning efforts, added touchless fixtures to all restrooms, installed plexiglass shields in key locations, required face coverings be worn by Airport workers and anyone entering the terminal, among other proactive measures. The Department promptly instituted a hiring and travel freeze, including postponing hiring of 30 authorized full time equivalent ("*FTE*") employees, and substantially reduced all discretionary spending. In addition, the Department has been awarded $105.6 million in federal grant funds under the Coronavirus Aid, Relief, and Economic Security Act (the "*CARES Act*") of March 27, 2020 and the Coronavirus Response and Relief Supplemental Appropriations Act ("*CRRSA*") signed into law on December 27, 2020. The Department expects to receive additional federal grant funds under the American Rescue Plan ("*ARP*") Act signed into law on March 11, 2021.

The Department has been awarded approximately $82.5 million of grant funding under the CARES Act, of which $3.9 million was applied to O&M expenditures in FY 2020. The Department expects to apply an additional $66 million of CARES Act funds in FY 2021 and $12.6 million in FY 2022, all of which is expected to offset O&M expenses including payroll, utilities and other costs in order to stabilize rates and charges for the airlines. No debt service is expected to be paid with CARES Act or CRRSA grant funds. The Department also expects to apply all $23.1 million of its CRRSA grant funds to O&M expenses in order to reduce rates and charges in FY 2022, except for the $2.75 million allocated to concessions relief, which will be applied to reduce on-Airport concession rents. The Department is reviewing how best to apply its ARP Act grant funds, once the amounts and terms and conditions of such grants are announced by the FAA, but it expects that ARP Act grants will also be applied to reduce O&M expenses and stabilize rates and charges.

The New SLC Project Management Team recognized at the start of the pandemic that to complete the New SLC safely and on time, measures needed to be quickly put in place to ensure the health of the trade workers onsite. Written COVID-19 plans were published by both construction managers at risk ("*CMAR*") in early March 2020 and processes were immediately put in place that included temperature checks at all points of entry to the construction sites, mandatory mask requirements, additional hand washing/sanitizing/boot washing stations, additional building cleaning and sanitizing, reporting requirements, daily electronic educational newsletters and jobsite signage. The measures put in place and reinforced on a daily basis allowed the New SLC project to remain open, to receive high marks on three different County Health Department inspections, to peak at 1950 trade workers and remain on schedule for the phase 1 openings of the New SLC.

In addition, the Department acted promptly following the commencement of the COVID-19 pandemic to provide financial relief to the airlines and other tenants operating at the Airport. Landing fees and terminal rentals for April through June 2020 were deferred to July and August. All deferred amounts have been repaid in full. The Department also provided financial assistance to the airlines operating at the Airport to finance the buildout of new airline space in the Terminal and Concourses. The amount of such assistance must be repaid, with interest, within the term of the applicable airline's AUA.

In-Terminal concessionaires operating at the Airport before the opening of the new Terminal and Concourses were provided with a deferral of minimum annual guaranteed ("*MAG*") rent from April through September of 2020 and only percentage rent was charged during that period. Deferred MAG was recalculated and abated in accordance with the agreements between the City and the concessionaires that provided a reduction in MAG proportional to the reductions in enplaned passengers, resulting in no additional MAG being due. In addition, the Department allowed concessions to temporarily close, reduce hours and reduce menus without penalty. For concessions in the new Terminal and Concourses, the Department deferred the commencement dates for MAG until the earlier of (x) July1, 2023 and (y) the date the Airport achieves 90% of 2019 enplaned passengers for three consecutive months (the "*Catch-up Date*") and has allowed them to open on a staggered schedule and provided those willing to open on time interest-bearing financing with a term of five years commencing January 1, 2021 to finance the buildout of new space. Similarly, rental car concessionaires were granted a deferral of MAG and paid only percentage rent from April through September 2020. In addition, the terms of such agreements have been extended to run from the Catch-up Date for the originally negotiated term of years. The MAG true-up was recalculated and abated in accordance with the agreements between the rental car companies and the City, resulting in no additional MAG being due. The City also provided overflow parking at the Airport to the rental car companies from April through September at no cost and provided interest-bearing financing with a term of five years finance the buildout of new space. The loans for tenant buildouts totaled approximately $41.3 million, less than the $70 million made available, and were used only for capital expenditures at the Airport.

THE NEW SLC

Summary of the New SLC

The New SLC is a comprehensive and integrated series of projects that is replacing substantially all of the Airport's landside and terminal complex facilities. Following the recession of 2008-2010, the Department, in consultation with Delta, undertook a comprehensive study of the Airport's facilities to determine the improvements necessary to extend the useful lives of these facilities for an additional 30 years. The cost and utility of making extensive renovations to the previous facilities was compared by the Department to the cost of replacing these facilities with new and more efficient ones. The Department and the air carriers operating at the Airport, including Delta, concluded that replacement of the majority of the landside and terminal complex facilities at the Airport would be the better approach.

Accordingly, the Department and the signatory air carriers operating at the Airport (the "*Signatory Airlines*") negotiated the Airline Use Agreement (the "*AUA*") that became effective July 1, 2014 for a ten (10) year term and that includes approval of the TRP, and provides a process for the Signatory Airlines to approve additional capital projects, including the NCP. The Signatory Airlines unanimously approved undertaking the NCP in April 2016. On March 16, 2021, in accordance with the provisions of the AUA, Delta approved on behalf of all Signatory Airlines a revised project budget for the New SLC of $4.45 billion. The cost increases in the New SLC budget since 2018 are primarily related to changes to the original design requested by Delta and certain other Signatory Airlines and to increased construction costs in the Salt Lake City area. In addition, the Signatory Airlines have elected to have the City finance construction of certain tenant finishes, for which such Signatory Airlines will reimburse the City over the remaining term of the airline's AUA. See "THE AIRPORT –The Airline Use Agreement." The current budget for the NCP portion of the New SLC is an estimated $1.73 billion, although the eastern portion of the NCP, including portions of the central tunnel, has not yet been bid. Thus, this estimate remains subject to change. Although formal airline approval of the increased project budget for the NCP is not required under the AUA, Delta has approved the current budget for the full New SLC program.

The New SLC is composed of two primary components; the TRP is an estimated $2.72 billion capital improvement program, including soft costs, to build new facilities to replace aged facilities, mitigate seismic risks, accommodate current operations and prepare for future growth. The NCP is an estimated $1.73 billion set of projects that are programmatically integrated with the TRP consisting of Concourse B (formerly known as the North Concourse) consisting of 31 gates parallel to Concourse A (formerly known as the South Concourse) to be constructed in two phases, a tunnel connecting to the new main terminal facility and related apron and fuel hydrant facilities. The first phase of the New SLC is substantially complete and is in service. The TRP consists of the following project elements: (1) South Economy parking lot, (2) Rental Car Quick Turn Around ("*QTA*") and three Rental Car Remote

Service Site ("*RSS*") facilities, (3) the Central Utility Plant ("*CUP*"), (4) a new Terminal Facility, (5) the Gateway Center, (6) Concourse A West, with 25 gates, (7) the Parking Garage, (8) the Terminal Roadway System, (9) Concourse A East, with 22 gates (collectively with the Concourse A West, "*Concourse A*"), and (10) related infrastructure improvements, including apron reconfiguration, information technology, utilities and landscaping. As of November 1, 2020, all of the elements of the New SLC other than Concourse A East, Concourse B East and the central connecting tunnel have been placed in service. Demolition of the former terminal and concourses has been completed, and construction of Concourse A East, the central connecting passenger tunnel and associated apron and infrastructure improvements has commenced. As several construction contracts remain to be bid, primarily relating to Concourse B East, the budget for the New SLC remains subject to change.

In addition to right-sizing the Airport's facilities to accommodate current and future demand, the New SLC is expected to meet current requirements for seismic resiliency, solve certain operational problems resulting from the prior facility layout, improve customer service and maintain the Airport's competitive cost structure. A category 5.7 earthquake struck the Salt Lake City area in March 2020. None of the elements of the New SLC sustained any significant damage. The City achieved Leadership in Energy and Environmental Design ("*LEED*") gold certification for the new terminal facilities, and the City anticipates achieving LEED gold certification and not less than silver certification for the entire New SLC, as required by City ordinance.

As a result of the COVID-19 pandemic and the related downturn in passengers using the Airport, the Department, in consultation with the Signatory Airlines, modified the phasing schedule for the remainder of the construction of the New SLC. The modified phasing schedule provided the Department with greater flexibility to respond to the potential impacts of the pandemic and the related reductions in and recovery of air passenger traffic at the Airport . Rather than completing Concourses A and B in several phases while maintaining elements of the previous concourses in service, in the spring of 2020, the Department determined to demolish all of the remaining terminal elements and construct Concourse A East in a single phase. This will result in the completion of Concourse A East two years ahead of schedule. At the time the New SLC was rephased, the Department was not able to determine whether the additional gates in Concourse B East would be necessary to accommodate future demand and, accordingly, that portion of the NCP was placed on hold. As air traffic at the Airport began to rebound rapidly during the summer of 2020, and after consultation with the Signatory Airlines, the Department determined that the original NCP program with a total of 31 gates in Concourse B was necessary to provide facilities for the projected airline demand. The Department expects to bid out the construction contracts for Concourse B East and portions of the central connecting passenger tunnel in early FY 2022 and commence construction in April 2022. In order to accommodate operational demands while Concourses A and B East are completed, the Department has developed twenty (20) temporary hardstand positions to the north and east of Concourse B, plus an additional four (4) remain overnight (or "RON") positions for aircraft that could be used as hardstand positions. A "hardstand" position is not connected to a concourse directly, and is served by buses from facilities at the tip of Concourse B.

Set forth below is a photograph showing the completed portions of the New SLC and the areas that remain under construction.

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[Insert image of Future Development SLC]

As a result of the decision to temporarily use hardstands and demolish the remaining concourses of the old terminal, the Airport is currently gate-constrained. Delta currently operates from 15 of the 20 hardstand positions, while use of the other five hardstand positions is assigned by the Department. As of the date hereof, there are 66 gate positions at the Airport, 20 of which are hardstands. In May 2023, the first 4 gates in Concourse A East are expected to open and will be leased to Delta. In November 2023, the remaining 18 gates on Concourse A East are expected to open and the five gates in Concourse B previously used by Delta will be retrofitted for use by other carriers. By February 2024, Delta is expected to lease and use all of the gates in Concourse A, the majority of the gates in Concourse B to be leased to the other carriers are projected to be in service and all but a few hardstands will be demolished to make way for construction of the remainder of Concourse B East. In October 2024, the first four gates in Concourse B East are expected to be opened and occupied by Delta, the new central connecting tunnel is expected to open and all of the gates to be leased to other carriers are expected to be turned over to their tenant Airlines. The final four gates of Concourse B East are expected to be placed in service and used by Delta, and the remaining hardstands demolished, by October 2025.

The gates used by the Signatory Airlines other than Delta, three of which are not leased to airlines but used on a per operation basis by multiple airlines ("*Common Use*"), and others which are preferentially leased, are operating at capacity. A preferential use lease gives the tenant air carrier the right to occupy and use the gate facilities for its scheduled operations, but allows the Department to require the carrier leasing such space to accommodate operations by other air carriers when the gate is not in use. Carriers are sharing gates in order to accommodate existing operations and, during peak periods, the Department has used its rights under the preferential use leases with Delta and other carriers to accommodate operations of other airlines. Upon completion of the New SLC, the Airport will have 78 gates, 31 of which will be in Concourse B and the remaining 47 in Concourse A, and all of which will include jet bridges and be sized to accommodate, at a minimum, Boeing 737 or Airbus A320 aircraft, as well as smaller regional jets. This configuration will provide greater flexibility, efficiency and passenger convenience. In addition, at least six gates will have the capacity to accommodate the largest aircraft currently in service. The new, larger gates are designed to accommodate more than double the 11 million passengers the previous facilities were designed to serve. Further, when complete, the New SLC will eliminate the ground loading of passengers entirely, as all gates will include jet bridges. The Department believes that the number and configuration of the gates at the Airport following completion of the New SLC will support projected operational requirements for the [next ___ years/foreseeable future].

The following table shows the major elements of the New SLC and the expected costs, whether a Component Guaranteed Maximum Price contract ("*CGMP*") for such project element has been executed, project status, the actual or expected date on which construction of such element will commence and the actual or expected date of beneficial occupancy ("*DBO*") for each project element.

Elements of the New SLC

Project Element	Actual / Expected Cost ($000's)†	Executed CGMP as of 3/31/21?	Project Status	Actual/Expected Commencement of Construction	Actual/ Expected DBO
TRP					
South Economy Parking Lot	$ 14,344	Yes	In Service	July 2014	October 2014
Rental Car Facilities: QTA & RSS	95,457	Yes	In Service	November 2014	January 2016
Central Utility Plant	59,535	Yes	In Service	January 2017	September 2020
Terminal Facility	787,979	Yes	In Service	October 2016	September 2020
Gateway Center	126,153	Yes	In Service	October 2016	September 2020
Concourse A West	422,742	Yes	In Service	October 2016	September 2020
Parking Garage	241,872	Yes	In Service	October 2016	September 2020
Terminal Roadway System	110,343	Yes	In Service	January 2017	September 2020
Miscellaneous Landside/Parking Lot Improvements	9,143	Yes	In Service	Phased	September 2020
TRP Baggage Handling System	127,717	Yes	In Service (89%), Under Const. (11%)	October 2016	September 2020/Q4 2023
Concourse A East	389,078	Yes	Under Const.	January 2021	Q4 2023
Terminal Apron, Taxilanes and Fuel Hydrant System*	277,360	Partial	In Service/Under Const.	Phased	Q4 2024
Subtotal TRP (incl. Owner reserve of $57,378)	$2,719,101	100% executed			
NCP					
Concourse B West	$398,450	Yes	In Service	June 2018	October 2020
Mid Concourse Tunnel	22,534	Yes	In Service	Phased	October 2020
Concourse B East	412,272	No	In Design	April 2022	Q2 2022/Q4 2024
NCP Baggage Handling System	70,820	Yes	In Service/Under procurement	June 2018	October 2020/Q4 2024
Central Tunnel	147,562	Partial	Under Const. (64%)/to be Bid (36%)	January 2021/April 2022	Q4 2024
Apron*	355,471	Partial	In Svc. (37%)/Under Const. (17%)/to be Bid (46%)	June 2018	Q3 2025
Hydrant Fueling System*	53,175	Partial	Under Const. (36%)/In Design (64%)	Phased	Q4 2024
Concourse A Modifications	89,363	Yes	Under Const.	January 2021	Q4 2023
Temporary hardstands and related costs	104,742	Partial	In Svc. (43%)/Under Const. (57%)	January 2021	October 2020/Q4 2023
BHS Cold Bag Storage	35,862	No	Planning	Q3 2022	Q4 2023
Subtotal NCP (including Owner reserve of $42,622)	$1,732,873	79.1% executed			
TOTAL New SLC	**$4,451,974**	**84.8% executed**			

* Portions of the terminal apron and fuel system to be bid and constructed annually; segments expected to be completed to support opening of related concourse facilities.
† Includes allocable portion of soft costs.

Elements of the New SLC

The New SLC will result in the replacement of essentially all of the landside and terminal complex facilities at the Airport with new, more efficient, safe and passenger-focused facilities. A brief summary of the major elements of the New SLC is set forth below:

Terminal

The new Terminal facility was placed into service on September 15, 2020. The new Terminal facility is contiguous to Concourse A and connected to the new parking garage via the new Gateway Center, and includes approximately 912,000 square feet ("*sf*") of space on three levels. Level 1 of the Terminal contains a federal inspection services area ("*FIS*"), international baggage claim and recheck area, tenant administrative offices, a centralized security checkpoint for dedicated employee access, ground transportation counters, and also serves commercial curbs and other ground transportation functions. Level 2 provides passenger circulation areas and connects landside and airside components of the facility. Public areas prior to the security checkpoint provide for baggage claim and airline baggage service offices, an expansive meeter-greeter area, food and beverage retail concessions, and a centralized security screening checkpoint. Areas beyond security screening include the terminal plaza area consisting of 79,000 sf of concessions, seating and circulation space and transition to the airside concourses. Level 3 contains the ticketing area for departing passengers, a conference center and administrative offices for the Department and other tenants at the Airport, and a 30,000 sf Delta Sky Club. Departing passengers being dropped off at the Airport arrive on the Level 3 curb. The Airport is served by the TRAX light rail system, owned and operated by the Utah Transit Authority ("*UTA*"), which connects the Airport with downtown Salt Lake City. The Terminal was designed to accommodate relocation of the terminus of the TRAX light rail station at the Airport from its previous location, which was demolished to accommodate the TRP, to the first level of the Terminal. The TRAX extension is being financed and built by UTA.

Gateway Center

The Gateway Center, which also opened on September 15, 2020, is an elevated building adjacent to the north side of the Parking Garage consisting of approximately 126,000 sf of building space that connects the Parking Garage to the new Terminal facility. The Gateway Center houses a variety of functions, including both ticket counters and kiosks for remote passenger airline check-in and baggage drop services, rental car counters and check-in facilities, and rental car support offices. The Gateway Center provides a high level of customer service by seamlessly connecting passengers using the new parking garage (including those renting or returning rental cars) with the departures level of the Airport without a level change. Departing passengers are also able to obtain boarding passes at kiosks and check baggage in the Gateway Center adjacent to the garage, and arriving passengers are able to proceed directly to their automobiles or complete their rental car transaction and proceed directly to their rental car. The Gateway Center is connected to the Terminal via two pedestrian bridges and connected to the parking garage via two vestibules. Based on data collected by the Department, the Gateway Center was designed to serve most of the Airport's origination and destination ("*O&D*") passengers.

Concourse A West

The initial portion of Concourse A to be constructed was Concourse A West, which provides a total of 25 gates, six of which accommodate international arrivals and was placed into service on September 15, 2020. This facility houses approximately 459,000 sf of building space on three levels. Level 1 (ground level) contains non-public areas that accommodate airline operations offices and support areas, outbound and transfer baggage facilities, storage facilities and mechanical-electrical-plumbing ("*MEP*") facilities. Level 2 consists of the primary passenger circulation level and serves enplaning and deplaning passengers. Passenger amenities on Level 2 include moving sidewalks and a wide variety of food, beverage and retail concessions. International gates connect to a sterile corridor that routes international passengers to the FIS facilities in Level 1 of the Terminal. Level 3 contains communications rooms and other non-public space.

Concourse A East

Concourse A East is the remaining portion of Concourse A and is under construction following completion of demolition of the remaining original terminal facilities. Concourse A East currently is planned to be fully completed in the first quarter of CY 2024. This facility will also have three levels and is expected to comprise approximately 376,000 sf of space. Level 1 of Concourse A East will contain non-public areas similar to Concourse A West. Level 2 of the facility will serve enplaning and deplaning passengers, and will include passenger amenities similar to Concourse A West. Concourse A East is expected to accommodate 22 domestic aircraft gate positions. Level 3 contains the Delta Sky Club and will contain non-public areas similar to Concourse A West.

Rental Car Facilities

The rental car service facilities were placed in service in March 2016. These facilities consist of a QTA facility for fueling and washing cars and three facilities for performing light vehicle maintenance. The QTA is a two-level building of approximately 468,000 sf with 14 wash and service bays on the first floor and vehicle storage and parking on the second floor. The RSS facility consists of three single-story service buildings containing a total of approximately 34,000 sf of building space located south of the QTA. These buildings provide back-of-house maintenance areas for the rental car providers and contain office, support and storage space. The QTA and RSS are currently in use by the rental car companies operating at the Airport.

Parking Garage and South Economy Parking Lot

The new parking structure was placed into service on September 15, 2020. The new parking garage is a five-level concrete structure with a footprint of approximately 365,000 sf and a total gross square footage of approximately 1.42 million sf. Levels 2 through 5 of the Parking Garage provide 3,469 public parking spaces, doubling the number of structured parking spaces previously located at the Airport. The first floor is dedicated to rental car operations and contains approximately 1,200 ready/return parking spaces. Upper floors are served via two helical ramps.

In addition to the new Parking Garage, the Airport also has a substantial amount of surface parking available for Airport patrons, including a new surface parking area located east of the new parking structure ("*Lot E*") within walking distance of the Terminal. The surface lot includes 384 parking spaces. The South Economy Parking Lot opened in July 2014 and consists of approximately 2,900 additional parking spaces replacing the economy parking that was displaced by the construction of the new rental car facilities. The South Economy Parking Lot is integrated with the remainder of the Economy Parking Lot.

The Department now has a total of 14,401 parking spaces (excluding rental car spaces) located on the Airport, an increase of over 2,500 spaces compared to 2014. This increase is primarily because of the increased number of spaces in the new parking structure. The Department has retained its variety of parking products, ranging from premium, reserved spaces closest to the new Terminal facility to economy spaces in remote lots and including a variety of intermediate options, including covered and structured parking and hourly or daily rates.

Central Utility Plant

The Central Utility Plant, a 52,000 sf building, houses all main boilers and chillers as well as electrical systems to service the terminal complex, consisting of the new Terminal, Gateway Center, Concourses A and B, Parking Garage, roadways and rental car facilities, and other applicable Airport systems connected to this facility, including pumping systems, electrical equipment, distribution equipment and emergency generators. The CUP is a stand-alone building located west of the QTA Facility. The CUP was turned over to the Department on May 1, 2020 for testing and is in service and provides heating, cooling and electrical service to the Airport.

Terminal Roadway System

This project element of the New SLC includes all roadways, bridges and signage to service the new terminal complex and support areas. The departing passenger roadway is an elevated bridge system with vehicle access to the Level 3 terminal curb-front. Other elements of this component include the arriving passenger roadways which access the Terminal at Level 1, commercial vehicle roads, rental car user and service roads, and access to and from the parking facilities. The new permanent roadways became operational in September 2020.

Supporting Elements

The New SLC includes substantial supporting elements, such as apron site-work and paving, demolition and landscaping, and extensive information technology infrastructure. The apron site-work includes all airfield site demolition, utility relocation and apron paving required to enable the redevelopment of the terminal complex, including Concourses A and B. Included in this project element are hydrant fueling and utilities including power, water and sewer. Also included will be landside landscaping work such as entry and exit landscaping and planting of undeveloped areas. In addition, as described above, the Department has constructed 20 hardstand positions and four remain overnight positions adjacent to Concourse B to accommodate aircraft until the eastern portions of Concourses A and B are completed.

Following the opening of the new Terminal and other elements of the TRP in September 2020, the Department commenced demolition of the original terminal buildings, the original parking garage, connectors and pedestrian bridges. This demolition work was originally phased to occur over a period from 2021 through 2024. However, as a result of the program rephasing that occurred in 2020, demolition will no longer be phased and has essentially been completed.

Information technology ("*IT*") components are an integral element of the New SLC and will be incorporated throughout the facilities and project site. Elements in this scope of work include IT infrastructure, IT systems including building systems, parking revenue control and related vehicle control systems, and operating systems. Other associated systems being added or updated as part of the New SLC include baggage informational display systems ("*BIDS*"), flight information display systems ("*FIDS*"), gate information display systems ("*GIDS*"), lobby information display systems and ramp information display systems.

North Concourse Program

The NCP is an estimated $1.73 billion project planned to consist of approximately 607,000 sf of building space on two main levels, plus a third level for club space and non-public support areas similar to Concourse B, apron site work and paving, hydrant fueling, plus a new central passenger tunnel connecting Concourse B to Concourse A. Level 1 of Concourse B will contain non-public areas substantially similar to Concourse A, although during use of the hardstands, a portion of Level 1 is being converted to be used as temporary holdrooms, while Level 2 will serve enplaning and deplaning passengers, and will include passenger amenities similar to Concourse A. The first phase, Concourse B West, was placed in service in October 2020. This initial phase begins at the west end of Concourse B and includes 21 aircraft gate positions which comprise approximately 361,000 sf of space. The existing west mid-concourse tunnel was extended from Concourse A West to Concourse B and temporarily provides pedestrian access to Concourse B.

The second phase of Concourse B, Concourse B East, is planned to add an additional ten aircraft gate positions and will complete the currently planned construction with a total of 31 gates. The design of Concourse B East is expected to permit the future development addition of 15 more gates at the eastern end of the facility, if and when demand warrants. A central passenger tunnel connecting Concourse B to Concourse A, including moving sidewalks, also will be constructed during this phase. This final phase of Concourse B currently is planned to be operational in the fourth quarter of CY 2025. Once it is completed, all airlines operating at the Airport are expected to operate from Concourse B, including use of some gates by Delta, and Delta is expected to occupy all of Concourse A. At completion of the New SLC, all carriers at the Airport are expected to operate from substantially similar, new and efficient terminal facilities.

Project Management of the New SLC

Controls

The Department has established a sophisticated, multi-layered project management team for the New SLC. R.W. Block Consulting, Inc. ("*R.W. Block*") prepared the Plan of Execution that includes a plan for program management and delivery that encompasses the entire New SLC. Under the Plan of Execution, the program management team is competitively procured through pre-qualifying a limited number of firms and then undertaking separate procurements by soliciting responses from the pre-qualified firms for each of the key roles identified in the plan. The Plan of Execution also envisions contracting with a flexible team of experts to manage the specific elements of the New SLC so that, for example, when the rental car facilities were completed and the project management roles for that project element were no longer required, the contracts for such services were terminated. The external project management team is overseen and complemented by Department staff.

The Department has established two committees consisting of Department Directors to oversee all capital projects at the Airport, including the New SLC. The Financial Oversight Committee ("*FOC*") is chaired by the Airport Chief Financial Officer and includes the Director of Engineering and Chief Operating Officer as the other members. Before any construction contract for a project at the Airport may proceed, the FOC must authorize the funding for that project, including the source of funds. Before work may commence on any project, the Construction Committee ("*CC*") must authorize the execution of the construction contract, including each of the Component Guaranteed Maximum Price ("*CGMP*") contracts for the New SLC. The CC is chaired by the Director of Engineering and also includes the other members of the FOC and the Directors of Maintenance, Planning and Capital Programs, and Administration and Commercial Services. The FOC and CC each meet bi-monthly in scheduled sessions and minutes are taken and published. This formal review process entails a rigorous and comprehensive examination of all capital projects undertaken by the Department, and helps identify and address differences between estimated and actual construction costs at an early stage in the approval process

The Program Director for the New SLC, Making Projects Work, Inc., is a separate company specializing in airport project management that reports directly to the Department's Executive Director and serves as the owner's authorized representative under the CMAR Contracts described below. R.W. Block remains engaged as an independent consultant overseeing financial and program controls and R.W. Block also reports directly to the Executive Director. Ten separate firms, including Making Projects Work, Inc. and R.W. Block, have been prequalified to participate in competitive processes for selection of key project management staff. To date, this process has resulted in selection of an external program management team of that peaked at 59 persons from the ten different pre-qualified firms and, as of May 1, 2021, consists of 41 full time on-site staff. The program management team is being reduced as elements of the New SLC are completed.

The interests of the Signatory Airlines are represented by an Airline Technical Representative ("*ATR*"), whose rights and responsibilities are set forth in the AUA and who is resident in the City for the duration of the New SLC project. The ATR was formerly a Delta employee and is now employed by the project management team. The ATR must be included in development of contract documents for the New SLC, discussions relating to cost controls and design changes. See "THE AIRPORT – Airline Use Agreement - *New SLC*" below.

The Department entered into Construction Manager at Risk ("*CMAR*") Contracts with two joint ventures, one with Holder-Big-D Construction, a joint venture ("*HDJV*"), for the TRP and the other with Austin Commercial and Okland Construction Company joint venture ("*AOJV*") for the initial phase of the NCP, to help manage its risk for cost increases and project delays. As a result of the rephasing of the New SLC and postponement of the second phase of the NCP, the CMAR Contract with AOJV was terminated for convenience and AOJV's work under its CMAR Contract has been completed and AOJV has de-mobilized. The Department determined to undertake the second phase of the NCP in the fall of 2020, following termination of the AOJV CMAR Contract. As a result, HDJV is expected to add the second phase of the NCP and portions of the central passenger tunnel to its existing CMAR Contract.

The CMAR separately bids separate CGMP Contracts for specified elements of the New SLC. The New SLC has been broken down into CGMP contracts between the Department, on behalf of the City, and the joint venture undertaking that element of the New SLC. Each CGMP is designed and bid separately and is subject to review and approval by the Department prior to execution. There are eleven CGMPs for the TRP and eight for the NCP. Each CGMP constitutes an amendment to the applicable CMAR Contract that provides that the CMAR will construct the elements of the New SLC described in the scope of the applicable CGMP for a guaranteed maximum price, within the schedule set forth in the CGMP and in accordance with the applicable CMAR Contract. The Department pays only the costs incurred under the CGMP, up to the guaranteed maximum price. Absent scope changes, should the costs exceed the guaranteed maximum price, the CMAR is liable for the excess costs, with no reimbursement from the Department, absent certain specified conditions. This structure provides the Department with a reasonable degree of certainty regarding the cost of the project and limits cost overruns without Department approval. The timing, completion date and guaranteed maximum price for the work elements under each CGMP may only be changed by a CGMP amendment, which requires the approval of the Department. The CMAR Contracts also require the CMAR to provide specified pre-construction and general conditions services during its term. There are two CGMPs for the New SLC that remain to be bid, which generally are for construction of Concourse B East, the central node of the central passenger tunnel and related apron and hydrant fuel system work. These CGMPs are expected to be bid and under contract by the end of CY 2021. The CGMP for Concourse A East has been executed, while the related apron and hydrant fuel system work is being undertaken in phases concurrently with other elements of the New SLC. As of

March 31, 2021, more than 100% of the TRP and 79.1% of the NCP by project cost is subject to an executed CGMP and over $3.69 billion had been expended on New SLC project costs.

Design

HOK (formerly Helmuth, Obata & Kassabaum, Inc.) is the lead design firm for the New SLC. HOK leads a team of 14 architect and engineering subconsulting firms that provide all of the planning, engineering and design services for the New SLC.

Construction

HDJV, comprised of Holder Construction Company and Big-D Construction, was selected through a competitive process to undertake construction services for the TRP pursuant to a CMAR Contract. The HDJV CMAR Contract has an initial term of five years commencing October 25, 2013, and may be extended at the Department's sole option for up to five additional one-year terms. The Department has exercised extension options and extended the term of the HDJV CMAR Contract through October 24, 20__. In addition, the contract with HDJV can be terminated at various points in the program and a new CMAR selected, at the option of the Department.

Before the Department enters into a CGMP with a CMAR, the FOC must approve the guaranteed maximum price and the CC must approve the scope of the work of the CGMP and recommend to the Executive Director that the CGMP be approved and executed. The CMAR Contracts provide for a formal dispute resolution process that must be undertaken in the event of a disagreement between the Department and the Joint Venture before any legal action may be commenced. In the CMAR Contracts, the Joint Ventures have each acknowledged that they are not entitled to receive any work under the applicable Contract, and have waived all claims for anticipated profits and other claims associated with the Department's decision not to proceed with the New SLC, any CGMP or any portion thereof. All subcontracts must be competitively awarded and the subcontracts are held by HDJV (or were held by AOJV), and expressly provide that the Department has no contractual relationship with the subcontractors. The Joint Venture may bid upon and receive up to 20% of the contracts under each CGMP, only if it submits the lowest bid in a competitively bid process and receive the approval of the Department, but the remaining portions of each CGMP must be undertaken by unrelated parties to the Joint Venture.

Each CGMP is for a fixed price under which the Joint Venture bears most risks of cost increases. As of March 31, 2021, each of the executed CGMPs is on or slightly below its fixed amount. However, the CMAR Contracts provide for time extensions under certain limited circumstances. These include changes requested by the Department after the CGMP is executed, concealed conditions that were not foreseeable, delays caused by the Department, weather conditions outside of the ten year mean, or force majeure events and remediation of hazardous materials. Delays because of labor disputes may not result in an extension of time. If a Joint Venture suffers a delay because of one of these permissible events, the CMAR Contract includes a process for determining the period of an extension, which cannot exceed one day for each day of delay and requires the Joint Venture to mitigate delays to the extent possible. In no event are damages permitted beyond the extension of time, such as loss of profits; indirect, incidental, consequential or special damages; or acceleration costs not approved by the Department, permitted.

Other Capital Projects

Other capital projects currently anticipated by the Department to be undertaken or completed during the period that the various elements of the New SLC will be under construction consist primarily of on-going capital improvements to existing landside and airside facilities. Preliminary cost estimates for the other capital projects during the period from FY 2021 through FY 2028 total approximately $308 million. These projects primarily are expected to maintain the Airport's airside and landside infrastructure in good repair over the period of construction of the New SLC, as well as provide for improvements to the facilities at the Auxiliary Airports. Projects expected to be undertaken in FY 2022 include: landside lighting wiring replacement, East Side development, plus substantial work on the airside of the Airport, including new North Cargo apron development, pump house renovation and a new pump station and diversion valve for the North Cargo deicing pad, pavement rehabilitation to Taxiways P, N, H3 and Q and reconstruction of Taxiway F as well as improvements at Tooele and South Valley including a new access road and apron for the Bureau of Land Management. The Department may defer or elect not to undertake a portion of the capital projects included in other capital projects during the projection period, depending on circumstances such as aviation demand levels and availability of project funding.

Funding Sources for the New SLC

Overview

The New SLC is expected to be funded from a variety of sources, including Department funds, proceeds of the Series 2017 Bonds, the Series 2018 Bonds, the Series 2021 Bonds and additional Bonds, proceeds of Subordinate Revolving Obligations, passenger facility charges ("*PFCs*"), customer facility charges ("*CFCs*"), and FAA Airport Improvement Program ("*AIP*") and Transportation Security Administration ("*TSA*") Other Transaction Agreement ("*OTA*") grant funds. In addition to the Series 2017 Bonds, the Series 2018 Bonds, and the Series 2021 Bonds, the City expects to issue additional Bonds to fund a total of approximately $___ million of project costs for the New SLC. The Department expects to issue Subordinate Revolving Obligations, from time to time, to finance costs of the New SLC on an interim basis and then repay the Subordinate Revolving Obligations from various sources of funds, including proceeds of Bonds and other available funds. The Department has applied PFCs to pay-as-you-go projects in prior years, but is now applying most PFCs collected to pay debt service on outstanding Bonds. CFCs being collected are applied to reimburse the Department for the costs, including imputed interest, of eligible facilities serving the rental car companies that are now in service and that were funded with Department funds.

The table below describes the various projected sources of funds that are expected to be used to fund the New SLC as well as the other capital projects ("*Other CIP*"). This mix of funding sources is expected to maintain the Airport's cost per enplaned passenger at a rate below its peer airports. As described above, the New SLC project budget remains subject to change. In the AUA, the City has agreed not to recover the portions of the New SLC funded with Department funds, and none of the project costs funded with AIP grants, PFCs or CFCs are included in the airline rate base and recovered through airline rates and charges.

EXPECTED SOURCES OF FUNDS
FOR CAPITAL PROJECTS (to be refined)
(Dollars in 000s)

	Dept. Funds	**PAYGO PFCs**	**PAYGO CFCs**	**TSA / AIP Grants**	**Series 2017 Bonds*††**	**Series 2018 Bonds*††**	**Series 2021 Bonds†**	**Additional Bonds**	**Total****
TRP	$275,231	$285,878	$200,231	$69,685	$771,632	$395,262			$2,719,101
NCP	$307,852	--	--	$113,942	$154,108	$376,202			$1,732,873
Total New SLC		**--**	**--**	**$**					**$4,451,974**
Other CIP	$	--	--	$7,697	---	---			$308,000
TOTAL:**	**$879,464**	**$285,878**	**$200,231**	**$191,324**	**$925,740**	**$771,463**			**$4,759,974**

*Includes interest earnings
**Totals may not add due to rounding.
†Proceeds will be used to repay all outstanding loans under the Line of Credit
††Construction proceeds have been expended

Department Funds

The Airport derives revenues from a wide variety of non-aeronautical sources, including parking, rental car fees, concessions fees and ground transportation fees. Beginning in 1997, the City began reserving excess non-airline revenues in anticipation of undertaking the New SLC and other capital projects, and as of March 31, 2021, the City maintained a balance of approximately $88 million in the Surplus Fund available for future development of the Airport System. The Department has been expending such retained amounts since commencing the New SLC program in 2014. As discussed below, the Department expects to use the Line of Credit to provide additional liquidity through the final phases of the New SLC. The Department regularly applies its internally generated funds for project costs and the Department expects to continue reimbursing itself from CFCs and AIP and OTA grant funds during the construction of the New SLC. See "APPENDIX B - REPORT OF THE AIRPORT CONSULTANT – CIP Plan of Finance."

Airport Revenue Bonds

The City expects to fund approximately $____ billion of the costs of the New SLC from proceeds of Bonds, including the Series 2021 Bonds and additional Bonds to be issued in the future. Portions of the debt service payable on the Bonds are expected to be paid with PFCs. See "APPENDIX B - REPORT OF THE AIRPORT CONSULTANT – CIP Plan of Finance."

Subordinate Revolving Obligations

The City expects to issue, from time to time, Subordinate Revolving Obligations to provide interim financing for certain costs of the New SLC program and expects to use proceeds of additional Bonds, including the Series 2021 Bonds, as well as other available funds to repay the Subordinate Revolving Obligations. The Subordinate Revolving Obligations provide the Department with rapid access to capital, provide greater funding certainty and additional financial flexibility. See "SECURITY FOR THE SERIES 2021 BONDS – Subordinate Revolving Obligations."

PFCs

As of March 31, 2021, the City has received approval from the FAA to impose and use $2.65 billion of PFCs for projects at the Airport including the TRP, and the City expects to fund approximately $285.9 million of the costs of the TRP with PAYGO PFCs, out of a total of $1.38 billion of PFCs approved for the TRP. In addition, to the extent authorized by the FAA, the City expects to apply additional PFCs to pay principal of and interest on a portion of the Bonds, including a portion of the Series 2021 Bonds. The City is authorized to collect a PFC of $4.50 from eligible passengers enplaning at the Airport, of which $0.11 is retained by the collecting air carriers as a handling fee. Federal law restricts the use of PFCs to certain kinds of projects and, accordingly, based on current FAA approvals, PFCs may only be used for certain elements of the TRP, including portions of Concourse A, airside project elements, roadways and portions of the CUP. As of the date hereof, the City has not sought and does not expect to seek approval from the FAA to apply PFCs to the costs of the NCP. See "INVESTMENT CONSIDERATIONS – PFC Revenues and Other Funding Sources." As a result of the reduction in enplaned passengers at the Airport due to the COVID-19 pandemic, the amount of PFC revenue received in FY 2020 was reduced to $39.95 million and the Department expects the amount of PFCs received in FY 2021 to be approximately $22.13 million. See "IMPACT OF COVID-19 PANDEMIC ON THE AIRPORT – Impact of COVID-19 on PFCs." PFCs are excluded from the Net Revenues securing the Bonds pledged under the Master Indenture, but the City may, by execution of a Supplemental Indenture or a certificate of designation, pledge or otherwise commit PFCs to secure payment of specified Bonds. See "SECURITY FOR THE SERIES 2021 BONDS-Use of PFCs to Pay Debt Service."

As of June 30, 2020, the Department had collected approximately $637.3 million and expended approximately $643.3 million of its total approved PFC collections on approved projects, including $285.9 million of pay-as-you-go PFCs for elements of the TRP. The Department expects to expend the majority of PFCs currently on hand plus a portion of PFCs collected in future years to payment of principal of and interest on Bonds issued to fund PFC-eligible TRP elements. See "APPENDIX B –REPORT OF THE AIRPORT CONSULTANT – CIP Plan of Finance."

CFCs

The City requires rental car companies to collect a CFC of $5 per transaction day, limited to 12 days per contract, from persons renting automobiles at the Airport. The City expects to apply a total of approximately $200.0 million of CFCs to pay certain costs of the TRP, either directly or to reimburse the City for eligible costs previously funded with Department funds. As of June 30, 2020, approximately $181.4 million of CFCs have been expended for CFC eligible projects, although the Department expects to reimburse itself in the future for a portion of such costs as additional CFCs are collected. CFCs are excluded from Net Revenues and the Department does not expect to issue any CFC revenue bonds. Although federal law does not restrict the use of CFCs, a City ordinance limits the use of CFCs only to financing capital improvements at the Airport that support rental car services, including a pro rata share of joint use infrastructure such as roadways, the portions of the Parking Garage needed for ready/return facilities, funding debt service associated with rental car facilities or funding the City's costs for such other rental car related purposes as the City may determine. The City currently does not expect to apply proceeds of Bonds to finance rental car facilities or, accordingly, to pay debt service on Bonds with CFCs. The Department expects to apply CFCs to the costs of the recently completed Parking Facility that will serve rental car companies, and elements of the roadway system serving the rental car facilities. See "APPENDIX B - REPORT OF THE AIRPORT CONSULTANT – CIP Plan of Finance."

AIP and TSA Grants

The Department expects to apply $188.8 million of AIP grant funds to fund eligible costs of the New SLC. In addition, the TSA provides certain grant funds through OTAs for in-line baggage screening systems, and the Department anticipates receiving $15.98 million from the TSA for that element of the TRP. See "APPENDIX B - REPORT OF THE AIRPORT CONSULTANT – CIP Plan of Finance." The Department has not and does not expect to apply proceeds of CARES Act, CRSSA or ARP Act grants for costs of the New SLC. See "IMPACT OF COVID-19 PANDEMIC ON THE AIRPORT".

The City receives grants annually from the FAA pursuant to the AIP and also receives OTA funding from the TSA from time to time. The AIP grants generally fall into two categories: (i) entitlement grants, which are awarded based upon the number of passengers enplaned at the Airport as well as entitlement grants based on air cargo throughout at the Airport, and (ii) discretionary grants, which are awarded at the discretion of the FAA based upon specified criteria, including a cost-benefit analysis. Similar to many federal grant-in-aid programs, AIP grants are reimbursement grants. Accordingly, the Department must expend its own cash to fund an authorized project and then submit invoices to the FAA for reimbursement of such costs pursuant to the terms of the grant. Thus, while grants may be awarded in one fiscal year, grant funds may be received over a period of several subsequent fiscal years. For a description of the AIP program, see "INVESTMENT CONSIDERATIONS – FAA Reauthorization and Federal Funding."

The Department will continue its practice of fully utilizing the AIP entitlement grants that are awarded to it to maintain and improve the Airport System, and of aggressively seeking FAA discretionary grants for AIP-eligible projects. Based on communications with the FAA, the Department currently expects $150,000 in annual AIP entitlement grants for each of the Auxiliary Airports. For fiscal years 2016-2020, the Department was awarded $182 million in FAA AIP grants for projects including conducting an airport master plan study, and runway, runway lighting, taxiway and apron pavement rehabilitation work. The Department received $27.2 million in AIP grant funds in FY 2020. However, there can be no assurance that additional grants from the FAA or TSA will be available in the future. See "INVESTMENT CONSIDERATIONS – FAA Reauthorization and Federal Funding."

SECURITY FOR THE SERIES 2021 BONDS

Pledge of Net Revenues

The Series 2021 Bonds are limited obligations of the City payable solely from and secured by a pledge of Net Revenues, certain funds and accounts held by the Trustee under the Indenture, and other amounts payable under the Indenture. The Series 2021 Bonds will be secured by a pledge of Net Revenues on parity with the Series 2017 Bonds, the Series 2018 Bonds, and any additional Bonds issued in the future.

"*Net Revenues*" are defined in the Master Indenture to mean, for any given period, the Revenues for such period, less the Operation and Maintenance Expenses of the Airport System for such period.

"*Revenues*" are defined in the Master Indenture to include, among other things, except to the extent specifically excluded therefrom, all income, receipts, earnings and revenues received by the City from the operation and ownership of the Airport System for a given period, as determined in accordance with generally accepted accounting principles, as modified from time to time, including, but not limited to, (1) rates, tolls, fees, rentals, charges and other payments made to or owed to the City for the use or availability of the Airport System, (2) amounts received or owed from the sale or provision of supplies, materials, goods and services provided by or made available by the City, including rental or business interruption insurance proceeds, received by, held by, accrued to or entitled to be received by the City or any successor thereto from the possession, management, charge, superintendence and control of the Airport System and its related facilities or activities and undertakings related thereto or from any other facilities wherever located with respect to which the City receives payments which are attributable to the Airport System or activities or undertakings related thereto and (3) Other Pledged Revenues. See "APPENDIX C — FORM OF MASTER INDENTURE — ARTICLE I — DEFINITIONS; INTERPRETATION" for a more complete definition of Revenues. CFCs and Capitalized Interest, among other things, are specifically excluded from Revenues unless otherwise designated as Other Pledged Revenues pursuant to a certificate of the City or in a Supplemental Indenture.

PFCs, among other things are specifically excluded from Revenues, but may be applied to pay principal of and interest on Bonds as described below. The City has not designated or pledged pursuant to a certificate or a Supplemental Indenture any PFCs to the payment of Bonds. However, see "— Use of PFCs to Pay Debt Service" below for a discussion of the City's expectation to use PFCs to pay a portion of the debt service on the Series 2017 Bonds, the Series 2018 Bonds and the Series 2021 Bonds. Additionally, a portion of the interest on the Series 2018A Bonds is payable from Capitalized Interest through July 1, 2023 and a portion of the interest on the Series 2021 Bonds will be payable from Capitalized Interest through July 1, 20[24].

"*Operation and Maintenance Expenses of the Airport System*" are defined in the Master Indenture to mean, for any given period, the total operation and maintenance expenses of the Airport System as determined in accordance with generally accepted accounting principles as in effect from time to time; including any costs of Credit Facilities and Liquidity Facilities; but excluding depreciation expense and any operation and maintenance expenses of the Airport System payable from moneys other than Revenues, including, but not limited to, any non-cash items that are required to be treated as operation and maintenance expenses of the Airport System in accordance with generally accepted accounting principles.

The Department operates the Airport and the Auxiliary Airports as the Airport System. The Master Indenture includes the operation and maintenance costs and revenues of the Auxiliary Airports within the definitions of "Operation and Maintenance Expenses of the Airport System" and "Revenues." None of the properties of the Airport System are subject to any mortgage or other lien for the benefit of the owners of the Bonds, and neither the full faith and credit nor the taxing power of the City, the State or any political subdivision or agency of the State is pledged to the payment of the principal of or interest on the Bonds.

Flow of Funds

The City has created and holds and maintains a special fund designated as the Revenue Fund into which all Revenues and other moneys and funds not included in Revenues are deposited. Pursuant to the Master Indenture and the Master Subordinate Indenture, the City has agreed to continue to hold and maintain the Revenue Fund. Additionally, pursuant to the Master Indenture and the Master Subordinate Indenture, the City has covenanted and agreed to establish, hold and maintain the Revenue Account within the Revenue Fund. As long as there are any Outstanding Bonds or Outstanding Subordinate Obligations, all Revenues will be deposited in the Revenue Account and will be set aside for the payment of the following amounts or deposited or transferred to the following funds, accounts and subaccounts in the following order of priority:

First: to the Operation and Maintenance Subaccount. On or prior to the third Business Day of each month, the City shall deposit Revenues to the Operation and Maintenance Subaccount in an amount equal to one-twelfth of the estimated Operation and Maintenance Expenses of the Airport System for the then current Fiscal Year as set forth in the budget of the City for such Fiscal Year as finally approved by the City. In the event that the balance in the Operation and Maintenance Subaccount at any time is insufficient to make any required payments therefrom due and payable between the third Business Day of the then current month and the second Business Day of the immediately succeeding month, additional Revenues at least sufficient to make such payments shall immediately be deposited in the Operation and Maintenance Subaccount from the Revenue Account.

Second: to the Debt Service Funds. Except as otherwise provided in a Supplemental Indenture, on or prior to the third Business Day of each month, a sufficient amount of Revenues shall be transferred by the City, without priority and on an equal basis, except as to timing of payment, to the Trustee for deposit to the Debt Service Funds in the amounts, at the times and in the manner provided in the Master Indenture to provide for the payment of principal and interest to become due on the Outstanding Bonds. In addition to the deposit of Revenues to the Debt Service Funds, the City shall transfer any applicable Pledged Passenger Facility Charges and/or Passenger Facility Charges Available for Debt Service to the Trustee for deposit to the applicable Debt Service Fund in accordance with the provisions of the applicable Supplemental Indenture and/or a certificate of the City as provided in the Master Indenture. Except as otherwise provided in a Supplemental Indenture, the amount of Revenues, Pledged Passenger Facility Charges, if any, and Passenger Facility Charges Available for Debt Service deposited each month shall equal one sixth of the full amount required to pay the interest on the Outstanding Bonds next coming due and one twelfth of the principal amount and/or sinking fund installment of the Outstanding Bonds next coming due.

Third: to the Common Debt Service Reserve Fund and Series Debt Service Reserve Funds. On or prior to the third Business Day of each month, a sufficient amount of Revenues shall be transferred by the City, without priority and on an equal basis, to the Trustee for deposit to the Common Debt Service Reserve Fund at the times and in the amounts provided in the Master Indenture, and to any Series Debt Service Reserve Fund at the times and in the amounts set forth in the Supplemental Indenture pursuant to which such Series Debt Service Reserve Fund is created. See "— Common Debt Service Reserve Fund" below.

Fourth: to the Subordinate Obligation Debt Service Funds. Except as otherwise provided in a Supplemental Subordinate Indenture, on or prior to the third Business Day of each month, a sufficient amount of Revenues shall be transferred by the City, without priority and on an equal basis, except as to timing of payment, to the Subordinate Trustee for deposit to the Subordinate Obligation Debt Service Funds in the amounts, at the times and in the manner provided in the Master Subordinate Indenture to provide for the payment of principal and interest to become due on the outstanding Subordinate Obligations. In addition to the deposit of Revenues to the Subordinate Obligation Debt Service Funds, the City shall transfer any applicable Pledged Passenger Facility Charges and/or Passenger Facility Charges Available for Debt Service to the Subordinate Trustee for deposit to the applicable Subordinate Obligation Debt Service Fund in accordance with the provisions of the applicable Supplemental Subordinate Indenture and/or a certificate of the City as provided in the Master Subordinate Indenture. Except as otherwise provided in a Supplemental Subordinate Indenture, the amount of Revenues, Pledged Passenger Facility Charges, if any, and Passenger Facility Charges Available for Debt Service deposited each month shall equal one sixth of the full amount required to pay the interest on the outstanding Subordinate Obligations next coming due and one twelfth of the principal amount and/or sinking fund installment of the outstanding Subordinate Obligations next coming due.

Fifth: to the Subordinate Obligation Debt Service Reserve Funds. On or prior to the third Business Day of each month, a sufficient amount of Revenues shall be transferred by the City, without priority and on an equal basis, to the Subordinate Trustee for deposit to any debt service reserve fund established by or for the benefit of the City in connection with any Subordinate Obligations, provided, however, no Revenues shall be transferred by the City to the Subordinate Obligation Trustee for deposit to any debt service reserve fund established by or for the benefit of the City in connection with any Subordinate Obligations if amounts (including any Debt Service Reserve Fund Surety Policy) in the Common Debt Service Reserve Fund are not sufficient to meet the Reserve Requirement or amounts (including any Debt Service Reserve Fund Surety Policy) in any Series Debt Service Reserve Fund are not sufficient to meet the applicable Reserve Requirement for such Series Debt Service Reserve Fund. No Subordinate Obligation Debt Service Reserve Fund has been, or will be, established for the Subordinate Revolving Obligations.

Sixth: to the Operation and Maintenance Reserve Subaccount. On or prior to the third Business Day of each month, sufficient Revenues shall be deposited to the Operation and Maintenance Reserve Subaccount to fund any deficiency in the Operation and Maintenance Reserve Subaccount in accordance with the Master Indenture and the Master Subordinate Indenture.

Seventh: to the Renewal and Replacement Subaccount. On or prior to the third Business Day of each month, sufficient Revenues shall be deposited to the Renewal and Replacement Subaccount to fund any deficiency in the Renewal and Replacement Subaccount in accordance with the Master Indenture and the Master Subordinate Indenture.

Eighth: to the Rolling Coverage Account. On or prior to the third Business Day of each month, at the discretion of the City, Revenues may be deposited to the Rolling Coverage Account in an amount determined by the City to fund the Rolling Coverage Account in accordance with the Master Indenture and the Master Subordinate Indenture.

Ninth: to the Surplus Fund. At the discretion of the City, all or a portion of the remaining Revenues may be deposited to the Surplus Fund to be used for any lawful Airport System purpose.

Pursuant to the Master Indenture and the Master Subordinate Indenture, the City has created, within the Revenue Fund, separate funds, accounts or subaccounts for the deposit of CFCs and PFCs that have not been designated as Revenues. See "—Use of PFCs to Pay Debt Service" below for a discussion of the City's expectation to use PFCs to pay a portion of the debt service on Bonds, including the Series 2021 Bonds.

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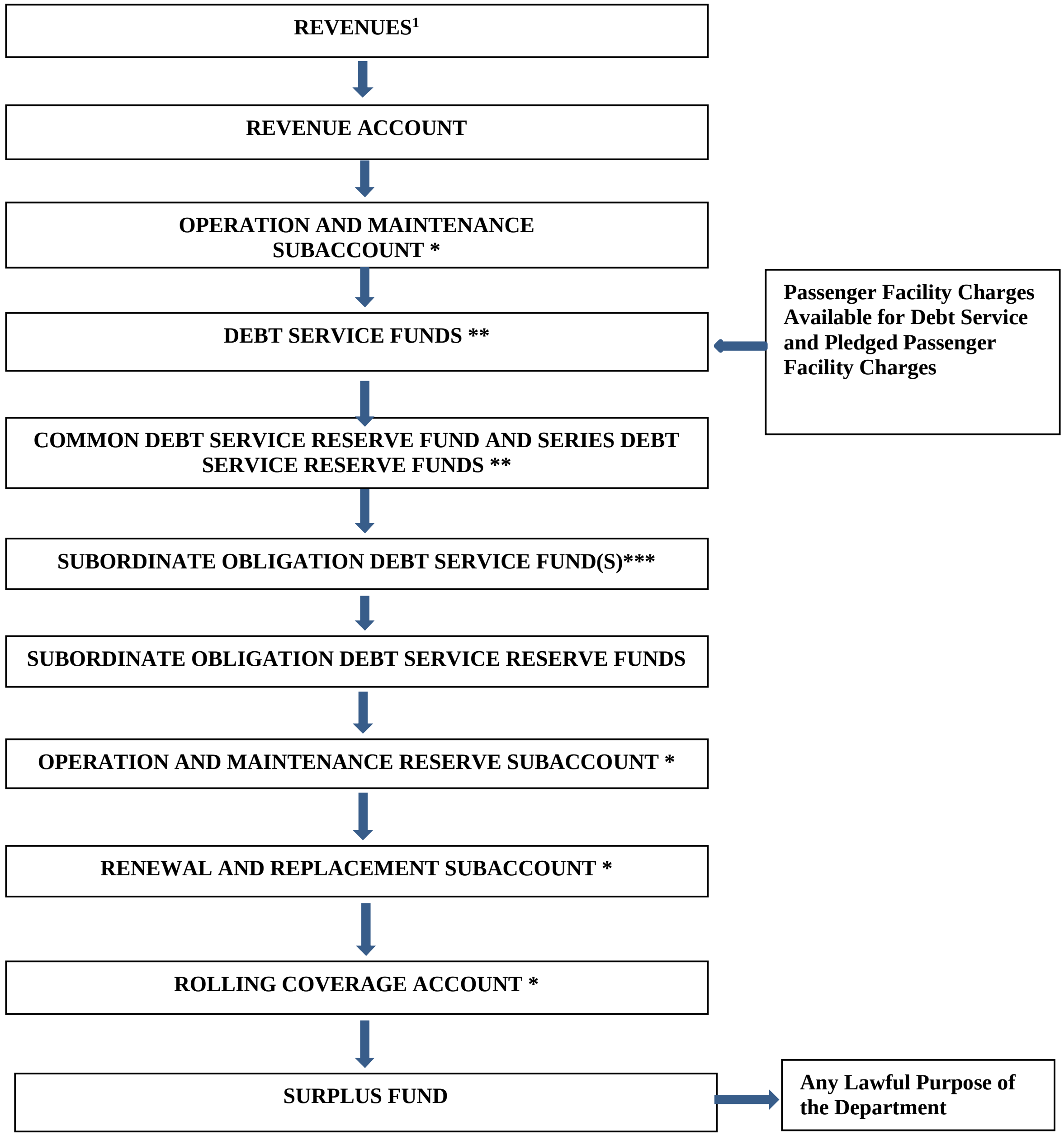
The following chart provides a graphic presentation of the flow of funds under the Master Indenture and the Master Subordinate Indenture upon the receipt of Revenues.

Flow of Funds Pursuant to Master Indenture



*Maintained within the Revenue Account of the Department.
**Held and maintained by the Trustee.
***Held and maintained by the Subordinate Trustee.

(1) Revenues do not include PFC revenues.

Rate Covenant

The City has covenanted in the Master Indenture that, while any of the Bonds (including the Series 2021 Bonds) remain Outstanding, it will establish, fix, prescribe and collect rates, tolls, fees, rentals and charges in connection with the Airport System and for services rendered in connection therewith, so that:

(a) Revenues in each Fiscal Year will be at least equal to the following amounts:

(i) Operation and Maintenance Expenses of the Airport System due and payable during such Fiscal Year;

(ii) the Annual Debt Service on any Outstanding Bonds required to be funded by the City in such Fiscal Year as required by the Master Indenture or any Supplemental Indenture with respect to the Outstanding Bonds;

(iii) the required deposits to the Common Debt Service Reserve Fund or any Series Debt Service Reserve Fund which may be established by a Supplemental Indenture;

(iv) the reimbursement owed to any Credit Provider or Liquidity Provider as required by a Supplemental Indenture;

(v) the interest on and principal of any indebtedness of the City issued on behalf of the Department required to be funded during such Fiscal Year, other than for Outstanding Bonds, but including Subordinate Obligations; and

(vi) funding of any debt service reserve funds created with respect to any indebtedness of the City issued on behalf of the Department, other than Outstanding Bonds, but including Subordinate Obligations.

(b) During each Fiscal Year the Net Revenues, together with any Transfer, will be equal to at least 125% of Annual Debt Service on the Outstanding Bonds for such Fiscal Year. For purposes of this paragraph (b), the amount of any Transfer taken into account cannot exceed 25% of Annual Debt Service on the Outstanding Bonds in such Fiscal Year.

"*Transfer*" is defined in the Master Indenture to mean (a) the amount on deposit, if any, on the last Business Day of the applicable Fiscal Year in the Rolling Coverage Account plus (b) any amounts withdrawn from the Rolling Coverage Account during such Fiscal Year to pay Operation and Maintenance Expenses of the Airport System, to make any required payments or deposits to pay or secure the payment of principal of and/or interest on the Bonds and Subordinate Obligations, if any, or to pay the cost of any additions, improvements, repairs, renewals or replacements to the Airport System, less (c) any amounts deposited in the Rolling Coverage Account from Revenues during such Fiscal Year.

For purposes of paragraphs (a) and (b) above, Annual Debt Service on the Outstanding Bonds will be reduced by the amount of principal and/or interest paid with Capitalized Interest, Passenger Facility Charges Available for Debt Service and/or Pledged Passenger Facility Charges. See "APPENDIX C – FORM OF MASTER INDENTURE – ARTICLE IV - REVENUES; FUNDS AND ACCOUNTS – Section 4.15 - Passenger Facility Charges Available for Debt Service."

The Department has applied $3.9 million of CARES Act grant funds to O&M expenses in FY 2020 and expects to apply an additional $66.0 million of CARES Act funds to O&M expenses in FY 2021. The Department expects to apply the remaining CARES Act funds ($12.6 million) and its $20.7 million of CRRSA grant funds in FY 2022 to O&M expenses and similarly, to apply any ARP Act grants to O&M Expenses in FY 2023 and 2024, although the FAA has not yet announced the amount of ARP Act grants that will be allocated to the Airport. Although these grant funds are not Revenues under the Master Indenture, by applying them to O&M expenses, the Department is better able to meet both prongs of the Rate Covenant, since the grant funds applied reduce the amount of Revenues required to pay O&M expenses, thus increasing Net Revenues. In addition, use of these grant funds in this manner reduces the rates and charges that must be charged to the Signatory Airlines and other tenants, thus helping to stabilize rates at a more manageable level.

The AUA also provides for extraordinary coverage protection if the Department expects to fail to meet the rate covenant under the Master Indenture. Under the AUA, if in any Fiscal Year the amount of Revenues less Operating Expenses is projected to be less than the sum of the principal of, premium, if any, and interest due in that Fiscal Year on the Bonds and Subordinate Obligations then Outstanding, plus 25% of such Debt Service on Bonds and the amount required under the agreement providing for the issuance of such Subordinate Obligations, then the Signatory Airlines will make extraordinary coverage protection payments in addition to landing fees and terminal rents. See "THE AIRPORT – Airline Use Agreement – *Rates and Charges*" below.

If Revenues and Net Revenues, together with any Transfer, in any Fiscal Year are less than the amounts specified in paragraphs (a) and (b) above, the City will retain and direct a Consultant to make recommendations as to the revision of the City's business operations and its schedule of rates, tolls, fees, rentals and charges for the use of the Airport System and for services rendered by the City in connection with the Airport System, and after receiving such recommendations or giving reasonable opportunity for such recommendations to be made, the City will take all lawful measures to revise the schedule of rates, tolls, fees, rentals and charges as may be necessary to produce Revenues and Net Revenues, together with any Transfer in the amounts specified in paragraphs (a) and (b) above in the next succeeding Fiscal Year.

In the event that Revenues or Net Revenues for any Fiscal Year are less than the amounts specified in paragraphs (a) or (b) above, but the City has, prior to or during the next succeeding Fiscal Year, promptly taken all lawful measures to revise the schedule of rates, tolls, fees, rentals and charges as required by the provisions set forth in the prior paragraph, such deficiency in Revenues or Net Revenues will not constitute an Event of Default under the Master Indenture. Nevertheless, if after taking the measures required by the provisions set forth in the prior paragraph to revise the schedule of rates, tolls, fees, rentals and charges, Revenues or Net Revenues in the next succeeding Fiscal Year (as evidenced by the audited financial statements of the City for such Fiscal Year) are less than the amounts specified in paragraphs (a) and (b) above, such deficiency in Revenues or Net Revenues will constitute an Event of Default under the Master Indenture.

See "THE AIRPORT –The Airline Use Agreement" for a discussion regarding certain limits on the ability of the City to raise fees to be charged to the Signatory Airlines.

Common Debt Service Reserve Fund

Pursuant to the Master Indenture, the City established the Common Debt Service Reserve Fund (the "*Common Reserve Fund*") with the Trustee to secure any Bonds the City elects to participate in the Common Reserve Fund. At the time of issuance of the Series 2017 Bonds and the Series 2018 Bonds, the City elected to have the Series 2017 Bonds and the Series 2018 Bonds participate in the Common Debt Service Reserve Fund and, at the time of issuance of the Series 2021 Bonds, the City will elect to have the Series 2021 Bonds participate in the Common Reserve Fund. The Series 2017 Bonds, the Series 2018 Bonds, the Series 2021 Bonds and any additional Bonds the City elects to have participate in the Common Reserve Fund are collectively referred to in this Official Statement as the "*Common Reserve Fund Participating Bonds.*"

Moneys held in the Common Reserve Fund will be used for the purpose of paying principal of and interest on the Common Reserve Fund Participating Bonds on a parity basis. If, on any Payment Date for the Common Reserve Fund Participating Bonds, the amounts in the Debt Service Funds for such Bonds are insufficient to pay in full the amount then due on such Bonds, moneys held in the Common Reserve Fund will be used for the payment of the principal of and/or interest thereon. If amounts in the Common Reserve Fund consist of both cash and one or more Debt Service Reserve Fund Surety Policies, the Trustee will make any required payments of amounts in the Common Reserve Fund first from any cash on deposit in the Common Reserve Fund prior to making a draw upon any such Debt Service Reserve Fund Surety Policy. Moneys held in the Common Reserve Fund also may be used to make any deposit required to be made to the Rebate Fund created for the Common Reserve Fund Participating Bonds at the written direction of the City if the City does not have other funds available from which such deposit can be made.

The Common Reserve Fund is required to be funded at all times in an amount equal to the Reserve Requirement. The "*Reserve Requirement*" is equal to the lesser of (a) Maximum Aggregate Annual Debt Service for all Outstanding Common Reserve Fund Participating Bonds, (b) ten percent of the original principal amount of the Outstanding Common Reserve Fund Participating Bonds, less the amount of original issue discount with respect to such Common Reserve Fund Participating Bonds if such original issue discount exceeded 2% on such Common Reserve Fund Participating Bonds at the time of their original sale, and (c) 125% of the average Aggregate Annual

Debt Service for the Outstanding Common Reserve Fund Participating Bonds. At the time of issuance of any additional Bonds which the City elects to have participate in the Common Reserve Fund, the Reserve Requirement is required to be met at the time of such issuance. The City may fund all or a portion of the Reserve Requirement with a Debt Service Reserve Fund Surety Policy. See "APPENDIX C – FORM OF THE MASTER INDENTURE - ARTICLE IV – REVENUES; FUNDS AND ACCOUNTS– Section 4.06 Common Debt Service Reserve Fund and Series Debt Service Reserve Funds." As of March 31, 2021, $139.7 million was on deposit in the Common Reserve Fund. At the time of issuance of the Series 2021 Bonds, a portion of the proceeds of the Series 2021 Bonds in the amount of $__________ will be deposited to the Common Reserve Fund to meet the Reserve Requirement, which will be $__________ and will be fully funded upon such deposit. Funds in the Common Reserve Fund are invested in Permitted Investments. See " – Permitted Investments" below.

Additional Bonds

The Master Indenture provides the City with flexibility as to establishing the nature and terms of any additional Bonds hereafter issued with a lien and charge on Net Revenues on parity with the Series 2017 Bonds, the Series 2018 Bonds, and the Series 2021 Bonds. For example, the Master Indenture provides for the issuance of Variable Rate Indebtedness, Capital Appreciation Bonds and Balloon Indebtedness on a parity with the Series 2021 Bonds. See "APPENDIX C – FORM OF MASTER INDENTURE – ARTICLE II - FORM, EXECUTION, DELIVERY AND REGISTRATION OF BONDS – Section 2.11 – Additional Bonds Test." Additional Bonds may be issued under the Master Indenture on a parity with the Series 2021 Bonds, the Series 2018 Bonds, and the Series 2017 Bonds, provided, among other things, that there is delivered to the Trustee either:

(a) a certificate, dated as of a date between the date of pricing of the Bonds being issued and the date of delivery of such Bonds (both dates inclusive), prepared by an Authorized City Representative showing that the Net Revenues for the last audited Fiscal Year or for any 12 consecutive months out of the most recent 18 consecutive months immediately preceding the date of issuance of the proposed Series of Bonds, together with any Transfer for the most recently ended Fiscal Year, were at least equal to 125% of Maximum Aggregate Annual Debt Service, which excludes Capitalized Interest, with respect to all Outstanding Bonds and the proposed Series of Bonds, calculated as if the proposed Series of Bonds were then Outstanding; or

(b) a certificate, dated as of a date between the date of pricing of the Bonds being issued and the date of delivery of such Bonds (both dates inclusive), prepared by a Consultant, with national recognition as experts in the area of air traffic and airport financial analysis, showing that:

(i) the Net Revenues for the last audited Fiscal Year or for any 12 consecutive months out of the most recent 18 consecutive months immediately preceding the date of issuance of the proposed Series of Bonds, together with any Transfer for the most recently ended Fiscal Year, were at least equal to 125% of the sum of the Annual Debt Service due and payable with respect to all Outstanding Bonds for such applicable period; and

(ii) for the period from and including the first full Fiscal Year following the issuance of such proposed Series of Bonds during which no interest on such Series of Bonds is expected to be paid from the proceeds thereof through and including the later of: (A) the fifth full Fiscal Year following the issuance of such Series of Bonds, or (B) the third full Fiscal Year during which no interest on such Series of Bonds is expected to be paid from the proceeds thereof, the estimated Net Revenues, together with any estimated Transfer, for each such Fiscal Year, will be at least equal to 125% of the Aggregate Annual Debt Service for each such Fiscal Year with respect to all Outstanding Bonds and calculated as if (y) the proposed Series of Bonds were then Outstanding, and (z) any future Series of Bonds which the City estimates will be required to complete payment of the estimated costs of construction of such portion of the Specified Project and any other uncompleted portion of the Specified Project from which the Consultant projects additional Revenues will be generated were then Outstanding.

For purposes of paragraphs (a) and (b) above, the amount of any Transfer taken into account cannot exceed 25% of the Aggregate Annual Debt Service on the Outstanding Bonds, the proposed Series of Bonds and any future Series of Bonds required to complete the Specified Project as described above. The components of Aggregate Annual Debt Service are to be calculated as provided in the Master Indenture. See "APPENDIX C – FORM OF MASTER

INDENTURE – ARTICLE II - FORM, EXECUTION, DELIVERY AND REGISTRATION OF BONDS – Section 2.11 – Additional Bonds Test."

For purposes of subparagraph (b)(ii) above, in estimating Net Revenues, the Consultant may take into account (1) Revenues from Specified Projects or other Airport Facilities reasonably expected to become available during the period for which the estimates are provided, (2) any increase in fees, rates, charges, rentals or other sources of Revenues which have been approved by the City and will be in effect during the period for which the estimates are provided, and (3) any other increases in Revenues which the Consultant believes to be a reasonable assumption for such period. With respect to Operation and Maintenance Expenses of the Airport System, the Consultant will use such assumptions as the Consultant believes to be reasonable, taking into account: (x) historical Operation and Maintenance Expenses of the Airport System, (y) Operation and Maintenance Expenses of the Airport System associated with the Specified Projects and any other new Airport Facilities, and (z) such other factors, including inflation and changing operations or policies of the City, as the Consultant believes to be appropriate. The Consultant will include in the certificate or in a separate accompanying report the calculations and assumptions made in determining the estimated Net Revenues and will also set forth the calculations of Aggregate Annual Debt Service, which calculations may be based upon information provided by another Consultant.

For purposes of preparing the certificate or certificates described above, the Consultant or the Authorized City Representative may reasonably rely upon financial information provided by the City.

At the time of issuance of the Series 2021 Bonds, the Airport Consultant will deliver a certificate as described in paragraph (b) above to the Trustee.

Neither of the certificates described in paragraphs (a) or (b) above will be required if:

(i) the Bonds being issued are for the purpose of refunding then Outstanding Bonds and there is delivered to the Trustee, instead, a certificate of an Authorized City Representative or Consultant showing that Maximum Aggregate Annual Debt Service after the issuance of such Refunding Bonds will not exceed the Maximum Aggregate Annual Debt Service prior to the issuance of such Refunding Bonds; or

(ii) the Bonds being issued constitute Notes and there is delivered to the Trustee, instead, a certificate prepared by an Authorized City Representative or a Consultant showing that the principal amount of the proposed Notes being issued, together with the principal amount of any Notes then Outstanding, does not exceed 10% of the Net Revenues for any 12 consecutive months out of the most recent 24 months immediately preceding the issuance of the proposed Notes; or

(iii) the Bonds being issued are Completion Bonds and the following written certificates are delivered to the Trustee (A) a Consultant's certificate stating that the nature and purpose of such Project has not materially changed and (B) a certificate of an Authorized City Representative to the effect that (1) all of the proceeds (including investment earnings on amounts in the Construction Fund established for the Project) of the original Bonds issued to finance such Project have been or will be used to pay Costs of the Project and (2) the then estimated Costs of the Project exceed the sum of the Costs of the Project already paid plus moneys available in the Construction Fund established for the Project (including unspent proceeds of Bonds previously issued for such purpose). "*Completion Bonds*" are defined in the Master Indenture as Bonds issued to pay costs of completing a Project for which Bonds have previously been issued and the principal amount of such Bonds being issued for completion purposes does not exceed an amount equal to 15% of the principal amount of the Bonds originally issued for the Project. The Series 2021 Bonds and any additional Bonds to be issued to finance additional costs of the TRP or the NCP will not be deemed to constitute Completion Bonds under the Master Indenture. See "APPENDIX C – FORM OF MASTER INDENTURE – ARTICLE I – DEFINITIONS; INTERPRETATION."

The City expects to issue additional Bonds in the future to finance the development of the Airport System. See "THE AIRPORT REDEVELOPMENT PROGRAM – Funding Sources."

Use of PFCs to Pay Debt Service

Pursuant to the Master Indenture, PFC revenues are excluded from the definition of Revenues and, therefore, are not pledged to the payment of debt service on the Bonds, except for Pledged Passenger Facility Charges, which are subject to the pledge of the Master Indenture but do not constitute Revenues. However, PFC revenues may still be applied to pay debt service on Bonds that financed PFC-eligible projects in two separate ways. The City may designate specified PFC revenues as Passenger Facility Charges Available for Debt Service. Passenger Facility Charges Available for Debt Service are transferred to the Trustee and deposited directly into a City designated Debt Service Fund to be used to pay debt service on a specific Series of Bonds. The City may also pledge specified PFC revenue to secure designated Bonds as Pledged Passenger Facility Charges. Pledged Passenger Facility Charges are also transferred to the Trustee and deposited directly into a City designated Debt Service Fund to be used to pay debt service on a specific Series of Bonds. The City has not elected, and the City has no current plans to elect, to designate PFCs as Pledged Passenger Facility Charges. The City expects, however, to the extent approved by the FAA, to use PFCs as Passenger Facility Charges Available for Debt Service to pay a portion of the debt service on the Series 2021 Bonds, as well as the Series 2018 Bonds, and the Series 2017 Bonds that financed PFC-eligible projects. Debt service paid with PFCs, whether designated as Passenger Facility Charges Available for Debt Service and/or Pledged Passenger Facility Charges, is not included in the calculation of the rate covenant set forth in the Master Indenture, and debt service on additional Bonds expected to be paid from PFCs is not included in the additional bonds test set forth in the Master Indenture. For additional information regarding PFCs and the City's expected use of PFC revenues, see "APPENDIX B – REPORT OF THE AIRPORT CONSULTANT."

Permitted Investments

Moneys and funds held by the City will be invested in Permitted Investments, subject to any restrictions set forth in the Master Indenture and subject to restrictions imposed upon the City by the State Money Management Act. Moneys and funds held by the Trustee under the Master Indenture, including moneys in the respective Debt Service Funds, and the accounts therein, and the Common Reserve Fund, may be invested as directed by the City in Permitted Investments, subject to the restrictions set forth in the Master Indenture and subject to restrictions imposed upon the City by the State Money Management Act. See "THE AIRPORT— Financial Considerations - Investment Policy" herein.

Events of Default and Remedies; No Acceleration

Events of Default under the Master Indenture and related remedies are described in "APPENDIX C—FORM OF THE MASTER INDENTURE—ARTICLE VIII – DEFAULTS AND REMEDIES." The occurrence of an Event of Default does not grant any right to accelerate payment of the Bonds, including the Series 2021 Bonds, the Series 2018 Bonds, and the Series 2017 Bonds, to either the Trustee or the Holders of the Bonds. The Trustee is authorized to take certain actions upon the occurrence of an Event of Default, including proceedings to enforce the obligations of the City under the Master Indenture. If there is an Event of Default, payments, if any, on the Bonds will be made after payments of Operation and Maintenance Expense of the Airport System. Since Net Revenues are Revenues net of all amounts needed to pay Operation and Maintenance Expense of the Airport System, and the City is not subject to involuntary bankruptcy proceedings, the City may be able to continue indefinitely collecting Revenues and applying them to the operation of the Airport System even if an Event of Default has occurred and no payments are being made on the Bonds.

Subordinate Obligations (Subordinate Revolving Obligations)

The Master Subordinate Indenture provides for the issuance and/or incurrence, from time to time, of debt obligations of the City secured by and payable from a pledge of Subordinate Revenues (as defined below) (including, without limitation, bonds, notes, bond anticipation notes, commercial paper, revolving lines of credit, obligations incurred pursuant to an interest rate swap agreement, obligations incurred through lease or installment purchase agreements or certificates of participation, and certain other obligations, collectively, "*Subordinate Obligations*").

"*Subordinate Revenues*" mean all Revenues remaining after the City has provided for the payment of Operation and Maintenance Expenses of the Airport System, the payment of debt service on the Bonds and any amounts necessary to replenish the Common Debt Service Reserve Fund (or any other debt service reserve fund established to secure one or more series of Bonds).

As of the date of this Official Statement, the only outstanding Subordinate Obligations are the Subordinate Revolving Obligations and the City's payment obligations under the Subordinate Revolving Obligations Credit Agreement. Pursuant to the Master Subordinate Indenture, the First Supplemental Subordinate Indenture and the Subordinate Revolving Obligations Credit Agreement, the City is authorized to issue and have outstanding, from time to time, up to $300,000,000 in aggregate principal amount of Subordinate Revolving Obligations. As of July 1, 2021, the City had $[_____] aggregate principal amount of Subordinate Revolving Obligations outstanding. On or about the date of issuance of the Series 2021 Bonds, the City expects to repay all of the outstanding Subordinate Revolving Obligations with a portion of the proceeds of the Series 2021 Bonds. All of the Subordinate Revolving Obligations issued by the City are purchased by the Subordinate Revolving Obligations Bank (JPMorgan Chase Bank, National Association) in accordance with the terms of the Subordinate Revolving Obligations Credit Agreement. Except as otherwise provided in the Subordinate Revolving Obligations Credit Agreement, the principal of all Subordinate Revolving Obligations outstanding pursuant the Master Subordinate Indenture, the First Supplemental Subordinate Indenture and the Subordinate Revolving Obligations Credit Agreement are due and payable on March 1, 2024. However, subject to the terms of the Subordinate Revolving Obligations Credit Agreement, on March 1, 2024, the City can convert any outstanding Subordinate Revolving Obligations to a term loan that will be payable in six equal semi-annual installments following March 1, 2024.

Upon the occurrence of an event of default under the Subordinate Revolving Obligations Credit Agreement, the Subordinate Revolving Obligations Bank may terminate its obligation to make revolving loans, bring a legal action to take any action that may appear necessary to collect amounts due to the Subordinate Revolving Obligations Bank and exercise any and all remedies the Subordinate Revolving Obligations Bank may have under the Subordinate Revolving Obligations Credit Agreement and the Subordinate Indenture. The Subordinate Revolving Obligations Bank is ***not*** permitted to accelerate amounts due under the Subordinate Revolving Obligations Credit Agreement or the Subordinate Indenture.

Reference is made to the Subordinate Indenture and the Subordinate Revolving Obligations Credit Agreement for the complete terms of such documents. Copies of the Master Subordinate Indenture, the First Supplemental Subordinate Indenture and a redacted copy of the Subordinate Revolving Obligations Credit Agreement are posted on EMMA.

Other Covenants of the City

Pursuant to the Master Indenture, the City has agreed to other covenants for the benefit of the holders of the Bonds, including the Series 2021 Bonds, in addition to those described above. For example, the City has covenanted not to issue any bonds or other obligations with a lien on or security interest in the Net Revenues which is superior to the Bonds, not to enter into any contracts or take any actions that are inconsistent with the Master Indenture, and to operate and maintain the Airport System in good working order. The City also has retained the right under the Master Indenture to issue obligations secured by a pledge of Net Revenues which is subordinate to the lien securing the Bonds, and to issue special facilities obligations that are not secured by a pledge of Net Revenues but that are secured only by revenues derived from a specified Special Facility. See "APPENDIX C – FORM OF THE MASTER INDENTURE – ARTICLE V – COVENANTS OF THE CITY."

THE AIRPORT

Overview

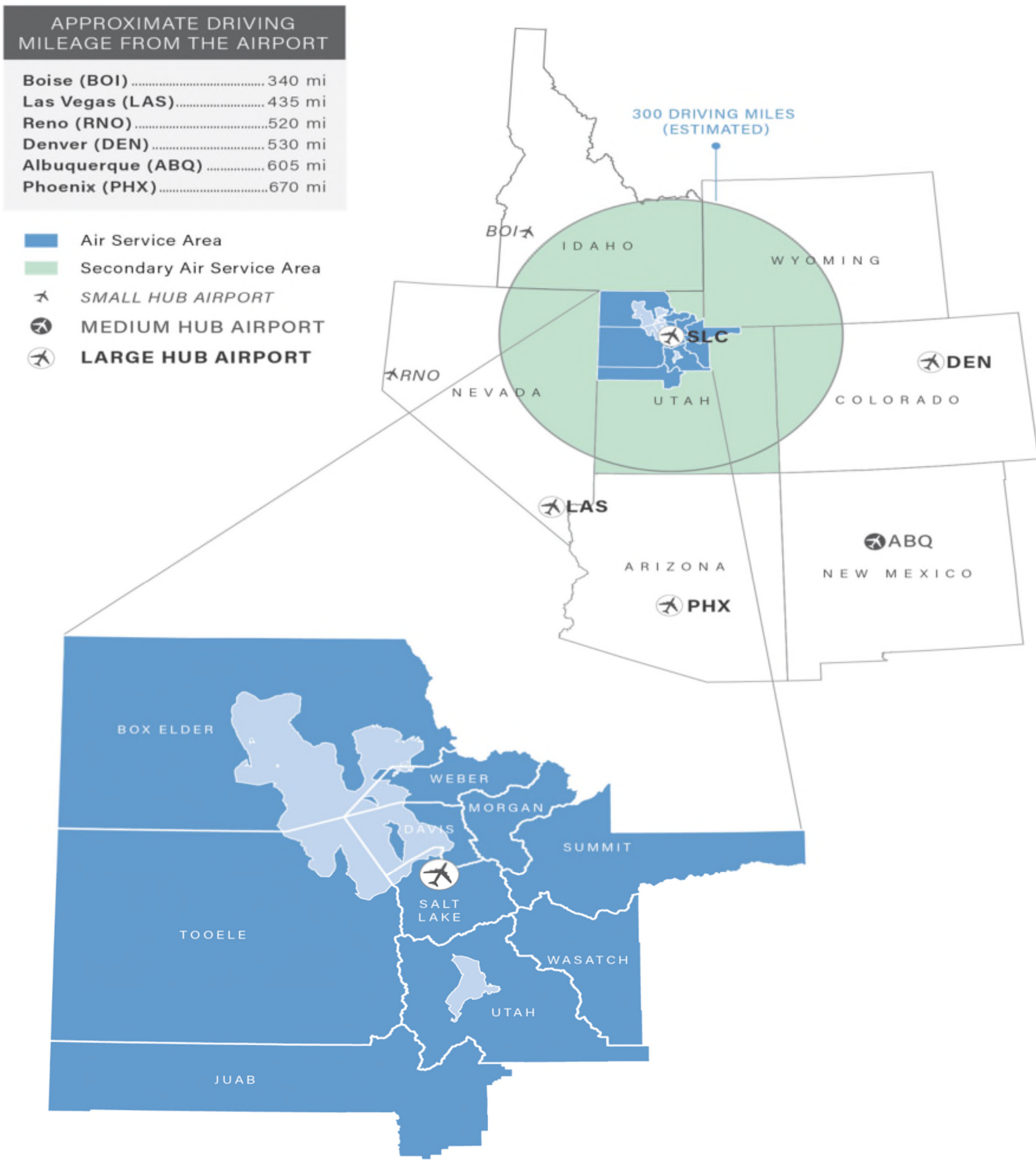
The Airport serves as the principal airport for the Salt Lake City metropolitan region, the State and portions of Colorado, Idaho, Nevada, and Wyoming. See "APPENDIX B – REPORT OF THE AIRPORT CONSULTANT – Air Service Area." Based on data from the FAA, approximately 12.8 million enplaned passengers boarded aircraft at the Airport in calendar year ("*CY*") 2019, ranking it 23rd in the U.S. This was an increase of approximately 5.0% as compared to FAA data for CY 2018. As a result of the COVID-19 pandemic, the number of enplaned passengers fell in CY 2020.

All the major network airlines and three low-cost carriers ("*LCCs*") operate at the Airport. The Airport is also a primary hub airport for Delta. Delta and its regional partners carried approximately 73% of the enplaned passengers at the Airport in FY 2020. The Airport served a total of over 20 million passengers in FY 2020. The Airport operates efficiently and is frequently ranked first among similarly sized U.S. airports for on-time arrivals and departures by OAG Aviation Worldwide Limited. The Airport also has significant cargo operations. Approximately 221,385 U.S. tons of freight and mail were loaded and unloaded on and off aircraft at the Airport in FY 2020.

Based on data from Airports Council International-North America ("*ACI-NA*"), the Airport was ranked the 31st busiest cargo airport in the U.S. for CY 2019 with 182,320 metric tonnes of cargo. Also, in CY 2019, ACI-NA data shows that the Airport had over 344,000 aircraft movements or operations, ranking the Airport 23rd in the U.S. for aircraft movements.

The Airport's Air Service Area

The Airport is the primary commercial air service facility serving the Salt Lake City metropolitan area and the surrounding region. The Airport has essentially no competition from other airports within the region, with no other large commercial service airports being located within 400 highway miles of the Airport. The geographical region that serves as an airport's primary air service catchment area generally is referred to as its primary Air Service Area. The Airport's primary Air Service Area is defined as the Salt Lake City-Provo-Orem Combined Statistical Area ("*CSA*"), which includes 10 counties in Utah. The Salt Lake City-Provo-Orem CSA is the [27th] most populous CSA in the U.S., with approximately 2.6 million people, or approximately 81% of the population in the entire State. In many cases, an Air Service Area can extend beyond the primary area, depending on the location of other population centers and availability of other commercial service airports; however, it is generally the economic strength of the primary Air Service Area that provides the principal demand for supporting origin and destination ("*O&D*") air travel, which refers to persons who begin or end their air travel at the Airport. In the case of the Airport, its secondary air service area generally consists of the remainder of the State and portions of Colorado, Idaho, Nevada and Wyoming. The chart below shows the Airport's Air Service Area and its location in the State.



Because the Airport is isolated from competing airport facilities, it has limited, if any, competition for air service. Las Vegas McCarran International Airport (LAS) is the closest comparable airport, which is approximately 435 driving miles from the Airport. Denver International Airport (DIA) is the next closest at approximately 530 driving miles from the Airport. Boise Airport (BOI) in Idaho is about 340 driving miles from the Airport; however, it is a much smaller facility and is classified as a Small Hub by the FAA. There are no other comparable facilities to the Airport within the State in terms of air service. The next largest commercial service airport in Utah is Provo Municipal Airport (PVO), which is much smaller than the Airport. PVO had approximately 110,279 enplaned passengers for CY 2019, and was ranked as the 234th largest airport in the U.S. by enplaned passengers according to data from the FAA.

The Airport's Air Service Area recently has experienced population growth considerably above the national average, and its labor force is also growing, while Utah's unemployment rate of 3.2% was less than half the national rate of 6.5% as of December 2020 by 3.3%. The region's diverse economy includes banking and finance, the largest component of the gross regional product ("*GRP*"); transportation and distribution, as the City is a point of convergence for east-west rail lines and both east-west and north-south interstate highways; manufacturing and mining; and a growing technology sector. The Church of Jesus Christ of Latter Day Saints is headquartered in the City. The area is also a regional healthcare and education hub, with three research hospitals and the only academic medical center in the intermountain west, and all three of the State's major universities are within 70 miles of the Airport. Lastly, the area is a significant tourist destination, and a significant number of sports and outdoor products companies such as Atomic, Black Diamond, Petzl and Salomon have large operations in the region. Many well-known, world-class ski resorts are located within an hour's drive of the Airport and these resorts are increasingly becoming year-round destinations for golfing, hiking, mountain biking and other outdoor activities. Five national parks are located in Utah, along with numerous National Recreation Areas, and the Airport is centrally located to provide access to other western U.S. National Parks. This diverse economy supports a strong O&D market, complemented by Delta's connecting activity at the Airport. For additional information regarding the Airport's Air Service Area and demographics, see "APPENDIX B – REPORT OF THE AIRPORT CONSULTANT – Air Service and Air Traffic Analysis."

The City

The Airport is owned by the City, a municipal corporation and political subdivision of the State. The City owns three airports: the Airport, South Valley and Tooele, all of which are operated and managed by the Department. The Mayor of the City and the City Council oversee the Department's affairs. An eleven-member Airport Advisory Board of citizen volunteers advises the Mayor and City Council.

The City has a Council-Mayor form of government. The City Council consists of seven members, who are elected by voters within seven geographic districts of approximately equal population. The Mayor is elected at large by the voters of the City and is charged with the executive and administrative duties of the government.

The seven-member, part-time City Council is charged with the responsibility of performing the legislative functions of the City. The City Council performs three primary functions: it passes laws for the City, including approving issuance of debt, adopts the City budget, including, as a part thereof, the budget of the Department, and conducts management and operational audits of City departments.

Term information concerning the Mayor and the members of the City Council is set forth below:

Office	District	Person	Years in Service	Expiration of Current Term
Mayor	--	Erin J. Mendenhall	1	January 2025
Council Chair	#7	Amy Fowler	3	January 2022
Council Vice Chair	#1	James Rogers	7	January 2022
Council Member	#3	Chris Wharton	3	January 2022
Council Member	#2	Vacant	-	January 2024
Council Member	#4	Ana Valdemoros	3	January 2024
Council Member	#5	Darin Mano	1	January 2022
Council Member	#6	Dan Dugan	1	January 2024

In February 1976, the City created the Airport Advisory Board to provide advice with respect to broad matters of policy affecting the operation of the Airport System. All actions taken by the Airport Advisory Board constitute recommendations to the Mayor. The Mayor has the power to review, ratify, modify, or veto any action submitted by the Airport Advisory Board. The members of the Airport Advisory Board are Steve Price, Chair, Theresa Foxley, Vice Chair, Roger Boyer, Arlyn Bradshaw, Dick Burton, Tye Hoffman, State Senator Karen Mayne, Cynthia D. Miller, Larry Pinnock, and James Rogers, as City Council Member from District 1.

Airport Management

The day-to-day operations of the Airport System are managed by the Executive Director of the Department, who reports directly to and is appointed by the Mayor. The Department's nine Division Directors oversee each of the primary operating and administrative divisions of the Department, and include a newly created directorate of Operational Readiness, Activation, and Transition that is intended to oversee the acceptance and start-up of the facilities comprising the New SLC and is expected to be phased out at the conclusion of the New SLC project, and all Directors report to the Executive Director. The executive team of the Department is a full-time staff of professional and technical personnel located at the Airport. In addition to the Executive Director, the executive team of the Department is comprised of the Chief Operating Officer, to whom the Director of Operations reports, along with Airport police and firefighting, and the following nine Directors: (1) Administration and Commercial Services, (2) Engineering, (3) Finance, (4) Operational Readiness, Activation, and Transition, (5) Maintenance, (6) Director of Operations, (7) Planning and Environmental, (8) Information Technology, and (9) Communications and Marketing. Brief biographies of the members of the Department's management team are set forth below.

Bill Wyatt, Executive Director

Bill Wyatt began serving as the Executive Director of the Department in November 2017. Prior to joining the Department, Mr. Wyatt served for 16 years as the Executive Director for the Port of Portland, Oregon, where he oversaw Portland International Airport, four marine terminals, two general aviation airports, industrial parks and other real estate properties.

Prior to serving as the Port of Portland's Executive Director, he served as Chief of Staff to then Governor John A. Kitzhaber for seven years, preceded by six years as President of the Oregon Business Counsel and five years as Executive Director of the Association for Portland Progress which was, at the time, Portland's downtown development association. Mr. Wyatt served as an Oregon state representative from 1974 through 1977.

Mr. Wyatt studied political science at Willamette University and the University of Oregon, where he served as Student Body President.

Treber Andersen, Director of Airport Operations

Treber Andersen has worked for the Department since 2004. Prior to his appointment as Director of Airport Operations in 2021, Mr. Andersen was the Assistant Operations Director for terminal and landside programs including the oversight of parking, passenger shuttle, ground transportation, gate management, and hard stand activities.

Mr. Andersen has also held positions in communications and airfield operations with the department where he participated in emergency response coordination, snow removal activities, FAR 139 compliance, and security functions. Before joining the department, he worked for fixed base operator Million Air servicing private jet and piston aircraft.

Mr. Andersen is a graduate of Brigham Young University where he earned a Bachelor of Science in Business Administration and a Master of Public Administration. He is a Certified Member of the American Association of Airport Executives and serves on the Academic Relations Committee.

Shane Andreasen, Director of Administration and Commercial Services

Shane Andreasen serves as the Director of Administration and Commercial Services for the Department. He leads the team responsible for business and policy development and implementation, airline and concession lease negotiations, real property transactions, procurement, airport and tenant insurance and risk management, and facility and property management. Mr. Andreasen also oversees the commercial and property assets of the Airport and two reliever airports also owned by the Department. Mr. Andreasen has over 17 years' experience in all aspects of airport properties, development and leasing.

Prior to rejoining the Department in early 2020, Mr. Andreasen spent nine years working for the Port of Portland where he most recently served as the Acting Director of the Portland International Airport Business & Properties. Prior to that assignment, he led the redevelopment of the concessions program and negotiated a twenty year rental car agreement.

Mr. Andreasen recently received his Certified Member accreditation from the American Association of Airport Executives ("*AAAE*"), and is active in Airports Council International-North America ("*ACI-NA*"). He graduated from Westminster College in Salt Lake City, Utah with a Bachelor's Degree in Business Management.

Brian Butler, Chief Financial Officer

Brian Butler has worked for the Department since 2015. He has over 14 years of experience in both the financial and accounting industries. As the Chief Financial Officer, Mr. Butler directs a staff of accountants that oversee and manage the operating and capital budgets, accounting, financial reporting, financial audits, purchasing, payroll, asset control, debt issuance, management of outstanding debt, and airline rate analysis and rate calculation.

He is a member of the American Institute of Certified Public Accountants, the Utah Association of Certified Public Accountants, ACI-NA, AAAE and is a licensed Certified Public Accountant (CPA). He is a graduate from Brigham Young University with a Bachelor Degree in Corporate Finance, Utah Valley University with a Bachelor Degree in Accounting, and the University of Utah with a Masters Degree in Accounting.

Edwin Cherry, Director of Information Technology

Edwin Cherry currently serves as the Director of Information Technology for the Department where he is responsible for overseeing the provision of information and communication services throughout the Airport campus.

Mr. Cherry has spent the last 30 years in the aviation industry serving in numerous roles ranging from consulting, project management and product development to his current role in airport information technology ("*IT*") management. He has led teams in the development of IT solutions at numerous domestic and international airports with an emphasis on the integration of the disparate special systems that are widely used by passengers, airports and airlines.

Mr. Cherry is active in ACI-NA as well as AAAE. He graduated from the University of South Florida with a Bachelor of Science degree in Engineering.

Eddie Clayson, Director of Maintenance

Eddie Clayson began working for the Department in 1993. He was appointed as the Director of Maintenance in 2016. Prior to his appointment, Mr. Clayson worked in building controls and as the facilities superintendent for the Department.

Before joining the Department, Mr. Clayson worked for Lockheed Engineering & Sciences as an electronics engineer where he was responsible for control systems on buildings, test chambers and equipment.

Mr. Clayson is involved with AAAE and the International Facilities Management Association ("*IFMA*"). He earned his Accredited Airport Executive ("*AAE*") from AAAE in 2013. Through IFMA, Mr. Clayson has earned his Certified Facility Manager and the Sustainability Facility Professional credentials. He has been active in the IFMA Airport Facilities Council and is the past president of the Council. Mr. Clayson graduated from Brigham Young University with a Bachelor of Science degree in Electronic Engineering and Technology.

Brady Fredrickson, AICP, ASLA, CM, Director of Planning and Environmental

Brady Fredrickson has 22 years of experience working in the planning and capital programming field. He started his carrier with the SE Group in New Hampshire as a resort planner designing and developing plans for ski resort base area and mountainside facilities.

Mr. Fredrickson has worked for the Department since 2000. Over the last 20 years, he has worked on a variety of planning and development projects including the 2021 master plan update, planning and design of terminal and concourse facilities, general aviation development plans, light rail service to the Airport, aircraft parking plans, and a variety airport planning studies. As the Director of Planning and Environmental, he oversees the planning and capital programming for Salt Lake City International Airport, South Valley Airport and Tooele Valley Airport.

Mr. Fredrickson is a graduate of Utah State University. He is a member of the American Institute of Certified Planners, AAAE and American Society of Landscape Architects. He is a licensed professional Landscape Architect.

Medardo Gomez, Director of Operational Readiness, Activation, and Transition

Medardo Gomez began working in the Airport Maintenance and Engineering division in 1993 as a Superintendent of Facilities and has also worked as Airport Maintenance Operations Superintendent, and as an Assistant Director of Maintenance. Prior to his airport experience he worked in the maintenance of educational facilities industry.

He is a member of ACI and AAAE and has been an Accredited Member since 2012. He is currently a National Board of Examiner for AAAE. Mr. Gomez is a frequent contributor in professional organizations conferences and currently sits in several Airport Cooperative Research Program ("*ACRP*") research projects. He has been an adjunct professor of Aviation Management since 2008.

Mr. Gomez is a graduate of Brigham Young University and holds a BS in Facilities Management, and a Masters Degree in Public Administration (EMPA).

Peter L. Higgins, Chief Operating Officer

Mr. Higgins has worked for the Airport for more than 20 years, serving previously as both the Director of Airport Operations and Director of Airport Maintenance. He has experience in aviation management and large-scale development programs. In addition, Mr. Higgins has served as a senior level construction equipment fleet executive.

Before joining the Airport, Mr. Higgins worked for Granite Construction Company and for Gibbons and Reed. Mr. Higgins currently serves as a member of the ACI World Safety & Technical Standing Committee and has served as the Chair of the ACI Operations, Planning, Safety, Infrastructure and Development (OPSID) Committee. Mr. Higgins is also a past president of the Northwest Chapter of AAAE. He is an accredited member of the Association of Construction Equipment Managers and is also an Accredited Airport Executive by the AAAE.

Mr. Higgins is a graduate of the University of Utah where he earned a Bachelor of Science Degree in Civil Engineering. He is a graduate of the Executive Development Program-Professional Equipment Manager Certification from Virginia Polytechnic Institute as well as the Executive and Supervisory Training Program.

Kevin F. Robins, P.E., Director of Engineering

Kevin Robins has more than 40 years of engineering and construction experience. He began his career with Fluor Engineers in Irvine, California as a structural engineer working on the design of petrochemical facilities and offshore oil platforms. Mr. Robins worked for Forsgren – Perkins Engineering in the Salt Lake City office, designing a variety of civil and structural engineering projects.

Mr. Robins has worked for the Department since 1988. He has worked on a wide variety of projects at the Airport including taxiway and apron construction, bridge and tunnel construction, and terminal and concourse improvements. Mr. Robins directs a staff of engineers, architects and technicians that oversee and manage the design and construction of facility improvements at all three of the airports managed by the Department.

Mr. Robins is a member of the American Society of Civil Engineers ("*ASCE*") and is a licensed professional engineer. He is a member of AAAE as well as a member of the Technical Committee of ACI-NA. Mr. Robins is a graduate of Brigham Young University.

Nancy Volmer, Director of Communication and Marketing

Nancy Volmer began working for the Department in 2015. As the director of communication and marketing, Ms. Volmer oversees media relations, community outreach and publications.

Ms. Volmer has worked for 35 years in the communications and marketing field. Before joining the Department, she worked in communications and marketing for organizations, including the Utah State Courts, Salt

Lake Organizing Committee for the 2002 Olympic Winter Games, the Salt Lake Area Chamber and the Park City Chamber/Bureau.

Ms. Volmer is a member of AAAE, ACI-NA and the Public Relations Society of America. She is also accredited by the International Association of Business Communicators.

Ms. Volmer is a graduate of the University of Utah where she earned Bachelor of Science degrees in Land Resource Management and in Journalism and Mass Communication. In addition, she earned a Masters of Professional Communication degree from Westminster College and has a certification in Integrated Marketing Communication from the University of Utah.

Airport Facilities

Overview

The Airport is located on approximately 9,400 acres about five miles west of the City's downtown. The airfield at the Airport contains four runways, three of which are used for airline traffic and the fourth of which is used for general aviation. The new terminal complex currently consists of three levels and provides 66 aircraft parking positions at Concourses A and B, including 20 hardstand positions. The new terminal complex was placed into service in September 2020, with Concourse B West opening in October 2020. The Airport also contains a new five level parking garage structure for short-term parking, along with surface parking for longer-term parking and employees. The Airport is classified by the FAA as a Large Hub facility based upon its share of nationwide enplaned passengers. The FAA classifies Large Hub airports as those serving at least 1.0% of annual U.S. passenger enplanements.

The Airport commenced operations in 1911 with primarily acrobatic flights. The City purchased 100 acres surrounding the original landing strip in 1920 and named the airport Woodward Field. The first commercial flight took place in 1926, with two passengers sitting atop mail bags. In 1943, the Airport became a training base and replacement depot for the U.S. Army Air Force. Following World War II, the Airport was transferred back to the City and in 1950, the three runways were upgraded. The first terminal was dedicated in 1961 and Terminal Two was completed in 1978. The third air carrier runway was added in 1995, an International Arrivals Building was added in 1996, and a new FAA air traffic control tower and terminal radar approach control facility were opened in 1999. With the opening of the new Terminal, Concourse A West, Concourse B West and related facilities in the fall of 2020, Phase I of the New SLC replacing the landside facilities of the Airport has been placed in service and the old facilities have been demolished. Upon completion of Phase II, the vast majority of the Airport's landside facilities will have been replaced with new facilities. See "THE NEW SLC".

Airfield

The existing airfield consists of three air carrier runways and a general aviation runway. The air carrier runways are, generally, in a parallel north/south alignment (Runways 16L-34R, 16R-34L, and 17-35). The general aviation runway is oriented in a northwest/southeast direction (Runway 14-32). Runway 16L-34R is 12,003 feet in length, Runway 16R-34L is 12,000 feet in length, Runway 17-35 is 9,596 feet in length, and Runway 14-32 is 4,892 feet in length. All runways are 150 feet wide. The air carrier runways are equipped with high intensity runway lighting systems, centerline lighting and touchdown zone lights. Precision instrument landing systems ("*ILS*") are located on all ends of the air carrier runways for approaches during instrument flight rules ("*IFR*") conditions. The general aviation runway (14-32) is not equipped with an ILS.

Terminal Facilities

The passenger terminal complex now consists of a single terminal facility, which is contiguous to Concourse A and connected to the new parking garage via the new Gateway Center, and includes approximately 912,000 square feet ("*sf*") of space on three levels. Level 1 of the Terminal contains a federal inspection services area ("*FIS*"), international baggage claim and recheck area, tenant administrative offices, a centralized security checkpoint for dedicated employee access, ground transportation counters, and also serves commercial curbs and other ground transportation functions. Level 2 provides passenger circulation areas and connects landside and airside components of the facility. Public areas prior to the security checkpoint provide for baggage claim and airline baggage service offices, an expansive meeter-greeter area, food and beverage retail concessions, and a centralized security screening checkpoint. Areas beyond security screening include the main terminal plaza area consisting of 79,000 sf of conessions, seating and circulation space, and transition to the airside concourses. Level 3 contains the ticketing area for departing passengers, a conference center and administrative offices for the Department and other tenants at the Airport, and a 30,0000 sf Delta Sky Club. Departing passengers being dropped off at the Airport arrive on the Level 3 curb. The Airport is served by the TRAX light rail system owned and operated by the Utah Transit Authority ("*UTA*"), which connects the Airport with downtown Salt Lake City. The Terminal will accommodate relocation of the terminus of the TRAX light rail station at the Airport from its previous location, which has been demolished to accommodate the TRP, to the first level of the Terminal. The TRAX extension is being financed and built by the UTA. See "THE NEW SLC."

New concession contracts commenced with the opening of the first phase of the New SLC in the fall of 2020, and all former contracts terminated at that time with the full demolition of the legacy facilities. New contracts constitute 59 locations in the initial ("*Phase I*") opening of the New SLC, with approximately 63% of locations developed and operational as of the spring of 2021. Eight additional locations are under construction with openings planned to occur in the summer of 2021. The remaining locations are expected to open in the fall/winter of 2021, and in 2022 due to weakened demand and concessionaire financial constraints caused by the COVID-19 pandemic. The Department intends to issue a second request for proposals ("*RFP*") for Phase II concessions in the fall of 2021 for openings to coincide with Concourse A East gates opening in the fall/winter of 2023, and a third RFP in the fall of 2023 for openings in Concourse B East to occur in 2025. Continuing with practices in Phase I, the Department intends to award locations in packages of varying albeit smaller sizes to existing and new concessionaire partners with successful proposals. Airport ground transportation services generally include taxis, limousines, shuttle buses and transportation network companies ("*TNCs*"), such as Uber Technologies, Inc. ("*Uber*") and Lyft, Inc. ("*Lyft*"). The terminal roadway provides vehicle access to the Terminal at ground level.

Parking Facilities

Public parking facilities currently located at the Airport consist of the new five level, short-term parking garage near the terminal complex and long-term economy surface parking lots. As part of the TRP, the economy lots have also been reconfigured. See "THE NEW SLC – Parking Garage and South Economy Parking Lot." In total, these facilities comprise about 152 acres, including the five levels of the garage, and have 14,401 public parking spaces. The short-term parking garage has 3,469 public parking spaces on levels 2 through 5 and is located adjacent to the passenger terminal. The first floor is dedicated to rental car operations. Current pricing for the short-term parking garage is $35 per day or $55 per day for the Premium Reserved Parking service. In addition to the new Parking Garage, the Airport also has a substantial amount of surface parking available for Airport patrons, including a new surface parking area ("Lot E") located east of the new parking structure within walking distance of the Terminal that includes 384 parking spaces currently priced at $21 per day.

To help reduce vehicle traffic congestion in the terminal area, the Department maintains a 132-space Park and Wait lot and adjacent Touch n' Go service plaza located west of Terminal Drive, just south of the Terminal, where motorists meeting arriving passengers may wait without charge until passengers are ready to be picked up. The Park and Wait lot has large electronic signs displaying flight arrival information. Once a flight has arrived and sufficient time has elapsed for passengers to claim their luggage, the sign indicates "ready for pick up." To reduce congestion at the curb, however, the Department encourages drivers to wait until passengers are at the curb, confirming with their driver via cell phone.

Rental Car Facilities

Rental car operations for passengers at the Airport currently are located on the ground floor of the new parking garage adjacent to the terminal building and include approximately 1,200 ready/return parking spaces Nine rental car brands are currently located at the Airport: Alamo, Avis, Budget, Dollar, Enterprise, Hertz, National, Payless and Thrifty. Hertz, Dollar and Thrifty continue to operate in bankruptcy and have assumed their agreements with the City for operations at the Airport. In addition, six brands are located off-Airport and their customers must use shuttle bus services.

The rental car service facilities were placed in service in March 2016. These facilities consist of a QTA facility for fueling and washing cars and three facilities for performing light vehicle maintenance. The QTA is a two-level building of approximately 468,000 sf with 14 wash and service bays on the first floor and vehicle storage and parking on the second floor. The RSS facilities consists of three single-story service buildings containing a total of approximately 34,000 sf of building space located south of the QTA. These buildings provide back-of-house maintenance areas for the rental car providers and contain office, support and storage space. The QTA and RSS are currently in use by the rental car companies operating at the Airport. See "THE NEW SLC – Rental Car Facilities."

TNCs

The Airport is served by several TNCs, including both Uber and Lyft. The Department has set aside dedicated curb space at the Airport for TNC pick-ups, but TNC drivers are required to wait for customers off-Airport. TNC operations at the Airport have grown substantially since FY 2016, when TNC operations were first permitted at the Airport and 209,800 transactions were reported, to FY 2020, when 1.26 million transactions were reported.

Air Cargo and Aircraft Maintenance Facilities

The Airport has over 1 million sf of leased cargo space. Both UPS and DHL have stand-alone cargo facilities and FedEx constructed a 69,660 sf cargo facility. Delta and its regional partner, SkyWest, each maintain an aircraft maintenance hangar at the Airport at which both routine and heavy maintenance are performed, and Delta has maintained a reservation center at the Airport for over 25 years that employs over 620 persons.

Industrial Activity and Other Nonaeronautical Activities

In December 2017, the Department opened a new 8,400 sf Touch n' Go Convenience Store at the site of the Park and Wait lot. This new facility offers a gas station and convenience store, as well as a coffee house, a Burger King ® and a fast casual restaurant. The facility also includes flight information display monitors, allowing persons waiting to pick up arriving passengers to track flight arrivals, and a drive-through window.

The Department maintains an industrial park on the east side of the Airport for aviation-related businesses. Boeing Corporation ("*Boeing*") has a 100,000 sf fabrication and assembly facility at the Airport located on 16 acres of land that currently employs approximately 575 persons where tail sections of its 787-9 "Dreamliner" aircraft are assembled. Boeing has manufacturing facilities in the Salt Lake City area that manufacture many of the components of this assembly and has also purchased an 850,000 sf building approximately 20 miles from the Airport at which parts for the 787 are manufactured. Boeing holds an option until June 30, 2022 on an additional 157 acres of land adjacent to its assembly facility on the west side of the Airport.

Airport Access

The Airport has access from Interstate Highway 80 and is approximately 5 miles, or 10 minutes, from downtown Salt Lake City by car. The Airport is served by the TRAX light rail system owned and operated by the UTA, which connects the Airport with downtown Salt Lake City. The Terminal was designed to accommodate relocation of the terminus of the TRAX light rail station at the Airport from its previous location, which will be demolished to accommodate the TRP, to the first level of the Terminal. The TRAX extension is being financed and built by the UTA. UTA also provides limited bus service to Tooele and paratransit services. In addition, the Airport is served by taxis, private shuttles and TNCs.

The City is served by a network of interstate highways, with I-15 providing north-south access and I-80 providing east-west access. Several recreational areas, such as Park City, are within one hour's driving time from the Airport and all three of the State's major universities are within 70 miles of the Airport.

Ancillary Facilities

Ancillary facilities support the aviation-related activities at the Airport. These ancillary facilities include the 82 acre Utah Air National Guard site, the on-Airport fuel facility, general aviation facilities, including two fixed base operators ("*FBOs*"), FAA, the Department, maintenance facilities, and commercial facilities. The second FBO commenced service at the Airport in December 2015 and completed a new approximately $30 million facility to serve corporate and general aviation customers in February 2018.

Auxiliary Airports

The Department also operates two general aviation ("*GA*") airports owned by the City: South Valley and Tooele (referred to collectively as the "*Auxiliary Airports*"). South Valley is approximately 880 acres in size and is primarily a GA airport, with a 5,860 foot runway, over 200 based aircraft and approximately 67,500 annual operations. Tooele provides GA and flight training services and is slightly smaller, with approximately 600 acres and a 6,100 foot runway, 16 based aircraft and approximately 38,000 annual operations. These airports support the GA and flight training needs of the region and complement the commercial airport services provided at the Airport.

Aviation Activity at the Airport

The Airport predominantly serves domestic traffic, which comprised approximately 96.2% of the Airport's enplaned passenger traffic in FY 2020; international traffic is a relatively small component at approximately 3.8%. Prior to the COVID-19 pandemic, international traffic was a growing segment of the air service at the Airport. According to OAG Aviation Worldwide Limited ("*OAG*"), as of June 30, 2019, airlines served 98 non-stop destinations and averaged 370 daily departures from the Airport. Due to the COVID-19 pandemic, airlines operating at the Airport have reduced service and, in June 2020, the Airport provide 143 average daily departures to 67 non-stop destinations. Prior to the COVID-19 pandemic, the Airport had service to three Canadian cities and five locations in Mexico. The Airport also had European service to Amsterdam Schiphol Airport (AMS), Paris Charles De Gaulle Airport (CDG), and London Heathrow Airport (LHR). As a result of the pandemic, the only international service at the Airport as of the date of this Official Statement is to Mexico. The Department expects that service to Canada and Europe will return as travel restrictions are lifted, but there is no timeframe for such additional service.

Historical Enplaned Passengers

Enplaned passengers at an airport correlate positively to several important sources of non-airline revenue, including in-terminal concessions, parking and rental car fees, as well as PFCs and CFCs. Based on data from the FAA, approximately 10 million enplaned passengers boarded aircraft at the Airport in FY 2020 ranking it 23rd in the U.S. for enplaned passengers. This was a decrease of approximately 23% as compared to FAA data for FY 2019, due to the COVID-19 pandemic.

According to data maintained by the Department and the United States Department of Transportation ("*USDOT*"), in CY 2019, the Airport had an estimated 5.8 million domestic O&D enplaned passengers (57%) and an estimated 4.3 million connecting passengers (43%).

The following table sets forth historical enplanement information for the Airport for the fiscal years ending June 30, 2011 through 2020. Prior to the outbreak of the COVID-19 pandemic, the Airport had experienced six consecutive fiscal years of enplanement growth through FY 2019. The table categorizes enplanement information into O&D enplanements and connecting enplanements:

[Remainder of Page Intentionally Left Blank; Table Follows]

SALT LAKE CITY INTERNATIONAL AIRPORT
O&D AND CONNECTING ENPLANED PASSENGERS

Fiscal Year	O&D Enplaned Passengers	% Change From Prior FY	Connecting Enplaned Passengers	% Change From Prior FY	Total Enplaned Passengers	% Change From Prior FY
2011	5,120,614	1.8	5,308,783	1.2	10,429,397	1.5
2012	5,148,891	0.6	4,976,195	(6.3)	10,125,086	(2.9)
2013	5,206,208	1.1	4,837,861	(2.8)	10,044,069	(0.8)
2014	5,239,044	0.6	5,055,650	4.5	10,294,694	2.5
2015	5,711,087	9.0	5,122,921	1.3	10,833,708	5.2
2016	6,145,817	7.6	5,147,194	0.5	11,293,011	4.2
2017	6,643,195	8.1	5,207,025	1.2	11,850,220	4.9
2018	7,201,438	8.4	5,218,734	0.2	12,420,172	4.8
2019	7,543,142	4.7	5,546,991	6.3	13,090,133	5.4
2020	5,817,629[1]	(22.9)	4,278,103[1]	(22.9)	10,095,732	(22.9)

Sources: Total Enplanements: Department Records; USDOT (via Diio) for O&D passengers. Connecting passengers were derived by subtracting USDOT-reported O&D passengers from Department-reported total enplanements.

[1] Preliminary; FY 2020 O&D and connecting passengers estimated from Department and USDOT records.

Airlines report the number of enplaned passengers at an airport to the USDOT but are not required to differentiate between O&D and connecting passengers. Based on other reported data, the USDOT estimates the number of O&D versus connecting passengers, and this estimate is generally accepted within the industry.

Salt Lake City International Airport
Monthly Enplaned Passengers
Fiscal Years 2019 – 2021

Month	FY 2019	FY 2020	Percent Change from Prior Year	FY 2021	Percent Change from Prior Year
July	2,396,092	2,483,505	3.65%	874,975	-64.77%
August	2,403,907	2,439.354	1.47	1,008,942	-58.64
September	2,088,129	2,182,535	4.52	981,944	-55.01
October	2,149,335	2,347.698	9.23	1,089,536	-53.59
November	1,991,028	1,922,607	0.08	976,625	-50.99
December	2,042,707	2,229,537	9.15	1,095,595	-50.86
January	2,006,725	2,148,254	7.05	1,066,321	-50.36
February	1,913,125	2,077,679	8.60	1,066,382	-48.67
March	2,377,549	1,225,057	-48.47	1,482,408	21.01
April	2,170,658	176,524	-91.87		
May	2,265,419	321,801	-85.80		
June	2,399,302	582,094	-75.74		
Total	13,090,133	10,095,732			

Source: Department records

During the ten year period from FY 2011 to FY 2020, the number of passengers enplaned at the Airport grew to a peak of approximately 13 million in FY 2019 and then declined to approximately 10 million enplaned passengers in fiscal year 2020, a reduction of 23%, as a result of the COVID-19 pandemic. Except for slight declines in FY 2012 and FY 2013, enplaned passengers at the Airport showed steady growth from FY 2011 through FY 2019. Since the COVID-19 pandemic began to affect passenger traffic in March of 2020, enplaned passengers at the Airport have decreased substantially, but less than many other U.S. airports. See "IMPACT OF COVID-19 PANDEMIC ON THE AIRPORT" and APPENDIX B – REPORT OF THE AIRPORT CONSULTANT. The Airport operates as both a major O&D market and as a major connecting hub for Delta. Delta's enplaned passengers combined with those of its regional partners comprised approximately 73.0% of enplaned passengers at the Airport in FY 2020. Historically, O&D passenger traffic at the Airport has ranged between 49% and 57% of total passengers. For a more complete discussion of the changes in enplanements at the Airport and factors affecting these changes, see "APPENDIX B – REPORT OF THE AIRPORT CONSULTANT – Air Traffic Activity and Trends."

During the ten year period from FY 2011 through FY 2020, the two segments of enplanements at the Airport differed substantially. O&D enplanements grew from an estimated 5.1 million enplaned passengers in FY 2011 to an estimate of 7.5 million enplanements in FY 2019. O&D enplanements fell only in FY 2020, as a result of the COVID-19 pandemic. O&D enplanements have grown steadily, reflecting the strength of the Air Service Area's economy and demand for travel to and from the City and the region. In contrast, during the same ten year period, connecting enplaned passengers declined in three of the ten years, reflecting the effects of the COVID-19 pandemic, and Delta's restructuring of its operations at the Airport.

Airlines Serving the Airport

All the major network airlines and three LCCs, including one ultra-low cost carrier ("*ULCC*"), operate at the Airport. The Airport also has cargo operations by seven all-cargo carriers in addition to cargo carried by the passenger airlines. Service by international airlines has been suspended due to governmental restrictions and the COVID-19 pandemic.

AIRLINES OPERATING IN MARCH 2020
AT SALT LAKE CITY INTERNATIONAL AIRPORT

Signatory Airlines	**Affiliate Airlines***
Alaska Airlines (AK)	Horizon Air (AK)
American Airlines (AA)	Mesa Airlines (AA, UAL)
Delta Air Lines (Delta)	Republic Airways (UAL)
Frontier Airlines	SkyWest Airlines (AK, AA, Delta, UAL)
JetBlue Airways	
Southwest Airlines	
United Airlines (UAL)	
All Cargo Airlines	**Foreign Flag Airlines*†**
Air Transport International, Inc.	Aeromexico (Delta)
Ameriflight, LLC	KLM Royal Dutch Airlines (Delta)
Corporate Air	
Empire Airlines	
FedEx	
Southern Air (operates DHL Express service)	
United Parcel Service	

*Affiliated Signatory Airlines shown in parentheses.

†Service currently suspended.

Delta is the dominant carrier at the Airport and, with its affiliates, generated approximately 73.0% of enplanements in FY 2020. Southwest Airlines ("*Southwest*") is the number two carrier at the Airport, with an enplaned passenger market share of approximately 9.7% in FY 2020. American had an enplaned passenger market share of approximately 5.5% in FY 2020. Alaska started service in 2013 and grew substantially until growth flattened in FY 2017, after which Alaska's enplanements have decreased in each year. Delta has maintained the largest market share at the Airport, with both a strong O&D and hubbing presence, but as the local O&D market has grown and Delta has adjusted its hubbing operations at the Airport, the shares of Delta's competitors have grown and the O&D share of Delta's passengers has also grown. The table below lists the airlines serving the Airport in FY 2016-2020 and their respective market share of enplaned passengers in FY 2016 through 2020.

SALT LAKE CITY INTERNATIONAL AIRPORT
AIRLINE MARKET SHARE OF ENPLANED PASSENGERS
(000's)
Fiscal Year ended June 30

Airline	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Market Share FY 2016	Market Share FY 2020
Delta Air Lines	5,597	6,097	6,431	6,896	5,587	70.2%*	73.0%*
Delta Connection	2,329	2,184	2,298	2,563	1,778	--	--
Southwest Airlines	1,214	1,216	1,310	1.300	982	10.8	9.7
American Airlines	752	747	775	740	555	6.7	5.5
United Air Lines	552	596	608	663	475	4.9	4.7
Alaska Air	409	421	379	333	253	3.6	2.5
JetBlue Airways	232	296	363	358	274	2.1	2.7
Frontier	198	246	243	263	191	1.8	1.9
Other	10	47	13	2	1	0.1	0.0
Total	**11,293**	**11,850**	**12,420**	**13,090**	**10,096**		

* Includes Delta Connection
Amounts may not add due to rounding.
Source: Department Records

Delta and its predecessors have served Salt Lake City since 1926. Western Airlines ("*Western*") began service on April 17, 1926, flying mail from Los Angeles to Salt Lake City. In 1982, Western established a hub at the Airport. In 1987, Delta acquired Western and Delta has maintained a hub at the Airport ever since.

According to Delta, the Airport provides an efficient western hub for Delta that connects passengers from connecting markets in the western U.S. with Delta's network, as well as connects passengers from Los Angeles International Airport (LAX) and Seattle-Tacoma International Airport (SEA), where Delta also has substantial operations, to Delta's eastern hubs and focus cities, including Hartsfield-Jackson Atlanta International Airport (ATL), John F. Kennedy International Airport (JFK), Ronald Reagan Washington National Airport (DCA) and Orlando International Airport (MCO). Although a substantial percentage of Delta's passengers flying through the Airport are connecting passengers, based upon preliminary USDOT data for fiscal year 2020, approximately 47.1% of Delta's passengers at the Airport were O&D passengers, consistent with the strength of the Salt Lake City region's air service market. For more information regarding Delta's operations at the Airport, see "APPENDIX B – REPORT OF THE AIRPORT CONSULTANT."

Passenger Markets

For March 2021, scheduled non-stop service from the Airport was offered to 81 domestic and 5 international destinations. In addition, Delta has announced it will restart service to Amsterdam in May, 2021. Set forth below is a map depicting the non-stop destinations served from the Airport.

**NON-STOP DESTINATIONS SERVED FROM
SALT LAKE CITY INTERNATIONAL AIRPORT**

[to be updated]

The following table shows the percentage of O&D passengers traveling on U.S. air carriers between the Airport and other airports for the 12 months ended June 30, 2020, the most recent period for which data is available, as reported by USDOT. Passengers traveling on foreign flag airlines are not included.

SALT LAKE CITY INTERNATIONAL AIRPORT
TOP O&D PASSENGER DESTINATIONS

Destination City	Airport Code(s)	% of O&D Enplaned Passengers	FY 2020 Enplaned O&D Passengers
Los Angeles Area	LAX, LGB, SNA, BUR, ONT		636,492
San Francisco Bay Area	SFO, OAK, SJC		345,993
New York / Newark	JFK, EWR		268,638
Denver	DEN		263,006
Phoenix	PHX		257,997
Seattle	SEA		198,282
Las Vegas	LAS		194,748
Central Florida	MCO, TPA		186,166
Dallas/Fort Worth	DFW, DAL		184,716
Washington / Baltimore	BWI, DCA, IAD		172,072
Chicago	ORD, MDW		141,419
Atlanta	ATL		132,640
Hawaii	HNL, OGG		125,753
Portland	PDX		125,409
Boston	BOS		114,197
Houston	IAH, HOU		107,700
Austin	AUS		84,286
Sacramento	SAC		76,994
Minneapolis/St. Paul	MSP		75,013
Detroit	DTW		60,442
Philadelphia	PHL		55,313
Boise	BOI		31,185
Spokane	GEG		29,555
Anchorage	ANC		25,401
Top 24 Total			4,069,141
Remaining			1,792,625
Total:		**100.0%**	**5,861,766**

Source: USDOT

The future level of aviation activity and enplaned passenger traffic at the Airport will depend upon factors such as regional, national and international economic conditions, the regional, national and international recovery of air travel from COVID-19, Delta maintaining its operating hub at the Airport, potential security threats, and the financial condition of individual airlines and their continued service at the Airport. See "INVESTMENT CONSIDERATIONS" below.

Aircraft Operations and Landed Weights

Total aircraft operations at the Airport increased from 315,585 in FY 2016 to 341,064 in FY 2019; however, as a result of the COVID-19 pandemic, total aircraft operations decreased to 303,042 in FY 2020. Prior to a 12.3% decrease in FY 2020 compared to FY 2019, due to the COVID-19 pandemic, landed weights increased from 13,581,663 thousand pounds of landed weight in FY 2016 to 15,465,060 in FY 2019, reflecting the shift from smaller regional jets to larger aircraft. This trend is also shown by the shift in passengers from Delta's regional carriers ("*Delta Connection*") to Delta's mainline service. Total Delta enplanements between FY 2016 and FY 2019 increased from

7.93 million passengers in FY 2016 to 9.46 million in FY 2019, the number of enplaned passengers on Delta's mainline aircraft rose from approximately 5.6 million in FY 2016 to 6.9 million in FY 2019.

The following tables show historical data on aircraft operations (landings and takeoffs) for FY 2016 through FY 2020, and landed weights for the same periods. The approximate distribution of operations in FY 2020 was 71% air carriers, 21% general aviation, 7%, cargo, and 1% military. Note, however, that cargo operations were reduced only marginally and cargo operations increased to constitute approximately 9% of the landed weights in the same period.

SALT LAKE CITY INTERNATIONAL AIRPORT
HISTORICAL AIRCRAFT OPERATIONS

(total landings and takeoffs)

Fiscal Year Ended June 30

	2016	**2017**	**2018**	**2019**	**2020**
Passenger Aircraft	237,294	247,150	250,904	253,578	216,320
Cargo	19,434	20,240	20,382	20,618	20,604
General Aviation	50,879	48,843	53,695	61,117	63,326
Military	7,978	7,202	7,037	5,751	2,792
Total Operations	**315,585**	**323,435**	**332,018**	**341,064**	**303,042**
Annual Change	(1.4%)	2.5%	2.7%	2.7%	(11.1%)

Source: Department Records

SALT LAKE CITY INTERNATIONAL AIRPORT
HISTORICAL LANDED WEIGHTS
(amounts in thousands of pounds)

Fiscal Year Ended June 30

	2016	**2017**	**2018**	**2019**	**2020**
Airlines	12,511,833	13,303,497	13,737,381	14,263,691	12,315,209
Cargo	1,069,830	1,106,147	1,171,564	1,201,369	1,246,304
Total	**13,581,663**	**14,409,644**	**14,908,945**	**15,465,060**	**13,561,514**
Annual Change	2.9%	6.1%	3.5%	3.7%	(12.3%)

Source: Department Records

Air Cargo

The Airport is also a regional center for processing air cargo. Approximately 221,385 U.S. tons of freight and mail were loaded and unloaded on and off aircraft at the Airport in FY 2020. As of June 30, 2020, the Airport was served by seven all-cargo and small package and express carriers. All-cargo carriers carry only cargo and these companies include FedEx and UPS.

For FY 2020, the companies with the largest share of enplaned and deplaned cargo at the Airport, based on cargo tonnage, were FedEx with 51.9%; UPS with 36.8%; Delta with 3.5%; Alpine Aviation with 1.3%; Ameriflight with 1.1%; and Southwest with 0.8%. Together, these six carriers accounted for over 95% of total cargo and mail handled at the Airport in FY 2020. The following table shows historical data on air cargo and mail shipped through the Airport for FY 2016 through FY 2020.

SALT LAKE CITY INTERNATIONAL AIRPORT
HISTORICAL AIR CARGO AND MAIL
(amounts in U.S. tons)

Fiscal Year ended June 30

	2016	**2017**	**2018**	**2019**	**2020**
Cargo	175,453	183,525	190,143	203,950	199,985
Mail	16,420	17,020	20,712	20,293	21,400
Total	**191,873**	**200,545**	**210,855**	**224,243**	**221,385**
Annual Change	5.9%	4.5%	5.1%	6.3%	(1.3%)

Source: Department Records

Airline Use Agreement

General

The City has entered into an Airline Use Agreement (the "*AUA*") with each of the following carriers: Alaska, American, Delta, Frontier, JetBlue Airways, Southwest and United (each a "*Signatory Airline*"). Each AUA terminates on June 30, 2024, unless earlier terminated, except that Delta has entered into an amendment to its AUA extending the term for an additional ten years to June 30, 2034. Each of the other Signatory Airlines has been offered the opportunity to extend the term of their AUA on the same terms as Delta, but as of [DATE], 2021, none of the other Signatory Airlines has elected to extend the term of their AUA. The AUA may only be terminated by a Signatory Airline for an extraordinary event, such as closure of or imposition of material and substantial restrictions on operation of the Airport for more than 90 days. The AUA also allows a Signatory Airline to designate one or more airlines meeting certain criteria as Affiliates. All of the passenger air carriers operating at the Airport are Signatory Airlines or their Affiliates. The AUA with each Signatory Airline is in substantially the same form and provides for the lease of specified airline premises on an exclusive or preferential basis, depending upon the type of space, as well as use of certain common and joint use facilities. Gates and ticket counters are leased on a preferential basis, pursuant to which the Department may reallocate space to another airline in periods during which the Signatory Airline does not have a scheduled operation using such facilities. Offices and passenger clubs/lounges are leased on an exclusive use basis, and baggage and certain other areas are joint or common use facilities. In addition, the Department currently has not leased and has reserved three gates and five aircraft hardstand positions as common use facilities. The AUA also provides for reallocation of space by the Department, either on its own initiative, in which case moving costs will be paid by the Department, or at the Signatory Airline's request, in which case all costs are paid by the requesting Signatory Airline. The AUA grants the Signatory Airlines the right to operate at the Airport. The form of the AUA is set forth in APPENDIX D hereof.

Rates & Charges

The AUA establishes the manner in which the Department will establish and collect rates and charges for use of the Airport by Signatory Airlines. Pursuant to the AUA, the Department has established seven direct Cost and Revenue Centers, including the Airfield and the Terminals and two indirect Cost Centers for general and administrative ("*G&A*") and roadway expenses. Landing fees for use of the airfield are calculated on a residual basis. All budgeted costs allocable to the airfield, including operating expenses, debt service, amortization of capital costs funded with Revenues other than the TRP and amounts necessary to replenish reserves allocable to the Airfield Cost and Revenue Center, less Revenues allocable to the airfield other than landing fees, are divided by estimated landed weights and recovered on the basis of actual landed weights of aircraft operated at the Airport. Landing fees are charged monthly in arrears based upon actual landed weights for the preceding month.

The rental rate for terminal space is calculated on a commercial compensatory basis by dividing all budgeted costs properly allocable to the Terminal Cost and Revenue Center, less Revenues from airlines that are not Signatory Airlines, by the Rentable Airline Space within the Terminals to determine the rental rate. The rental rates are then adjusted based upon whether the leased space has heating, ventilation and air conditioning, known as conditioned space, or is unconditioned space. Baggage claim facilities are joint use facilities and charged by allocating 20% of the revenue requirement for such facilities among all Signatory Airlines and 80% by the percentage of passengers of each such carrier. For common use gate facilities, the Department establishes a per turn rate by determining the highest cost per operation for all carriers, equal to the total of leased gate space multiplied by the conditioned rate per square foot and then dividing that amount by 365, and then dividing that daily rate by the lowest number of scheduled operations at any leased gate to determine the per turn fee. Rates for common use ticket counters and bag make-up areas are similarly calculated to derive a daily rate for use of such space. Other fees that are charged for use of the Airport's aeronautical facilities include fees for international passengers to cover costs associated with the screening of international passengers; charges for over-night aircraft parking; storage of ground service equipment; storage areas and ticketing kiosks; and fees for employee badging and parking.

The Department has the right to recalculate rates and charges if budgeted costs, landed weights or rented terminal space are likely to vary by more than 10% from the actual costs or estimates, or if recalculation is required by the Master Indenture. Within 120 days after the close of each Fiscal Year, the Department calculates the actual costs and expenses and the amounts collected in landing fees, terminal rents and other charges for the prior Fiscal Year and, if the amount collected exceeded or was less than the actual revenue requirements, the difference or shortfall is included in the rates for the second Fiscal Year following the Fiscal Year of such operations. See " – Airport Financial Operations – *Management's Discussion and Analysis – Terminal Rents*" below.

The Department shares a portion of certain concession revenues with the Signatory Airlines in the amount of $1 per enplaned passenger for up to 10,000,000 enplaned passengers and additional amounts if enplaned passengers exceed 10,000,000; provided, however, that the total revenue sharing amount in any Fiscal Year cannot exceed the least of (i) 30% of Net Remaining Revenue; (ii) the total amount of Annual Adjusted Gross Revenues for Selected Concessions; and (iii) the Calculated Revenue Sharing Amount. In FY 2019 and FY 2020 such revenue sharing totaled $14.1 million and $10.1 million, respectively. The decrease in FY 2020 was caused by a reduction in enplaned passengers at the Airport due to the COVID-19 pandemic.

The AUA also provides for extraordinary coverage protection if the Department expects to fail to meet the rate covenant under the Master Indenture. See "SECURITY FOR THE SERIES 2021 BONDS – Rate Covenant." Under the AUA, if in any Fiscal Year the amount of Revenues less Operating Expenses is projected to be less than the sum of the principal of, premium, if any, and interest due in that Fiscal Year on the Bonds and subordinated indebtedness, if any, then Outstanding, plus 25% of such Debt Service on Bonds and the amount required under the agreement providing for the issuance of such subordinated indebtedness, then the Signatory Airlines will make extraordinary coverage protection payments in addition to landing fees and terminal rents. Such payments shall be allocated among the Signatory Airlines in a fair and not unjustly discriminatory manner to the landing fee or terminal rentals or both in the reasonable discretion of the Executive Director.

See "APPENDIX D – FORM OF AIRLINE USE AGREEMENT – Rates and Charges."

The New SLC and Other Construction Projects

Each Signatory Airline, by execution of the AUA, has approved the TRP. The NCP was approved unanimously by the Signatory Airlines in April 2016 in accordance with the provisions of the AUA for approval of additional capital projects in the Terminal and Airfield Cost and Revenue Centers. Certain other capital investments at the Airport are subject to approval by at least one of the Signatory Airlines, following consultation between the Department and the Signatory Airlines, before the Department may undertake such improvements; provided, that certain capital projects, such as those mandated by the FAA, USDOT or TSA, projects to repair casualty damage, projects at Cost and Revenue Centers other than the Airfield or Terminal, reasonable repairs, emergency expenditures, projects funded with PFCs, CFCs or grants, or projects undertaken for and funded by a Signatory Airline may be undertaken without Signatory Airline approval.

The AUA requires that the Signatory Airlines appoint an Airline Technical Representative to represent them in matters pertaining to the TRP. The Airline Technical Representative must participate in design review, attend meetings of the Airport's Financial Oversight and Construction Committees, and may inspect and review construction and make recommendations to the Department regarding matters related to the New SLC. The Department must consult with the Airline Technical Representative in the development of contract documents and construction schedules, and in the event of certain cost increases. The cost of the TRP originally approved in the AUA was $1.782 billion. This total cost may be increased with the approval of 55% of the Signatory Airlines or Signatory Airlines that collectively accounted for at least 55% of the terminal rents in the preceding Fiscal Year. Project costs may also be increased without Signatory Airline approval to reflect additional costs because of causes beyond the City's control following review by the Airline Technical Representative or for elements of the TRP undertaken to satisfy the request of a Signatory Airline as long as such Airline pays such additional costs.

Because of a robust construction market in the Salt Lake City area as well as nationally, bids for elements of the TRP exceeded the program budget established in 2014 by nearly 20%. On March 16, 2021, Delta, acting on behalf of the Signatory Airlines pursuant to the AUA, agreed to an increase in the overall cost of the New SLC to an estimated construction cost, of $4.45 billion, an increase of approximately $352 million. The full cost of the TRP, including soft costs, is estimated to be $2.71 billion. Delta accounted for approximately 73.6% of all Terminal rents paid to the City in FY 2020, satisfying the requisite percentage for approval of a cost increase for the TRP under the AUA.

The current estimate of $1.73 billion for the NCP is based upon the final estimated costs for the Concourse B West portion of the project and related projects and recent experience with construction costs in the Salt Lake City area. Delta's March 16, 2021 approval of the cost of the New SLC included an $187 million increase in the cost of the NCP, reflecting both tenant scope additions, including hardstand expansion, passenger and baggage system enhancements, and an accelerated schedule cutting one to two years from the construction schedule, as well as cost escalations due to materials pricing impacted by the COVID-19 pandemic and a robust construction environment in the Salt Lake City area

In the event of cost increases where the actual bid for a contract exceeds the estimate by more than 10%, or total costs of a project contract, including change orders, exceed the total estimated cost of that element of the TRP by 10%, then the City must meet with the Airline Technical Representative prior to the award of any further contracts and seek agreement on a method of revising the TRP or accepting such increased costs. If the Department and the Airline Technical Representative cannot agree, then a majority of a committee composed of the Program Director, the Department's Chief Financial Officer and the Airline Technical Representative shall make recommendations to the Executive Director regarding revising such contract to bring costs within the allowable limits. Change orders that would increase the amount of any contract by the greater of $250,000 or more than 10% of the original contract must also be submitted to the Airline Technical Representative for review and comment before execution by the Department. See "APPENDIX D — FORM OF AIRLINE USE AGREEMENT — Capital Investments — Special Provisions for the Project."

Airport Financial Operations

The Department is an enterprise fund of the City and receives no City funding. All Revenues generated by the Airport System are deposited in the Revenue Fund and applied in accordance with the Master Indenture. No City general tax revenues are used for any Airport purpose.

Management's Discussion of Historical Operating Results

The Department prepares its financial statements on an accrual basis in accordance with generally accepted accounting principles as set forth by the Government Accounting Standards Board ("*GASB*"). Revenues and expenses are recorded when earned and incurred, not when received or paid, except for PFCs, which are recorded when received. The Department's financial statements for the Fiscal Years ended June 30, 2020 and 2019, audited by Eide Bailly LLP, are attached to this Official Statement as APPENDIX A. See also "INDEPENDENT AUDITORS" herein.

The Department receives Revenues from a variety of sources, including from airlines for both landing fees and terminal rents, parking facilities, rental car operators, in-terminal concessions, ground transportation fees, other airline fees and miscellaneous revenues. The Department has pursued a strategy of maintaining a low cost per enplanement ("*CPE*") through maximizing non-airline revenues and sharing certain concessions revenues with the Signatory Airlines, continually seeking ways to improve concessions and associated revenues generated at the Airport and controlling operating expenses. Prior to the outbreak of the COVID-19 pandemic in 2020, non-airline Revenues had increased for four consecutive fiscal years and represented approximately 64.5% of all Revenues received by the Department in FY 2019, or a total of $111.9 million, compared to $89.5 million, or 63.5% of total Revenues in FY 2016. In FY 2020, non-airline revenues represented approximately 58.3% of all Revenues received by the Department, or a total of $94.1 million, and airline revenues, net of revenue sharing, were approximately $67.2 million, compared to $61.6 million in FY 2019. In addition, the Department accumulated PFC and CFC revenues as well as excess Net Revenues from prior Fiscal Years in anticipation of TRP funding needs, although with the commencement of construction of elements of the TRP in FY 2015, the amount of cash generated from Airport operations available for future construction has diminished. At June 30, 2020, the Department held $265 million that is available for future construction, including proceeds of the Series 2017 Bonds, proceeds of the Series 2018 Bonds, and Department revenues, compared to $745 million at the end of FY 2017, all of which was generated from Department revenues. The Department collected approximately $40.6 million in PFCs in FY 2020, including interest earnings, compared to $49.7 million in FY 2019, and $12.5 million in CFCs in FY 2020 compared to $16.0 million in FY 2019. PFC and CFC collections are used to fund eligible capital projects at the Airport. PFC and CFC collections are directly related to passenger traffic at the Airport, with PFCs being collected only from eligible enplaned passengers, while CFCs are paid by the portion of deplaned O&D passengers renting cars at the Airport.

The Department manages its costs in order to maintain a low CPE; however, due to the reduction in enplaned passengers resulting from the COVID-19 pandemic, the average airline CPE increased 38%, from $3.90 in FY 2019 to $5.41 in FY 2020. CPE is forecast to be $11.07 in FY 2021 and is budgeted to be $11.56 in FY 2022. Although the Department anticipates that its operating expenses will increase as elements of the New SLC are placed in service, management also anticipates that the new structures and energy efficient design of the New SLC will reduce certain costs on a per square foot basis, such as energy and routine capital maintenance, compared to the cost of operating and maintaining its former aging and inefficient facilities. See "REPORT OF THE AIRPORT CONSULTANT" and "APPENDIX B – REPORT OF THE AIRPORT CONSULTANT – Airline Revenues" regarding the Airport Consultant's projection of CPE at the Airport at completion of the New SLC.

The FAA has approved Department applications to impose and use a $4.50 PFC, as authorized by federal legislation, and collect a total of $2.158 billion of PFCs through approximately April 1, 2037. The revenues from PFCs are dedicated to certain FAA-authorized capital projects and are excluded from the Revenues pledged under the Master Indenture that secure the Bonds, except as expressly provided therein. However, PFCs may be applied to pay debt service on the Bonds under certain circumstances. See "SECURITY FOR THE SERIES 2021 BONDS – Use of PFCs to Pay Debt Service." The Department also requires CFCs to be paid by rental car customers at the Airport. The current CFC of $5 per day, with a limit of 12 transaction days, is collected by the rental car companies and paid to the Department and held in a separate account for certain capital projects. CFC revenues are also excluded from Revenues pledged under the Master Indenture securing the Bonds. See "SECURITY FOR THE SERIES 2021 BONDS – Pledge of Net Revenues" herein.

The table below presents the Department's Operating Revenues, Operating Expenses, Non-Operating Revenues and Expenses and Net Position for Fiscal Years 2016 through 2020.

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SALT LAKE CITY DEPARTMENT OF AIRPORTS
TOTAL ANNUAL REVENUES AND EXPENSES

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2020 through March	FY 2021 through March
Operating Revenues							
Airfield	$31,809,896	$35,333,251	$37,850,416	$40,799,238	$40,689,749	$35,666,101	$39,759,207
Terminals	50,070,474	52,951,540	56,371,640	60,286,589	58,015,237	47,051,227	53,104,924
Landside	57,912,911	64,364,602	68,304,466	72,852,990,	58,885,211	53,951,723	31,336,847
Auxiliary Airports	939,098	1,523,721	1,782,152	2,031,742	2,138,371	1,598,512	1,498,815
General Aviation	2,056,534	2,262,353	2,526,808	2,392,266	2,568,559	1,974,007	1,974,377
Support Areas	7,149,854	7,449,642	7,662,008	6,437,741	5,957,045	4,446,263	3,881,626
Other	2,035,050	3,090,190	4,057,479	2,739,183	3,169,004	4,230,360	3,595,926
Operating Revenues	151,973,817	166,975,299	178,554,969	187,539,749	171,423,176	148,918,193	135,151,721
Less: Airline Revenue Sharing	(10,941,229)	(12,169,163)	(13,007,308)	(14,076,885)	(10,096,880)	(110,973,183)	(4,304,318)
Total Operating Revenues	$141,032,588	$154,806,136	$165,547,661	$173,462,864	$161,326,296	$137,945,010	$130,847,403
Operating Expenses							
Airfield	$28,358,533	$30,038,981	$31,484,601	$31,305,225	$32,866,248	$25,130,219	$26,674,509
Terminals	37,150,225	40,038,056	41,079,201	40,435,158	47,183,508	35,379,548	42,549,948
Landside	11,237,669	12,336,435	12,522,236	10,081,900	11,223,893	8,095,606	10,118,031
Auxiliary Airports	1,746,575	3,054,345	3,253,108	4,241,437	4,534,580	3,933,043	3,427,355
General Aviation	996,707	2,890,348	995,461	877,645	892,387	677,623	650,608
Support Areas	1,130,272	1,347,481	1,235,761	1,661,436	1,600,159	1,315,038	1,254,303
Roads and Grounds	6,991,987	7,165,486	6,876,733	7,670,463	8,516,862	4,291,642	2,971,074
Other	2,453,128	2,588,726	2,529,250	2,161,008	3,085,500	2,088,424	1,766,756
Total Operating Expenses Before Depreciation	90,065,096	99,459,858	99,976,351	98,434,272	109,903,136	80,911,143	88,412,584
Net Federal Grants (ex. AIP)					3,908,282		40,236,291
Operating Income Before Depreciation	50,967,492	55,346,278	64,429,382	75,028,592	55,331,442	57,033,867	82,671,110
Depreciation	61,656,896	63,664,986	63,826,718	63,549,763	57,604,443	49,634,691	86,427,988
Operating Income/(Loss)	(10,689,404)	(8,318,708)	602,664	11,478,829	(2,273,001)	7,399,176	(3,756,878)
Non-Operating Revenues (Expenses)							
Passenger Facility Charges	42,805,519	45,750,397	47,739,461	49,720,539	40,607,278	38,308,017	17,527,096
Customer Facility Charges	15,613,155	16,157,076	15,740,068	16,012,445	12,477,986	11,701,722	5,788,241
Net Bond interest expense	-	(14,479,594)	(34,674,629)	(72,222,513)	(85,497,741)	(67,897,544)	(67,821,279)
Bond issuance costs	-	(3,453,689)	-	(3,129,538)	-	-	(250,258)
Interest Income	2,782,668		21,782,631	36,964,373	19,360,991	16,060,563	1,514,544
Other revenue (expenses), net	(488,665)	(25,615)	(2,501,999)	9,405,217	1,527,746	2,103,600	121,639
Net Non-Operating Revenue (Expenses)	60,712,677	56,100,239	48,085,532	36,750,523	(11,523,740)	276,358	(43,120,027)
Capital Contributions	14,230,033	17,793,909	18,142,126	14,284,968	31,124,710	19,249,924	5,231,727
Net Position							
Increase in Net Position	64,253,306	65,575,440	66,830,322	62,514,320	13,419,687	26,925,458	(41,645,168)
Net Position, Beginning of Period	1,157,981,328	1,222,234,634	1,287,810,074	1,354,640,396	1,417,154,716	1,417,154,716	1,430,574,403
Net Position, End of Period	$1,222,234,634	$1,287,810,074	$1,354,640,396	$1,417,154,716	$1,430,574,403	$1,444,080,174	$1,388,929,235

Source: Salt Lake City Department of Airport Audited Financial Statements (FY) and internal records

Airline Revenues

The Department received approximately $67.2 million, or 41.7% of its total Revenues, in FY 2020 from the airlines operating at the Airport, net of revenue sharing, compared to $61.6 million, or 35.5% of total Revenues, in FY 2019; the Department credited approximately $10.1 million and $14.1 million of revenue sharing back to the Signatory Airlines in FY 2020 and FY 2019, respectively, resulting in an average CPE of $5.41 in FY 2020 and $3.90 in FY 2019. Through March 2021, the Department received approximately $85.2 million, or 63.0% of its total Revenues, from airlines operating at the Airport, net of revenue sharing, compared to $66.6 million, or 44.7% of total Revenues through March 2020, and $59.9 million, or 40.7% of total Revenues, through March 2019. The Department receives Revenues from the Signatory Airlines and other aviation users of the Airport's facilities based on their use or lease of the Airport's aeronautical facilities. The primary sources of such revenues are landing fees, which are charged by 1,000 pounds of landed weight, and terminal rents, which are charged on a per square foot basis or, for common or joint use facilities, on a per passenger, per use or daily basis. Other aeronautical fees are derived from aircraft parking ("*remain overnight*" or "*RON*") fees, support building rentals, fuel farm charges and fees for use of the passenger loading bridges. Landing fees and terminal rental rates are set annually by the Department pursuant to the terms of the AUA. See " – Airline Use Agreement" above. The tables below provide a summary of the sources of the Department's Revenues as well as a break-out of the sources of airline revenues by carrier.

SALT LAKE CITY DEPARTMENT OF AIRPORTS
SUMMARY OF OPERATING REVENUES
(in thousands)

Fiscal Year ended June 30

	2016	**2017**	**2018**	**2019**	**2020**	**FY 2020 through March**	**FY 2021 through March**
Landing Fees	$27,023	$30,020	$32,742	$35,434	$35,638	$31,261	$36,681
Airline Terminal Space Rentals	28,500	29,775	31,028	33,432	34,645	30,278	42,984
Other Airline Revenues	6,931	6,844	6,799	6,769	7,031	5,049	5,524
Car Rental	22,142	27,186	29,181	29,856	25,372	22,785	15,712
Auto Parking Facilities	33,409	34,297	35,323	36,297	27,974	25,796	13,761
Other Terminal Rentals	30,859	35,042	39,041	42,046	37,634	30,585	17,876
Other Revenues	3,110	3,811	4,441	3,704	3,129	3,166	2,613
Credit: Revenue Sharing	(10,941)	(12,169)	(13,007)	(14,077)	(10,097)	(10,973)	(4,304)
Total Operating Revenues	**$141,033**	**$154,806**	**$165,548**	**$173,461**	**$161,326**	**$137,947**	**$130,847**

Source: Department Records

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SALT LAKE CITY DEPARTMENT OF AIRPORTS
SOURCES OF AIRLINE REVENUES
(in thousands)

Fiscal Year ended June 30

Airline (includes affiliates)	FY 2019 Landing Fees	FY 2019 % of Total	FY 2019 Rents	FY 2019 % of Total	FY 2020 Landing Fees	FY 2020 % of Total	FY 2020 Rents	FY 2020 % of Total
Alaska	$ 851	2.4%	$ 819	2.5%	$ 826	2.3%	$ 984	2.8%
American	1,858	5.2	1,300	4.0	1,646	4.6	1,959	5.7
Delta	23,534	66.4	24,671	75.9	23,850	66.9	25,431	73.6
Frontier	540	1.5	494	1.5	484	1.4	548	1.6
JetBlue	875	2.5	508	1.6	796	2.2	664	1.9
Southwest	3,250	9.2	3,225	9.9	3,078	8.6	3,357	9.7
United	1,655	4.7	1,501	4.6	1,451	4.1	1,632	4.7
Other (1)	2,871	8.1	-	0.0	3,507	9.8	-	0.0
TOTALS:	**$35,434**	100.0%	**$32,518**	100.0%	**$35,638**	100.0%	**$34,575**	100.0%

Source: Department Records
(1) Includes charter, cargo and commuter.

Landing Fees. Landing fees at the Airport increased slightly from $35.43 million in FY 2019 to $35.64 million in FY 2020. During this period the landing fee per thousand pounds of landed weight increased from $2.29 to $2.64. The landing fee for FY 2021 is $3.77, due to projected decreased landed weights, application of federal CARES Act and CRRSA grants and reduced operating expenses. The landing fee for FY 2022 is budgeted to be $3.96. Under the AUA, any variance between the landing fees collected and the direct and indirect costs of operating the Airfield Cost and Revenue Center during a Fiscal Year is calculated after the Fiscal Year ends, and the adjustment is either added to, in the case of a shortfall, or credited to, in the case of a surplus, the landing fee for the second succeeding Fiscal Year, although the Department retains the ability to revise the landing fee if the amount to be collected in any Fiscal Year is substantially less than the expected costs. Landed weights at the Airport decreased from 15,465,060 thousand pounds in FY 2019 to 13,561,514 thousand pounds in FY 2020 due to reduced passenger aircraft operations as a result of the COVID-19 pandemic; however, prior to the outbreak of the pandemic, landed weights at the Airport steadily increased from FY 2016 through FY 2019. Through March 2021, landed weights at the Airport decreased to 8,854,462 thousand pounds from 10,956,818 thousand pounds through March 2020 and 10,649,608 thousand pounds through March 2019.

Terminal Rents. Each Fiscal Year, the Department establishes terminal building rental rates and fees on a commercial compensatory basis as required by the terms of the AUA. The annual calculation allows the Department to recover its budgeted direct and indirect capital and operating costs for such leased terminal space, but the Department bears the risk of not recovering the cost of any unleased terminal space. As of June 30, 2020, prior to opening of the new Terminal and Concourse A West and Concourse B West, substantially all airline space at the Airport was either leased, or in use on a common or joint use basis. Following opening of the new facilities, all gates and substantially all other airline space was leased, except for three common use gates controlled by the Department. Similar to the method described above for adjusting landing fees on an annual basis, terminal rates and fees are also adjusted based on actual costs incurred and rents received. The Department calculates the variance from the budget estimates after the Fiscal Year ends, and the adjustment is either added to the second succeeding year's terminal rental rate (in the case of a shortfall) or credited against such rental rate (in the case of a surplus). The Department does not recover the costs allocable to unrented space through its terminal rentals. The Department can also make adjustments during the year to the rates charged to the Signatory Airlines for terminal rentals.

The Department currently leases 43 of the 46 currently operational gates to various airlines serving the Airport. The remaining gates are held for use on common use basis and airlines using such gates are charged a per turn or daily fee. Current demand at the Airport has outstripped the number of gates available, and the Department routinely requires Signatory Airlines to allow other airlines to operate from preferentially leased space during hours when the Signatory Airline has no scheduled operation at the gate or to share common use gates. Delta also operates from 15 hardstand positions and five additional hardstand positions are operated by the Department on a common use basis. Passengers boarding at hardstand positions use temporary holdrooms located in Concourse B and are bused to the aircraft. Upon completion of Concourse A, most hardstand operations are expected to cease and, upon completion of the New SLC, the Department expects that there will be no hardstand operations. Terminal rental revenue from the airlines in FY 2020 was $34.6 million, an increase of $1.1 million from the $33.5 million received in FY 2019, which in turn was an increase of $2.5 million compared to the $31 million in terminal revenues received from the airlines in FY 2018. The terminal rental rate for class 1 conditioned space was $75.62 per square foot in FY 2019 compared to $78.51 per square foot in FY 2020. Through March 2021, terminal revenues received from the airlines operating at the Airport increased to $42.6 million from $28.9 million through March 2020 and $25.1 million through March 2019. The rate for FY 2021 is $120.03 per square foot, reflecting the costs associated with elements of the New SLC being placed in service and debt service becoming payable following the capitalized interest period. The budgeted terminal rental for FY 2022 is $187.04. Under the AUA, the Department is permitted to recover its budgeted costs of operating and maintaining the terminal space as adjusted to account for actual costs, plus certain approved capital costs. The approved capital costs include the capital costs of the New SLC, provided that the Department may not recover capital costs of the New SLC paid with accumulated capital (Department funds), PFCs or AIP grants, and if costs increase beyond certain limits, the Department and the Signatory Airlines must undertake a process to resolve the overruns. See " – Airline Use Agreement" above and "APPENDIX D — FORM OF THE AIRLINE USE AGREEMENT" for a more complete discussion of the provisions of the AUA.

Other Airline Fees. As described above, the Department receives fees from the airlines operating at the Airport from several other sources, including rental of support buildings, which generated $4.3 million in FY 2019 and $4.4 million in FY 2020; passenger loading bridge fees, which generated $1.7 million in FY 2019, compared to $1.9 million in FY 2020; use of the fuel farm, which generates approximately $1.81 per year under a new agreement effective January 1, 2021; and RON fees, which generated approximately $244,000 in FY 2019 and $158,000 in FY 2020.

Non-Airline Revenues

The Department seeks to maximize non-airline Revenues and shares a portion of certain Selected Concession Revenues, as defined in the AUA, consisting of rents received from rental car concessions, excluding CFCs, and in-terminal concession revenues, with the Signatory Airlines in order to maintain a low CPE and to promote expansion of service by carriers. The primary sources of the Department's non-airline Revenue are parking fees, rental car fees and in-terminal concessions. Approximately $94.1 million, or 58.3% of total Revenues, were generated from non-airline sources in FY 2020, compared to $111.9 million, or 64.5% of total Revenues in FY 2019. Non-airline revenues for the nine-month period ending March 31, 2021 were $50.0 million compared to $82.3 million and $82.7 million for the same nine-month period for fiscal years 2020 and 2019, respectively.

Parking Fees. Airport parking fees decreased from $36.3 million in FY 2019 to $28 million in FY 2020. This decrease was primarily because of the COVID-19 pandemic. Parking fees are generated according to the parking rates established by the Department. In FY 2020, the Department increased the daily rate for parking in the garage from $32 to $35 and implemented a fee of $55 per day for Premium Reserved Parking. The Department does not share parking fees with the Signatory Airlines as an offset to either landing fees or terminal rents; rather, the Department retains the business risk and the return of this Cost and Revenue Center. Parking fees for the nine-month period ending March 31, 2021 were $15.3 million compared to $32.3 million and $32.3 million for the same nine-month period for fiscal years 2020 and 2019, respectively.

Rental Cars. Fees and rentals from car rental companies decreased from $29.9 million in FY 2019 to $25.4 million in FY 2020, primarily because of COVID-19 pandemic. Fees and rentals from car rental companies for the nine-month period ending March 31, 2021 were $15.7 million compared to $22.8 million and $22.9 million for the same nine-month period for fiscal years 2020 and 2019, respectively. The agreements with the rental car companies for use of the new RSS and QTA facilities are for a ten year term commencing on March 1, 2016. These agreements provide for a payment of an effective 11.1% commission on rental car revenues, plus fair market rent on a per square foot basis for all facilities occupied by the rental car companies, plus CFCs. The rental car facilities are operated and maintained by a third party engaged by the rental car companies. CFCs, which are not Revenues pledged to payment of the Series 2021 Bonds, generated an additional $16 million in FY 2019 and $12.5 million in FY 2020, and will be applied to fund certain capital construction related to rental car company operations at the Airport.

TNCs and Ground Transportation. As of July 1, 2020, the Department collects a charge of $2.50 for each 1-9 passenger vehicle operated by a TNC operator at the Airport that picks up or drops off a passenger, with a flat fee of $10 per operation for vehicles with 10 or more seats. The fees prior to that ranged from $1.13 to $2.46 per pick up or drop off. Since FY 2016, when TNCs were first permitted to operate at the Airport, TNC revenues to the Airport have grown from approximately $247,100 to $3.1 million in FY 2020. Although ground transportation revenues from other services at some airports that have a substantial TNC presence have declined in recent years, the Airport's total ground transportation revenues, excluding TNC revenues, increased slightly from $66.6 million in FY 2018 to $68.7 million in FY 2019, then decreased in FY 2020 to $55.5 million due to the reduction in passengers because of the COVID-19 pandemic. Although without TNC trips, other ground transportation trips have declined from approximately 816,700 in FY 2018 to 804,000 in FY 2019 and 557,100 in FY 2020 (including a 1.6% decline in trips between FY 2018 and FY 2020). However, total ground transportation revenues, including TNCs, increased from $68.0 million in FY 2018 to $72.4 million in FY 2019 and decreased to $58.6 million in FY 2020. Ground transportation revenue excluding TNCs for the nine-month period ending March 31, 2021 was $30.4 million compared to $50.8 million and $51.8 million for the same nine-month period for fiscal years 2020 and 2019, respectively. Total ground transportation revenue for the nine-month period ending March 31, 2021 was $31.4 million compared to $53.6 million and $54.5 million for the same nine-month period for fiscal years 2020 and 2019, respectively. As shown above, although TNC operations have increased substantially since FY 2016, both parking and rental car revenues have continued to grow. There can be no assurance, however, that TNC operations will not have an adverse impact on parking fees, rental car revenues and other ground transportation revenues in the future.

Terminal Concessions. Revenue from concessions decreased from $20.5 million in FY 2019 to $16.7 million in FY 2020, primarily because of decreased passengers due to the COVID-19 pandemic. Revenues from concessions for the nine-month period ending March 31, 2021 were $6.3 million compared to $15.4 million and $15.5 million for the same nine-month period for fiscal years 2020 and 2019, respectively.

Other Revenue Sources. The Department also derives Revenues from other sources, including cargo and other building rentals, hangar rents for both air carrier maintenance facilities and for general aviation facilities at the Auxiliary Airports, FBO rents and fees and other buildings leased by the Department, such as the new Touch n' Go Convenience Store and the Boeing assembly facility. Revenues from these sources totaled $4.6 million in FY 2020, compared to $5 million in FY 2019. The decrease is a result of the COVID-19 pandemic. Other revenues for the nine-month period ending March 31, 2021 were $4.8 million compared to $5.1 million and $5.0 million for the same nine-month period for fiscal years 2020 and 2019, respectively.

In addition to revenues, the Airport received a grant under the federal CARES Act in the amount of approximately $82.5 million which may be used for any lawful purposes, including reimbursement of operating expenses and debt service, of which $3.9 million was drawn and applied to operating expenses in fiscal year 2020. The Airport expects to apply $66.0 million in fiscal year 2021 and the remaining $12.6 million in fiscal year 2022 to reimburse the Airport for operating expenses, thereby reducing airline rates and charges. In addition, CRRSA provides for additional grant funding for airports. The FAA has announced that the Airport will receive approximately $23.4 million under CRRSA, including approximately $2.75 million which must be used to provide rental relief to certain concessions at the Airport, which it anticipates drawing down in fiscal year 2022 and applying to operating expenses. The ARP Act passed in March 2021 will also provide additional relief funding to the Department. As described above, use of these funds to offset O&M expenses reduces the rates and charges that must be paid by the airlines and other tenants at the Airport and helps the Department meet its rate covenants. See "SECURITY FOR THE SERIES 2021 BONDS – Rate Covenant."

Operating Expenses

The Department's operating expenses fall into six primary categories and include salaries and benefits, materials and supplies, services, which include utilities, intergovernmental charges, and other operating expenses. Operating expenses are allocated to each of the Revenue and Cost Centers and the indirect G&A and roadways Cost Centers. Amounts allocable to the two aeronautical cost centers are recovered through landing fees and terminal rentals, while the Department seeks to generate revenues in excess of the costs allocable to the other non-aeronautical Revenue and Cost Centers from allocable rents, fees and charges. Costs allocable to the G&A and roadways Cost Centers are allocated to and recovered from each of the seven direct Revenue and Cost Centers based upon the proportion of the G&A and roadways services properly allocable to such Revenue and Cost Centers. The Department's management of operating expenses is an important aspect of maintaining the CPE at the Airport within the Department's desired range. As a result, the Department's operating expenses (excluding capital outlays) have increased at a compounded annual growth rate ("*CAGR*") of 3.8% from FY 2017 through FY 2019 from a total of $100.4 million in FY 2017 to $108.1 million in FY 2019. Net operating expenses in FY 2020, after application of

$3.9 million of CARES Act grant funds, were $108.5 million. The Department budgeted $148.22 million for operating expenses in FY 2021, and forecasts that the actual net amount of operating expenses for FY 2021 will be $68.7 million, after application of $66.0 million of CARES Act funds, reflecting the opening of elements of the New SLC in the fall of 2020. The Department has budgeted $161.38 million for operating expenses in FY 2022, reflecting the increased costs of operating and maintaining the new, larger facilities of the New SLC, which is expected to be offset by additional CARES Act and CRRSA grant funds. Operating expenses for the nine-month period ending March 31, 2021 were $88.4 million compared to $80.9 million and $75.2 million for the same nine-month period for fiscal years 2020 and 2019, respectively.

SALT LAKE CITY DEPARTMENT OF AIRPORTS
SUMMARY OF OPERATING EXPENSES
(in thousands)

Fiscal Year ended June 30

	2016	2017	2018	2019	2020	FY 2020 through March	FY 2021 through March
Personnel Services	$45,096	$49,350	$50,076	$40,258	$48,584	$36,213	$37,277
Charges/Services/Fees	20,811	24,901	23,996	26,300	25,118	19,941	26,849
Operational Maintenance Supplies	10,940	11,725	11,343	12,610	12,381	8,306	8,009
Utilities	6,175	5,946	6,166	5,721	5,697	5,245	4,440
Fire Services	4,597	4,886	5,130	5,364	5,587	3,831	3,946
Police Services	--	--	--	3,891*	8,332	6,225	6,225
Salt Lake City Administration	2,446	2,651	3,265	4,288	4,204	1,150	1,667
Total Operating Expenses	**$90,065**	**$99,459**	**$99,976**	**$98,433**	**$109,903**	**$80,911**	**$88,413**

Source: Department Records

* Starting on January 1, 2019, the Airport Police combined with Salt Lake City Police, and all wages, benefits, and operating expenses are broken out separately.

The Department's largest expense is personnel services (salaries and benefits), which were $48.6 million in FY 2020, a 20.6% increase from the $40.3 million in FY 2019, and which comprised approximately 44.2% of the total operating expenses for FY 2020. The Department pays salaries and wages of its employees directly and reimburses the City for its share of fringe benefits, including insurance and pension benefits allocable to the Department's staff.

Services represent the second largest category of the Department's operating expenses and include costs associated with outsourcing parking lot operations, shuttle bus services, janitorial services and professional and consulting services. Services for FY 2020 were $25.1 million, or 22.9% of total operating expenses for the Fiscal Year, and decreased from $26.3 million in FY 2019, or 26.7%. Since FY 2016, the costs of services increased from $20.8 million to $25.1 million in FY 2020, an increase of 20.7%. The decrease in FY 2020 compared to FY 2019 was primarily from reduced services provided at the Airport as a result of the pandemic, primarily in parking and ground transportation. Operational maintenance supplies constituted approximately 11.3% of the Department's operating expenses and were $12.4 million in FY 2020, compared to $12.6 million in FY 2019. Intergovernmental charges comprised approximately 16.5% of the total operating expenses for FY 2020, and were $18.1 million, compared to $13.5 million in FY 2019. These charges consist primarily of reimbursements to the City for the costs associated with the City's provision of aircraft rescue and firefighting services at the Airport, which accounted for $5.6 million of such costs in FY 2020, compared to $5.4 million in FY 2019, as well as reimbursement for other centralized services, such as legal, accounts payable, purchasing, human resources and contract management services. Starting on January 1, 2019, the Airport Police combined with Salt Lake City Police, and the Department now reimburses the City for the actual direct and indirect costs of the salaries, benefits and related expenses of the police officers assigned to the Airport, which accounted for $8.3 million in FY 2020, compared to $3.9 million in the second half of FY 2019.

Liquidity

The table below shows the Airport's liquidity position for the past five fiscal years. The table below does not include any unused and available draws on the Line of Credit, which is available for any lawful use at the Airport. The table below also does not reflect application of the remaining CARES Act Funds ($12.6 million) nor the CRRSA grant funds ($20.7 million), which the Department expects to apply in FY 2022 to pay a portion of O&M expenses, or any amounts to be received by the Department as ARPA grant funds. The table includes proceeds held in both the PFC and CFC Accounts. The Department expects to expend the majority of PFCs collected towards payment of principal of and interest on Bonds issued to fund PFC-eligible elements of the TRP, and the Department expects to apply CFCs to reimburse itself for a portion of the costs of the recently completed Parking Facility that will serve rental car companies, and elements of the roadway system serving the rental car facilities.

Airport Liquidity Position and Days Cash on Hand

Fiscal Years 2016 – 2020
(ended June 30)
($ in 000's)

Fund Balances	**FY 2016**	**FY 2017**	**FY 2018**	**FY 2019**	**FY 2020**
Unrestricted cash†	$242,497	$181,571	$255,628	$462,861	$402,435
O&M Reserve*	21,300	22,600	23,300	25,300	28,600
CFC Account	1,800	3,300	266	1,700	2,400
PFC Account	120,300	163,200	9,100	10,200	12,100
Debt Service Reserve Fund**	0	240,783	200,842	314,345	219,819
Total Reserves and Unrestricted Cash [A]	$385,897	$611,454	$489,136	$814,406	$665,354
O&M Expenses [B]††	$90,065	$99,459	$99,976	$98,433	$109,903
Days Cash on Hand [A] / ([B]/365/366)	**1,569**	**2,244**	**1,785**	**3,016**	**2,216**

Source: Department Records

†Reflects amounts in the Surplus and Revenue Funds.
* Includes $5 million for renewal and replacement reserve fund per the AUA.
** Also includes capitalized interest
††Excluding depreciation

Personnel Considerations

As of June 30, 2020, the Department had 498 full-time-equivalent employees. Approximately 80.5% of the Department's employees are employed in the Maintenance (242) and Operations (159) Departments.

Prior to July 1, 2019, the Airport's police officers were direct employees of the Department. However, the City and the Department agreed to transfer the Department's police officers to the City's Police Department, effective as of January 1, 2019. The Department retains a small staff of dedicated Airport police officers, but the Airport police officers have direct supervision and back-up from the remainder of the City's police force and are direct employees of the City. The Department reimburses the City for the actual direct and indirect costs of the salaries, benefits and related expenses of the police officers assigned to the Airport. According to the Department, the transfer of the Airport's police officers to the City's Police Department has not resulted in a material difference between the costs budgeted by the Department for police services and the actual costs charged by the City.

The Department reimburses the City for the actual direct and indirect cost of providing Aircraft Rescue and Fire Fighting, Police and certain other services. The City and Local 1004 of the American Federation of State, County and Municipal Employees, AFL-CIO ("*AFSCME*"), entered into a Memorandum of Understanding (the "*MOU*") was renegotiated in June 2020 and will expire in June 2023, replacing the prior MOU with AFSCME that was in effect through June 27, 2020, to establish the wages, benefits and employment conditions of eligible employees identified by the City as required by the Collective Bargaining and Employee Representation Joint Resolution dated March 22, 2011, including 252 unionized City employees at the Airport as of March 30, 2021. In addition to other eligible City employees, the MOU covers all Public Safety and certain maintenance employees, Airport Operations Coordinators and eligible employees in the Police and Fire Department, including those who serve at the Airport. Pursuant to the MOU, AFSCME has agreed not to engage or encourage employees to engage in any strike, work stoppage or other collective concerted withholding of services. No eligible employee under the MOU will receive any benefits or wages while he or she is engaged in a strike, work stoppage or other interruption of work.

The Department considers its relations with its employees and the union representatives of the City's public safety employees that are members of AFSCME Local 1004 to be good.

Certain users of the Department's facilities that generate a substantial portion of the Department's Revenues, such as the air carriers, are dependent upon successful management of their own labor relations for continuation of their operations. These matters are beyond the control of the Department, and significant labor disputes in these areas could have an adverse effect on the Department's Revenues.

Retirement and Other Post-Employment Benefits

Employee Workforce and Retirement System. The Department participates in the Utah Retirement Systems, which provide three cost-sharing multiple-employer public employee retirement systems and one multiple employer agent system, each of which are defined benefit retirement plans covering public employees of the State and employees of participating local governmental entities (the *"URS").* The URS are administered under the direction of the Utah State Retirement Board (the "*URS Board*") whose members are appointed by the Governor of Utah. Each year, as approved by the State Legislature, the URS Board sets rates, enacts rules and implements policies related to the pensions and benefits the Department's retirees receive. Starting in FY 2014-15, GASB Statement Number 68 requires URS to pass on pension and retirement liability to public entities it serves, including the Department. Working with the Department's independent auditors and State specialists, this net pension liability has been recorded on the Department's financial statements for the Fiscal Year ending June 30, 2020 in the amount of $8.4 million. The Department contributed $5.4 million in FY 2020, $5.2 million in FY 2019 and $6.5 million in FY 2018 to the URS with respect to the pension and retirement liabilities of its employees.

See "APPENDIX A — SALT LAKE CITY DEPARTMENT OF AIRPORTS COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE DEPARTMENT FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND JUNE 30, 2019— Notes to Financial Statements — 7 — Pension Plans."

Other Postemployment Benefits. As a result of a City-wide undertaking, commencing January 1, 2016, all postemployment benefits other than pensions for City employees, including those employed by the Department, were terminated. No contributions have been made since January 31, 2016 and none are expected to be made going forward. For additional information regarding the City's postemployment benefits see "APPENDIX A — SALT LAKE CITY DEPARTMENT OF AIRPORTS FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019 — "Notes to Financial Statements - Pension Plans" and "Other Post-employment Benefits."

Risk Management

The Department carries a general liability policy with a maximum limit of $500,000,000 covering bodily injury, property damage, excess auto liability off of the Airport and hangarkeeper's liability. The policy includes sublimits of $50 million for each occurrence for personal and advertising injury, and a $50 million excess of the $500,000 self-insured retention for commercial automobiles. The Airport also carries war liability/TRIA coverage of $50,000,000. The Airport facilities are covered by an all risk property insurance policy with a maximum limit of $1,000,000,000 and $100,000 deductible per occurrence. Earth movement and flood coverage each carry sub-limits of $100,000,000 with a 1% deductible per location, subject to a $100,000 minimum and $5,000,000 maximum deductible for all locations in any one occurrence (defined as a 168-hour period). Windstorm or hail carries a $100,000,000 limit and a 5% deductible, subject to a minimum $250,000 deductible per occurrence. Business Interruption is covered at $200,000,000 with a 2% deductible, subject to a minimum $100,000 deductible up to a maximum $5,000,000 per occurrence. Cyber and technology coverage, including data breach response, is covered up to $5,000,000, with a $50,000 deductible. The Airport carries $30,000,000 of excess liability workers' compensation coverage above its self-insured retention of $750,000 per occurrence and $1,000,000 employer's liability coverage per occurrence. The Department carries commercial automobile liability coverage of $1,000,000 per occurrence with no deductible, plus $2 million of business auto liability coverage, combined single limit.

Contractors, including the CMAR, are required to carry builders' risk insurance covering all facilities under construction during the full period of construction. As elements of the New SLC are completed, the Department expects to continue evaluating its coverage limits and increase them as appropriate to account for the increased value of the new construction.

Pursuant to Amendment No. 1 to the HDJV CMAR Contract, HDJV has provided, is administrating and has implemented a Contractor Controlled Insurance Program ("*CCIP*") that covers on-site exposures for HDJV and, with limited exceptions, all subcontractors performing work on the TRP. Demolition and environmental remediation contracts; off-site labor or fabrication; architects, engineers and consultants; contracts under $20,000; and work, labor, transportation and other activities outside the boundaries of the TRP site are excluded from participation in the CCIP. The coverage provided under the CCIP includes on-site Worker's Compensation, on-site Employer's Liability, on-site general liability and on-site excess liability insurance with combined limits equal to $25,000,000. Under its CMAR Contract, HDJV also is required to carry additional insurance coverage, including builder's risk and professional liability coverage. The City is included as an additional insured on all such policies of insurance except Worker's Compensation. HDJV's policies of insurance are primary and any other insurance carried by the City are excess and not contributing.

The City Treasurer is covered under a $10,000,000 public official's bond. The City also has: (1) public employee dishonesty insurance (an employee "blanket policy") with a $1,000,000 limit for theft and a $20,000 deductible, and (2) public entity excess liability coverage of $2,000,000 in excess of a $1,000,000 self-insured retention. The City is self-insured for losses above the limits and below the deductibles. Further, the City is self-insured for unemployment. The Risk Management Fund, an internal service fund, has been established to pay these claims along with health insurance premiums and certain administrative expenses. During the past three fiscal years, there have been no settlements that exceeded the self-insured retentions.

Debt Management Policy

The City maintains a Debt Management Policy ("*Debt Policy*") that is applicable to the Bonds issued by the City for the benefit of the Department. The Series 2021 Bonds comply with the requirements of the Debt Policy. The Debt Policy covers the types of debt that the City may issue; the legal, policy and financial limits that govern the issuance of debt and use of the proceeds of such debt; debt structuring practices; debt issuance practices; and debt administration and management practices, including tax law requirements, arbitrage regulations and disclosure practices.

Futures, options other than options to enter into swaps, calls or puts are not legal investments under the Money Management Act. Interest rate exchange or swap contracts, cash flow exchange or swap contracts, any derivatives of these contracts, including forward swaps and options to enter into swaps, and interest rate floors, caps and collars may only be entered into if it is first determined that such contract (a) is designed to reduce the amount or duration of payment, rate, spread or similar risk or (b) is reasonably anticipated to result in a lower borrowing cost. Such contracts are to be utilized for the control or management of debt or the cost of servicing debt and not for speculation. It is the City's current practice not to enter into such derivative contracts, but no assurance can be given that the City or Department will not enter into such contracts in the future.

Investment Policy

City Policy. It is the policy of the City to invest public funds, of which the Department's funds are a part, in accordance with the principles of sound treasury management and in compliance with State and local laws, regulations and other policies governing the investment of public funds, specifically, according to the terms and conditions of the State Money Management Act of 1974 and Rules of the State Money Management Council as currently amended (collectively, the *"Money Management Act")*, and the City's own written investment policy. The following investment objectives, in order of priority, are required to be met when investing public funds: (1) legality, (2) safety of principal, (3) need for liquidity, (4) maximum yield on investments consistent with the first three objectives and (5) maturity of investments, so that the maturity date does not exceed the anticipated date of the expenditure of funds or as required by the Money Management Act. Bond and note proceeds and all funds pledged or otherwise dedicated to the payment of principal of and interest on those bonds and notes will be invested in accordance with the applicable terms of the borrowing instruments, the Master Indenture in the case of the Department, or if silent or less restrictive, then in accordance with Section 571-7-11 of the Money Management Act. See also "SECURITY FOR THE SERIES 2021 BONDS – Permitted Investments" and "APPENDIX C – FORM OF MASTER INDENTURE – Article I – Definitions; Interpretation; and – Article VI – Investment of Moneys; Permitted Investments," relating to investment of Series 2021 Bond proceeds and amounts held in the funds and accounts under the Indenture.

The City may use investment advisers to conduct investment transactions on its behalf as permitted by the Money Management Act and local ordinance or policy. Investment advisers must be certified by the Director of the Utah State Division of Securities of the Department of Commerce. Only qualified depositories as certified by Utah's Commissioner of Financial Institutions are eligible to receive and hold deposits of public funds. The State Money Management Council issues a quarterly list of certified investment advisers, certified dealers and qualified depositories authorized by State statute to conduct transactions with public treasurers. Transactions involving authorized deposits or investments of public funds may be conducted only through issuers of securities authorized by Section 51-7-11(3) of the Utah Code, qualified depositories included in the current State list, and certified dealers included in the current State list. The City Treasurer must take delivery of all investments purchased, including those purchased through a certified investment adviser. This may be accomplished by the City Treasurer taking physical delivery of the security or delivering the security to a bank or trust company designated by the City Treasurer for safekeeping. The City Treasurer may use a qualified depository bank for safekeeping securities or maintain an account with a money center bank for the purpose of settling investment transactions and safekeeping and collecting those investments.

In FY 2011 the Department began investing certain of its funds in U.S. Treasury and Agency notes, rather than in the Utah State Public Treasurer's Investment Fund ("*PTIF*"), in order to increase return on restricted and reserved funds. As of June 30, 2020, the Department held $____ million in such investments.

City policy provides that not more than 25% of total City funds or 25% of the qualified depository's allotment, whichever is less, can be invested in any one qualified depository. Not more than 20% of total City funds may be invested in any one certified out-of-state depository institution. However, there is no limitation placed on the amount invested with the PTIF and other money market mutual funds, provided that the overall standards of investments achieve the City's policy objectives.

The City's entire portfolio, including the invested funds of the Department, is currently in compliance with all of the provisions of the Money Management Act.

The Utah Public Treasurers' Investment Fund. The PTIF is a local government investment fund, established in 1981, and managed by the State Treasurer. As of June 30, 2020, Department funds on deposit in the PTIF totaled approximately $312.3 million, which represents a substantial portion of the Department's funds. All investments in the PTIF must comply with the Money Management Act and rules of the State Money Management Council. The PTIF invests primarily in money market securities. Securities in the PTIF include certificates of deposit, commercial paper, short-term corporate notes, obligations of the U.S. Treasury and securities of certain agencies of the federal government. By policy, the maximum weighted average adjusted life of the portfolio is not to exceed 90 days and the maximum final maturity of any security purchased by the PTIF is limited to five years. Safekeeping and audit controls for all investments owned by the PTIF must comply with the Money Management Act. The PTIF is not rated, and the average maturities of those investments is not known.

All securities purchased are delivered versus payment to the custody of the State Treasurer or the State Treasurer's safekeeping bank, assuring a perfected interest in the securities. Securities owned by the PTIF are completely segregated from securities owned by the State. The State has no claim on assets owned by the PTIF except for any investment of State moneys in the PTIF. Deposits are not insured or otherwise guaranteed by the State.

Investment activity of the State Treasurer in the management of the PTIF is reviewed monthly by the State Money Management Council and is audited by the State Auditor.

The information in this section concerning the current status of the PTIF has been obtained from sources the Department believes to be reliable, but the Department and the City take no responsibility for the accuracy thereof.

See "APPENDIX A – COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE DEPARTMENT FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND JUNE 30, 2019 — Notes to the Financial Statements — Note 2 – Deposits and Investments."

ENVIRONMENTAL, SOCIAL AND GOVERNANCE FACTORS

Environmental and Sustainability Factors

For many years, the Department has maintained a strong focus on reducing the impacts of the Airport's operations and benefitting the greater Salt Lake City community. Sustainability is a core value of the Department and the Department has taken many steps to enhance sustainability. For example, the Department anticipates achieving LEED gold certification for the entire New SLC, in compliance with City ordinance. The New SLC replaces older, energy inefficient buildings with new, highly efficient buildings that are expected to reduce energy consumption per square foot substantially. The Department has invested significant sums in reducing emissions at the Airport through the use of alternative fuels and electrified ground service ("*GSE*") equipment and other vehicles, increasing renewable energy generation, diverting waste from landfills and conserving water resources. The New SLC includes provision of charging infrastructure that will enable the airlines operating at the Airport to electrify their GSE. The restrooms in the New SLC all feature touchless faucets, reducing wasted water and increasing hygiene. Reflecting the Department's success in reducing emissions, the Airport recently advanced from Level 2 to Level 3 in the Airport Carbon Accreditation Program.

The New SLC has been designed to meet current requirements for seismic resiliency up to a category 7.0 earthquake. Segments of the Wasatch Fault, which is an active fault located primarily on the western edge of the Wasatch Mountains, underlie Salt Lake City. A category 5.7 earthquake struck Salt Lake City in March 2020. None of the elements of the New SLC sustained any significant damage. See "THE NEW SLC – Summary of the New SLC." [MORE TO COME]

Social Factors

The Department is also focused on benefitting all of the disparate people that live and work in the Salt Lake City area. The Department's diversity and inclusion program seeks to ensure that the Department's workforce, and that of its airline and concessionaire partners, reflects the diversity of the Salt Lake City community. The Department is a leader in health and safety. At the start of the COVID-19 pandemic, the Department instituted a series of actions designed to protect its workers, including the trades people working on the New SLC. The result was a dramatic reduction in illness and injury well below industry averages, as well as opening the first phase of the New SLC on time. In addition, the Department instituted its Fly Healthy Promise through enhanced efforts to clean its facilities, adding hand sanitizer stations, installing handrail cleaning systems, placing plexiglass shields at key locations and enveloping seating area with anti-bacterial fog. Similarly, the Department works to ensure that it maintains good relations with all of its workers through ______ and provides education and training opportunities to allow its employees to grow and advance. [MORE TO COME]

Governance Factors

The Department's mission is to develop and manage a system of airports, owned by the City, which provides quality transportation facilities and services to optimize convenience, safety and efficiency for aviation customers. The Department's vision is to achieve excellence and unprecedented customer service in making Salt Lake City among the most convenient and efficient air transportation centers in the world.

The Mayor appoints and the City Council approves the appointment of the Executive Director of the Department. See "THE AIRPORT – The City." An Advisory Board reports to the Mayor and makes recommendations regarding the operation and management of the Airport System. The Department is an enterprise fund and a self-sustaining organization requiring no funding from property taxes, general funds of local governments or special district taxes. The Department's budgets are prepared by Department staff and submitted to and approved by the Mayor and City Council.

The City owns the Airport, South Valley and Tooele, all of which are operated and managed by the Department. The Mayor of the City and the City Council oversee the Department's affairs. The Mayor is also advised by the Airport Advisory Board. The day-to-day operations of the Airport System are managed by the Executive Director, who reports directly to the Mayor. The executive team of the Department is a full-time staff of professional and technical personnel located at the Airport. See "THE AIRPORT– The City" and "Airport Management." [MORE TO COME]

REPORT OF THE AIRPORT CONSULTANT

General

[To be refined to conform with final L&B Report]

The Department has retained the firm of Landrum & Brown, Inc., as recognized experts in their field, to prepare a report on traffic, revenues, expenses, the New SLC and financial analyses in connection with the issuance of the Series 2021 Bonds. The Airport Consultant has prepared a Report of the Airport Consultant dated _________, 2021 (the "*Report of the Airport Consultant*" or the "*Report*") in connection with the issuance of the Series 2021 Bonds. The Airport Consultant has consented to the Report of the Airport Consultant being included in this Official Statement as APPENDIX B. This Report should be read in its entirety for an explanation of the assumptions and methodology used therein.

The Report of the Airport Consultant is divided into five sections plus a cover letter summarizing the Airport Consultant's conclusions. Section 1 discusses the impact of the COVID-19 pandemic. Section 2 provides an overview of the role of the Airport and the economic base for air traffic at the Airport. Section 3 reviews air service at the Airport and provides air traffic projections of air service activity at the Airport for the period from FY 2021 through FY 2028, the expected period of construction of the New SLC (the "*projection period*"). Section 4 reviews the existing Airport facilities and the capital program, generally consisting of the New SLC, as well as the on-going capital projects through FY 2024. Section 5 of the Report reviews the Department's financial framework and provides a financial analysis, concluding with projections of net revenues and debt service coverage through FY 2028, calculated in accordance with the Master Indenture. In preparation of the projections in its Report, the Airport Consultant has made certain assumptions with respect to conditions that may occur and the course of action management expects to take during the projection period. The Airport Consultant has relied upon Department staff for representations about its plans and expectations and for disclosure of significant information that might affect the realization of projected results. Department staff has reviewed these assumptions and concur that they provide a reasonable basis for the purpose of the projection. While the Department and the Airport Consultant believe these assumptions to be reasonable for the purpose of the projections, they are dependent upon future events, and actual conditions may differ from those assumed in the analysis. To the extent actual future factors differ from those assumed by the Airport Consultant or provided to the Airport Consultant by others, the actual results could vary materially from those projection. The Airport Consultant has no responsibility to update its Report for events and circumstances occurring after the date of its Report. The projection is based on assumptions that may not be realized and actual results may differ materially from the projection. See "INVESTMENT CONSIDERATIONS – Financial Assumptions" herein.

Projection of Debt Service Coverage and Cost Per Enplanement

The following table reflects the projection of Net Revenues and the calculation of debt service coverage on the Bonds, including the Series 2021 Bonds and the estimated $___ million of New SLC project costs expected to be funded with proceeds of additional Bonds expected to be issued in the future. The Airport Consultant's projection is based on actual Net Revenues for FY 2018 through FY 2020, actual net revenues for the first three quarters of FY 2021, and projected Net Revenues from FY 2021 through FY 2028, as set forth in Section 5 of the Report of the Airport Consultant. Such projection reflects the impact on revenues and expenses associated with the Series 2021 Bonds, the Series 2017 Bonds and the Series 2018 Bonds, as well as additional Bonds expected to be issued during the projection period and the operating costs of the elements of the New SLC as they are placed into service. The projection does not reflect the impact on Department finances of projects other than the New SLC and the other capital projects discussed in the Report. Any additional future capital projects may be financed by future issuance of additional Bonds.

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PROJECTION OF DEBT SERVICE COVERAGE*

(Fiscal Year)

($ in thousands)

	Actual 2018	Actual 2019	Actual 2020	Budget 2021	2022	2023	2024	2025	2026	2027	2028
Revenues											
Operating Expenses and Capital Outlays											
Federal COVID Relief Funds applied to O&M											
Net Revenues											
Plus: Rolling Coverage Account											
Net Revenues & Rolling Coverage Account											
Total Debt Service (Net of Capitalized Interest)											
PFCs applied to Debt Service											
Debt Service (net of PFCs)											
Debt Service Coverage											

Source: Airport Consultant
*Amounts may not add due to rounding

The Report of the Airport Consultant and the projection of Net Revenues and debt service coverage included therein incorporated assumptions of the debt service on the Series 2021 Bonds and additional Bonds expected to be issued during the projection period based upon information provided by PFM Financial Advisors LLC ("*PFM*"), financial advisor to the Department, in ______, 2021. PFM's calculations are based upon the assumptions set forth in the Report of the Airport Consultant. Both PFM and the Airport Consultant have used what they believe are conservative assumptions to estimate the projected annual debt service on the additional Bonds to be issued to fund the New SLC; however, there can be no assurance that the assumed rates will be achieved or that interest rates will not exceed those used in the assumptions. Several other projections included in the Report of the Airport Consultant, such as projected airline payments per enplaned passenger, rely on the estimated debt service amounts and investors should take into consideration these assumptions when considering the Report of the Airport Consultant.

The Report of the Airport Consultant should be read in its entirety for an understanding of the report and its underlying assumptions. As noted in the Report of the Airport Consultant, any projection is subject to uncertainties. Inevitably, some of the assumptions used to develop the Report of the Airport Consultant will not be realized and unanticipated events and circumstances may occur. The actual financial results achieved will vary from those in the Report of the Airport Consultant and the variations may be material. The Report of the Airport Consultant is not expected to be updated with final pricing information for the Series 2021 Bonds. See "INVESTMENT CONSIDERATIONS – FINANCIAL ASSUMPTIONS" and "APPENDIX B - REPORT OF THE AIRPORT CONSULTANT."

INVESTMENT CONSIDERATIONS

This section contains a general overview of certain risk factors which should be considered, in addition to the other matters set forth in this Official Statement, in evaluating an investment in the Series 2021 Bonds. This section is not meant to be a comprehensive or definitive discussion of the risks associated with an investment in the Series 2021 Bonds, and the order in which this information is presented does not necessarily reflect the relative importance of various risks. The Series 2021 Bonds may not be suitable for all investors. Potential investors in the Series 2021 Bonds are advised to consider the following factors, among others, and to review this entire Official Statement to obtain information essential to making of an informed investment decision, including, in particular, the matters referred to in the following summary and under the heading "IMPACT OF COVID-19 PANDEMIC ON THE AIRPORT." The following summary does not purport to be a comprehensive or exhaustive discussion of risks or other considerations which may be relevant to investing in the Series 2021 Bonds. In addition, the order in which the following information is presented is not intended to reflect the relative importance of any such considerations. There can be no assurance that other considerations not discussed herein will not become material in the future. The risks to the Airport related to COVID-19, although not purported to be a comprehensive or exhaustive discussion, can be found above under the heading "IMPACT OF COVID-19 PANDEMIC ON THE AIRPORT." The risks below present a summary of additional risks to the Airport's Revenues, not related to COVID-19, that prospective purchasers of the Series 2021 Bonds should give careful consideration to prior to purchasing the Series 2021 Bonds.

COVID-19

See "IMPACT OF COVID-19 PANDEMIC ON THE AIRPORT" above for risks associated with the Series 2021 Bonds and the Airport resulting from the COVID-19 pandemic.

Delta's Presence at the Airport

Delta is the dominant air carrier operating at the Airport and maintains a large connecting hub at the Airport. Approximately 73.0% of the passengers enplaned at the Airport in FY 2020 and 24.9%, of the Department's operating revenue (after airline revenue sharing) was received from rentals and services provided to Delta and the Delta Connection carriers for FY 2020.

As a result of the Airport's geographic location, facilities and capabilities and Delta's investment in the Airport, including the New SLC, the Department expects that the Airport will remain a system hub for Delta; however, no assurance can be given to that effect or with regard to Delta's future level of activity at the Airport, regardless of Delta's financial condition. If, for whatever reason, Delta discontinues or reduces its hubbing operations at the Airport, its current level of activity at the Airport may not be replaced by other carriers. It is possible that if Delta or another airline were to cease service or significantly reduce service at the Airport, Revenues, PFC collections and costs for other airlines serving the Airport could be adversely affected. Such a change in Delta's or another airline's activity at the Airport could result in differences to the projections presented in the Report of the Airport Consultant. See "THE AIRPORT - Aviation Activity at the Airport -*Airlines Providing Service at the Airport*" above.

Project Costs and Schedule

The estimated costs of, and the projected schedule for, the New SLC and other capital projects depend on various sources of funding, and are subject to a number of uncertainties. The ability of the Department to complete these projects within the current budgets and on the current schedules may be adversely affected by various factors including: (1) estimating errors, (2) design and engineering errors, (3) cost increases because of demand for and scarcity of labor and materials, (4) contractors' difficulty in predicting costs over a lengthy constructions period, (5) the need to estimate costs of unbid project elements, (6) changes to the scope of the projects, (7) delays in contract awards, (8) material and/or labor shortages, (9) delays because of airline operational needs, (10) unforeseen site conditions, (11) adverse weather conditions, (12) contractor defaults, (13) labor disputes, (14) unanticipated levels of inflation, (15) litigation and (16) environmental issues. See "THE NEW SLC - Summary of the New SLC" No assurance can be given that the costs of the projects will not exceed the current budget for these projects or that the completion will not be delayed beyond the currently projected completion dates. Any schedule delays or cost increases could result in the need to issue additional Bonds or Subordinate Obligations, which would require additional approval for certain increased costs. The issuance of additional Bonds or Subordinate Obligations may result in increased costs per enplaned passenger to the airlines. No assurance can be given that the City would receive the required Signatory Airline approvals, or that, absent such approvals, an alternative source of funding would be available. At present, the

Department is unable to estimate the costs associated with each of the risks identified above and the total impact of these risks if such events were to occur. In addition, the Department may ultimately decide not to proceed with certain capital projects or may proceed with them on a different schedule, resulting in different results than those included in the projections shown in "APPENDIX B - REPORT OF THE AIRPORT CONSULTANT."

Financial Assumptions

The City's plan of financing for the New SLC is based on a number of financial assumptions, including assumptions relating to: (1) the estimated costs and timing of construction of the New SLC and the ability of the Department to complete construction of the New SLC within budget; (2) the projected levels of aviation activity at the Airport; and (3) timing of, and assumptions with respect to the issuance of and interest rates borne by additional Bonds, including access to the capital markets. Although the Department believes each of these assumptions is based on reasonable judgments, one or more of these assumptions may prove incorrect. The impact of a significant variation of any of the assumptions described above could have a material adverse effect on the plan of financing for the New SLC.

The City's plan of financing is based upon certain assumptions with respect to growth in aviation at the Airport. The factors affecting such levels of activity are largely beyond the Department's control. Origination and destination traffic, which accounts for approximately 57% of passenger activity at the Airport, will be affected to a significant degree by the speed of the response to the COVID-19 pandemic, the economic vitality of the City and the region. The level of hubbing activity by Delta or any other airline that may choose to hub in the City's air trade area will reflect corporate decisions made by such airlines. These decisions will be based, in part, upon each airline's financial capacity and strategic markets, availability of aircraft, cost of aviation fuel and a number of other factors beyond the control of the City.

Seismic Risk and Other Force Majeure Events

Segments of the Wasatch Fault, which is an active fault located primarily on the western edge of the Wasatch Mountains, underlie Salt Lake City. An earthquake on the Salt Lake City segment of the Wasatch Fault could severely damage the Airport facilities and adversely affect the Department's ability to generate Revenues. As noted above, in March of 2020, the Salt Lake City area suffered a magnitude 5.7 earthquake. Although many buildings in the region were damaged by the earthquake, none of the new facilities of the New SLC suffered damage from the earthquake requiring repair. Other events of force majeure, such as extreme weather events and other natural occurrences such as fires and explosions, spills of hazardous substances, strikes and lockouts, sabotage, terrorist attacks or wars, blockades or riots could also adversely affect the Department's ability to generate Revenues. There is no assurance that such events will not occur while the Series 2021 Bonds are Outstanding. Although the Department has attempted to mitigate the risk of loss from many of these occurrences by purchasing commercial property and casualty insurance, no assurance can be given that such insurance will be available or in sufficient amounts at a reasonable cost or available at all or that insurers will pay claims in a timely manner, or at all. The New SLC is designed, in part, to upgrade the seismic stability of the facilities at the Airport. Nevertheless, the Airport could sustain extensive damage to its facilities in a major earthquake from ground motion and possible liquefaction of underlying soils. Damage could include pavement displacement (which could necessitate the closing of one or more runways for extended periods of time), distortion of pavement grades, breaks in utilities, loss of water supply, damage to drainage and sewage lines, displacement or collapse of buildings. A major earthquake in the Salt Lake City region may cause significant temporary and possibly long-term harm to the economy of the Salt Lake City area, which in turn could have a negative effect on passenger traffic and Revenues, and such effect could be material.

General Economic Considerations

Historically, the financial performance of the air transportation industry has correlated with the state of the national and global economy. As a result of the COVID-19 pandemic, the U.S. and world-wide air travel industries have sustained unprecedented losses. Following significant and dramatic changes that occurred in the financial markets in September 2008, the U.S. economy experienced a recession followed by weak growth. The near-term economic outlook for the national and Utah economies to recover from the recession due to the COVID-19 pandemic, the speed and extent of which will be dependent on a number of factors, including the efficacy and availability of vaccines against the COVID-19 virus, the ability of businesses (including ski resorts in the surrounding area) to recover from the effects of the pandemic, the reopening of colleges and universities in the greater Salt Lake City area to in-person study, and the willingness of persons to begin traveling again for both business and leisure. There can be no assurances that the prolonged weak economic conditions, the continuation of the COVID-19 pandemic, or other national and international fiscal concerns will not have an adverse effect on the air transportation industry.

Financial Condition of the Airline Industry

The number of passengers using the Airport will depend partly on the profitability of the U.S. airline industry and the associated ability of the industry and individual airlines, particularly Delta, to make the necessary investments to continue providing service. The airline industry historically has been highly cyclical and is characterized by intense competition, high operating and capital costs, and varying demand. Passenger and cargo volumes are highly sensitive to general and localized economic trends, and passenger traffic varies substantially with seasonal travel patterns. After an exceptional period of volatility in the 2000s, U.S. carriers experienced record profitability prior to the COVID-19 pandemic. In the near-term, the recovery of the airlines from the effects of the COVID-19 pandemic will take some time and likely constrain growth in air service for some period of time. The profitability of the airline industry may continue to fluctuate dramatically from quarter to quarter and from year to year, even in the absence of catastrophic events such as the COVID-19 pandemic, the terrorist attacks of September 11, 2001 and the economic recession of 2008 and 2009.

Further, because of the discretionary nature of business and personal travel spending, airline passenger traffic and revenues are heavily influenced by a variety of factors, including: (i) the strength of the U.S. economy and other regional and world economies, (ii) the cost and availability of labor, fuel, aircraft and insurance, (iii) international trade, (iv) currency values, (v) competitive or partnership considerations, including the effects of airline ticket pricing, (vi) traffic and airport capacity constraints, (vii) governmental regulation, including security regulations and taxes imposed on airlines and passengers, and maintenance and environmental requirements, (viii) passenger demand for air travel, including the availability of business travel substitutes such as teleconferencing, videoconferencing and web-casting, (ix) strikes and other union activities and (x) disruptions caused by airline accidents, criminal incidents, acts of war or terrorism, outbreaks of disease, epidemic or pandemic, and weather and natural disasters.

It is reasonable to assume that any significant financial or operational difficulties incurred by Delta, the dominant airline servicing the Airport, could have a material adverse effect on the Airport, although financial or operational difficulties by any of the other Signatory Airlines, whether directly or indirectly, also may have an adverse impact on Revenues or Airport operations, the effect of which may be material. See " – Delta's Presence at the Airport" above. At this time, it is not possible to predict the effect that any financial or operational difficulties incurred by Delta or any other airline serving the Airport could have on the Airport.

Airline Consolidation

In 2005, ten major airlines were flying inside the United States (AirTran, Alaska Airlines, American Airlines, America West, Continental, Delta, Northwest, Southwest, United and US Airways) and accounted for 87.0% of all available seats. Faced with declining profitability because of increased costs of aviation fuel, lower fares brought on by the proliferation of low cost carriers (as described below), reduced growth potential in the domestic markets and declining passenger activity based on security concerns, the airlines pursued consolidation. As a result of these consolidations, today there are five major network airlines flying inside the United States – Alaska, American, Delta, Southwest and United -- that account for approximately 80% of domestic capacity (available seats). Additionally, in 2009, Republic Airways Holdings purchased Frontier Airlines and Midwest Airlines operating the combined carrier as Frontier Airlines. Republic Airways sold Frontier Airlines in 2013. In December 2016, Alaska Air Group acquired Virgin America, and a single operating certificate was issued in 2018. Such consolidation, combined with a focus on driving profitability via capacity discipline and unbundling of services and resulting increased fee income, had increased airline profitability prior to the onset of the COVID-19 pandemic. In addition, American and JetBlue recently entered into an agreement pursuant to which each can code share with the other and each can access the other airline's passenger loyalty program.

Further airline consolidation remains possible. Depending on which airlines serving the Airport merge or join alliances, if any, the result may be fewer flights or decreases in gate utilization by one or more airlines. Such decreases could result in reduced Airport revenues, reduced PFC collections and increased costs for the airlines serving the Airport.

Effect of Bankruptcy of Air Carriers and Other Tenants

Since 2001, several airlines with operations at the Airport have filed for and have subsequently emerged from bankruptcy protection, including United, Continental, Delta, Frontier, Northwest, US Airways and, most recently, American Airlines in 2011. Additional bankruptcies, liquidations or major restructurings of other airlines could occur. The Department's stream of payments from a debtor airline could be interrupted to the extent of unpaid fees for pre-petition goods and services, including accrued rent and landing fees. Under the U.S. Bankruptcy Code, a debtor airline that is a lessee under an unexpired lease with the Department of non-residential real property, such as a lease of Terminal space or a hangar, is required within certain statutory time periods to assume or reject such lease. Rejection of a lease or other agreement or executory contract would give rise to an unsecured claim of the Department for damages, the amount of which in the case of a lease or other agreement is limited by the U.S. Bankruptcy Code. The amount ultimately received in the event of a rejection of a lease or other agreement could be considerably less than the maximum amounts allowed under the U.S. Bankruptcy Code. Additionally, during the pendency of a bankruptcy proceeding, a debtor airline may not, absent a court order, make any payments to the Department on account of goods and services provided prior to the bankruptcy. The Department actively monitors past due balances to minimize any potential losses due to such proceedings, aggressively pursues overdue amounts and bankruptcy claims, and includes an allowance for uncollectible debts in its landing fee and terminal rental rates. Whether or not an airline agreement is assumed or rejected by a debtor airline in a bankruptcy proceeding, it is not possible to predict the subsequent level of utilization of the gates leased under such agreement.

In addition, the Hertz family of rental car companies, including Hertz, Dollar and Thrifty filed for bankruptcy protection in May 2020. All three companies continued to operate at the Airport and all three have now assumed their agreements with the City relating to operations at the Airport.

It is not possible to predict the impact on the Department of any future bankruptcies, liquidations or major restructurings of other airlines or tenants.

Cost of Aviation Fuel

Airline earnings are significantly affected by changes in the price of aviation fuel. Fuel prices continue to be susceptible to, among other factors, political unrest in various parts of the world (particularly in the oil-producing nations in the Middle East and North Africa); Organization of Petroleum Exporting Countries policy; the rapid growth of economies such as China and India and resulting demand for oil-based fuels; the levels of inventory carried by industries; the amounts of reserves maintained by governments; the amount and availability of new sources of energy (e.g., U.S. fracking operations); disruptions to production and refining facilities; and weather.

There has been no shortage of aviation fuel since the fuel crisis of 1974, but there have been significant price increases for fuel. From 2000 to 2008, the price of aviation fuel more than tripled. Oil prices reached an all-time record high of approximately $145 per barrel in July 2008, and while oil prices have declined from this elevated level, they have fluctuated significantly since then. During the second half of CY 2014, an imbalance between worldwide supply and demand resulted in a significant drop in the price of oil and aviation fuel. As of April 26, 2021, according to Bloomberg, the price of Brent crude oil futures was $65.65 per barrel. According to Form 41 (USDOT), for CY 20__, fuel expenses were approximately ____% of U.S. passenger airline operating costs. Historically, significant fluctuations and prolonged increases in the cost of aviation fuel have adversely affected air transportation industry profitability, causing airlines to reduce capacity, fleet and personnel; to invest in new, more fuel efficient aircraft and equipment; and to increase airfares and institute fuel, checked baggage, and other extra surcharges, all of which may reduce demand for air travel.

Many airlines engage in or have engaged in fuel hedging – purchasing fuel in advance at a fixed price through derivative contracts – to help manage the risk of future increases in fuel costs. However, there can be no assurance that any fuel hedging contract can provide any particular level of protection from volatile fuel prices. One carrier has even gone as far as to purchase its own refinery in order to better manage its fuel costs.

Structural Changes in the Travel Market

Many factors have combined to alter consumer travel patterns. The threat of terrorism against the United States remains high. As a result, the federal government has mandated various security measures that have resulted in security taxes and fees and longer passenger processing and wait times at airports. Both add to the costs of air travel and make air travel less attractive to consumers relative to ground transportation, especially to short-haul destinations. Additionally, consumers have become more price sensitive. Efforts of airlines to stimulate traffic by heavily discounting fares have changed consumer expectations regarding airfares. Consumers have come to expect extraordinarily low fares. In addition, the availability of fully transparent price information on the internet now allows quick and easy comparison shopping, which has changed consumer purchasing habits. Consumers have shifted from purchasing paper tickets from travel agencies or airline ticketing offices to purchasing electronic tickets over the internet. This has made pricing and marketing even more competitive in the U.S. airline industry. Finally, smaller corporate travel budgets, combined with the higher time costs of travel and the impacts of the COVID-19 pandemic, have made business customers more amenable to communications substitutes such as teleconferencing and videoconferencing.

Technological Innovations in Ground Transportation

One significant source of non-airline revenues is generated from ground transportation activity, including use of on-Airport parking facilities; trip fees paid by taxi, limousine and TNCs; and rental car transactions by Airport passengers. While passenger levels are increasing, the relative market share of these sources of revenue is shifting. As one example, the popularity of TNCs was increasing prior to the onset of the COVID-19 pandemic because of the increasing number of cities where TNCs operate, the other technological innovations in ground transportation, convenience of requesting a ride through a mobile application, the ability to pay for this service without providing cash or other payment to the hired driver, and competitive pricing. In FY 2020, TNCs recorded over 1.2 million Airport pick-ups and drop-offs resulting in approximately $3.1 million in trip fee revenue for the Department, compared to nearly 1.4 million pick-ups and drop-offs and approximately $3.6 million in trip fee revenue in FY 2019. Although ground transportation revenue in total and excluding TNC trip fees has continued to perform well, there can be no assurance that passengers will not choose to utilize TNCs instead of parking or using rental cars in the future, which could result in a reduction in ground transportation revenues.

New technologies (such as autonomous vehicles and connected vehicles) and innovative business strategies in established markets such as commercial ground transportation and car rental may continue to occur and may result in further changes in Airport passengers' choice of ground transportation mode. While the Department makes every effort to anticipate demand shifts, there may be times when the Department's expectations differ from actual outcomes. In such event, revenue from one or more ground transportation modes may be lower than expected. The Department cannot predict with certainty what impact these innovations in ground transportation will have over time on revenues from parking, other ground transportation services or rental cars. The Department also cannot predict with certainty whether or to what extent it will collect non-airline revenues in connection with such new technologies or innovative business strategies.

Aviation Security, Health and Safety Concerns

Public health and safety concerns also affect air travel demand from time to time, as clearly evidenced with the current COVID-19 pandemic. The current COVID-19 pandemic has had and likely will continue to have material adverse effects on passenger traffic and the Airport's operations and financial performance. See "IMPACT OF COVID-19 PANDEMIC ON THE AIRPORT" above. Future outbreaks or pandemics may lead to a decrease in passenger traffic, which in turn could cause a decrease in passenger activity at the Airport and a corresponding decline in Airport Revenues.

Concerns about the safety of airline travel and the effectiveness of security precautions, particularly in the context of potential international hostilities and terrorist attacks, may influence passenger travel behavior and air travel demand. Travel behavior may be affected by anxieties about the safety of flying and by the inconveniences and delays associated with more stringent security screening procedures, both of which may give rise to the avoidance of air travel generally and the switching from air to surface travel modes.

Following the fatal crashes of two Boeing 737 MAX aircraft that are suspected to have been caused by the malfunction of the aircraft's automated flight control system, all Boeing 737 MAX aircraft were grounded in March 2019. Among North American airlines, Air Canada, American, Southwest and United were affected. At the time of the grounding, Boeing 737 MAX aircraft accounted for approximately 1.5% of U.S. airline seat capacity. On November 18, 2020, the FAA signed an order formally rescinding the grounding of the Boeing 737 MAX aircraft, clearing the way for its return to service. The grounding of the 737 MAX aircraft had an adverse effect on several airlines serving the Airport that utilize the 737 MAX aircraft, including Southwest and United, but these did not appear to cause a reduction in operations for either carrier at the Airport.

Travel Substitutes

Teleconference, video-conference and web-based meetings continue to improve in quality and price and are often considered a satisfactory alternative to face-to-face business meetings. Events such as the COVID-19 pandemic have accelerated this trend and increased the number of individuals who are able to work from home. While the effects cannot be quantified, it is possible that business travel to and from the Airport may be susceptible to such travel substitutes.

Information Concerning the Airlines

Many of the principal domestic airlines serving the Airport, or their respective parent corporations, are subject to the information reporting requirements of the Securities Exchange Act of 1934, as amended, and in accordance therewith file reports and other information with the SEC. Likewise, foreign airlines serving the Airport that have American Depository Receipts ("*ADRs*") registered on a U.S. national exchange are subject to the same reporting requirements. Certain information, including financial information, concerning such domestic airlines, or their respective parent corporations, and such foreign airlines is disclosed in certain reports and statements filed with the SEC. Such reports and statements can be inspected and copied at the public reference facilities maintained by the SEC and on its website.

Foreign airlines serving the Airport, or foreign corporations operating airlines serving the Airport, unless such foreign airlines have ADRs registered on a national exchange, are not required to file information with the SEC. Such foreign airlines, or foreign corporations operating airlines, serving the Airport file limited information only with the USDOT.

The Department does not undertake any responsibility for or make any representation as to the accuracy or completeness of: (i) any reports and statements filed with the SEC or USDOT or (ii) any material contained on the SEC's website as described in the two preceding paragraphs, including, but not limited to, updated information on the SEC website or links to other Internet sites accessed through the SEC's website.

FAA Reauthorization and Federal Funding

On October 5, 2018, the President signed into law a five year reauthorization bill for the FAA – the FAA Reauthorization Act of 2018. The 2018 FAA reauthorization retains the federal cap on PFCs at $4.50 and authorizes $3.35 billion per year for AIP through federal fiscal year 2023, which is the same funding level as was in place for the preceding five years. The AIP provides federal capital grants to support airport infrastructure through entitlement grants, which are determined by formulas based on passenger, cargo and general aviation activity levels, and discretionary grants, allocated on the basis of specific set-asides and the national priority ranking system. The Department is unable to predict the level of AIP funding at this time, since authorization is subject to Congressional appropriation. If there is a reduction in the amount of AIP grants awarded to the Department for the Airport, it could: (1) increase by a corresponding amount the capital expenditures that the Department would need to fund from other sources, including operating revenues, and Bond proceeds, (2) extend the timing to complete certain projects, or (3) reduce the scope of individual proposed projects or the overall program, or both. See "The NEW SLC - Funding Sources" for more information regarding federal grant funding received by the Department.

Federal Law Affecting Rates and Charges

Rates and charges for aeronautical use of an airport imposed pursuant to a written agreement between the air carriers operating at an airport and the operator of the airport are generally not subject to federal regulation. The AUA between the City and the Signatory Airlines sets forth a formula for establishing rates and charges for use of the aeronautical facilities at the Airport. Accordingly, the Department believes that the provisions of federal law regarding the determination of such fees are generally inapplicable during the term of the AUA.

For rates and charges not determined pursuant to an agreement, Federal aviation law requires, in general, that airport fees be reasonable and that, in order to receive federal grant funding, all airport generated revenues must be expended for the capital or operating costs of the airport, the local airport system, or other local facilities owned or operated by the airport owner that are directly and substantially related to air transportation of passengers or property. Pursuant to the requirements of the Federal Aviation Administration Authorization Act of 1994, the USDOT and FAA have promulgated regulations setting forth an expedited hearing process to be followed in determining the reasonableness of airport rates and charges, and have also promulgated a policy statement (the "*Rates and Charges Policy*"), which sets forth the standards that the USDOT uses in determining the reasonableness of the fees charged to airlines and other aeronautical users.

In 1997, the United States Court of Appeals for the District of Columbia determined that a portion of the Rates and Charges Policy was arbitrary and capricious and vacated portions of the policy and remanded it to the USDOT. In 2008, USDOT amended the Rates and Charges Policy to permit "congested airports," as defined therein, to charge a two part landing fee that includes a per operation charge intended to help reduce congestion and operating delays. Congested airports are also permitted to include certain other costs in their rate base, including the cost of certain construction in progress and costs associated with reliever airports, if owned by the same airport operator. The Airport does not currently qualify as a congested airport. The USDOT has not yet proposed any other revisions to the Rates and Charges Policy. If new guidelines are published, the costs that will be permitted to be included in determining an airport's rate base and the extent to which such future guidelines may limit the Department's flexibility in negotiating new airline agreements or in setting rates and charges for use of the Airport's airfield and non-airfield facilities cannot be determined at this time. Any new FAA guidelines or any standards promulgated by a court in connection with a dispute could limit the amounts and allocation of costs payable by airlines serving the Airport. Until the USDOT promulgates a new policy regarding rates and charges, the guiding principle for determining whether rates and charges established for use of airport assets is the requirement of federal law that such charges be "reasonable."

PFC Revenues and Other Sources of Funding

The plan of finance for the New SLC assumes that PFC revenues, federal grants and other sources of funding will be received in certain amounts and at certain times to pay certain project costs and debt service. See "The NEW SLC - Funding Sources." No assurance can be given that these sources of funding actually will be available in the amounts or on the schedule assumed.

The amount of PFC revenue collected for the Airport in past years has varied, and in future years will vary, based upon the actual number of passenger enplanements at the Airport. No assurance can be given that any level of enplanements will be realized. As a consequence of the reduction in passengers using the Airport due to the COVID-19 pandemic, the amount of PFCs collected diminished from FY 2019 levels in FY 2020 and is expected to be reduced in FY 2021 as well. See "IMPACT OF COVID-19 PANDEMIC ON THE AIRPORT – Impact of COVID-19 on Passenger Facility Charges (PFCs)." This adverse impact of decreased enplanements could be direct or indirect. For example, PFC shortfalls could result in increases in terminal rentals or landing fees at the Airport, thereby negatively impacting the airlines' desire to operate at the Airport. Furthermore, under the terms of the PFC Act, the FAA may terminate the Department's authority to impose a PFC if the Department's PFC revenues are not being used for approved projects in accordance with the FAA's approval, the PFC Act or the regulations promulgated thereunder, or if the Department otherwise violates the PFC Act or regulations. The FAA may also terminate the Department's authority to impose a PFC for a violation by the Department of the Airport Noise and Capacity Act. The PFC termination provisions contained in the regulations provide both informal and formal procedural safeguards. The FAA's PFC regulations require Collecting Carriers (as defined in the PFC Act) to account for PFC collections separately, and indicate that such funds are to be regarded as trust funds held by the Collecting Carriers for the beneficial interest of the public agency imposing the PFC. In early cases in which PFCs were at issue, certain bankruptcy court decisions indicated that PFCs may not be treated as trust funds and that airports are not entitled to any priority over other creditors of the Collecting Carrier as to such funds. In the more recent cases, such as the American Airlines bankruptcy, however, the bankruptcy court has recognized the airports' interests in PFCs and taken steps to segregate PFCs from airline revenues. Where an air carrier files for bankruptcy protection and liquidates, PFC revenues may not be recoverable if they have been expended by the carrier before such filing.

To the extent that any portion of the funding assumed in the plan of finance for capital projects at the Airport is not available as anticipated, the Department may be required to issue an additional Series of Bonds or Subordinate Obligations to pay the costs of such capital projects and to increase airline rates and charges to pay debt service on the Bonds and the Subordinate Obligations and to fund the required coverage thereon. As an alternative to issuing Bonds or Subordinate Obligations, the Department may ultimately decide not to proceed with certain capital projects or may proceed with them on a different schedule, producing different results than those included in the projections shown in the "APPENDIX B - REPORT OF THE AIRPORT CONSULTANT."

Cybersecurity

The Department, like many other large public and private entities, relies on a large and complex technology environment to conduct its operations, and faces multiple cybersecurity threats including, but not limited to, hacking, phishing, viruses, malware, ransomware and other attacks to its computing and other digital networks and systems (collectively, "*Systems Technology*"). As a recipient and provider of personal, private, or sensitive information, the Department may be the target of cybersecurity incidents that could result in adverse consequences to the Department's Systems Technology, requiring a response action to mitigate the consequences.

Cybersecurity incidents could result from unintentional events, or from deliberate attacks by unauthorized entities or individuals attempting to gain access to the Department's Systems Technology for the purposes of misappropriating assets or information or causing operational disruption and damage. To mitigate the risk of business operations impact and/or damage by cybersecurity incidents or cyber-attacks, the Department invests in multiple forms of cybersecurity and operational safeguards.

While Department cybersecurity and operational safeguards are periodically tested, no assurance can be given by the Department that such measures will ensure against other cybersecurity threats and attacks. Cybersecurity breaches could damage the Department's Systems Technology and cause material disruptions to the Department's finances or operations. The costs of remedying any such damage or protecting against future attacks could be substantial. Further, cybersecurity breaches could expose the Department to material litigation and other legal risks, which could cause the Department to incur material costs relating to such legal claims or proceedings.

The airlines serving the Airport and other Airport tenants, as well as the FAA and TSA, also face cybersecurity threats that could affect their operations or finances.

Environmental Regulations

The EPA and the State Department of Environmental Quality are responsible for regulating air quality and water quality. The City is not aware of any releases of pollutants or contaminants at the Airport, other than those which are subject to ongoing remediation described in Note No. 1 ("*Pollution Remediation Obligations*") to the audited financial statements in APPENDIX A hereto, and as described in the following sentence. In addition to on-going remediation efforts, the Department is investigating the extent to which certain materials listed by the EPA as "emerging contaminants" contained in fire-fighting foam are contained in soil and groundwater located at or adjacent to the Airport's Utah Air National Guard facilities and the Department's now closed fire-fighting training facility and surrounding Airport property. The Department is continuing to undertake extensive investigation of soil and groundwater at the Airport and is evaluating how to address treating the materials released from fire-fighting foam. However, there could be other such releases not known to the City as of the date of this Official Statement. The potential exists for additional federal regulation or remediation that may require capital expenditures or changes in operations at the Airport System.

Potential Limitation of Tax Exemption of Interest on Series 2021 Bonds

From time to time, the President of the United States, the United States Congress and/or state legislatures have proposed and could propose in the future, legislation that, if enacted, could cause interest on the Series 2021 Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. Clarifications of the Internal Revenue Code of 1986, as amended, or court decisions may also cause interest on the Series 2021 Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation. The introduction or enactment of any such legislative proposals or any clarification of the Internal Revenue Code of 1986, as amended, or court decisions may also affect the market price for, or marketability of, the Series 2021 Bonds. Prospective purchasers of the Series 2021 Bonds should consult their own tax advisors regarding any such pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion. See "TAX MATTERS - Changes in Federal and State Tax Law."

Legislative Developments

The Department is a department of the City and subject to applicable federal, State and City legislation and regulation, changes to which could have a material effect on the operations or financial position of the Department.

The Airport is highly regulated by federal agencies including the FAA, the TSA, Customs and Border Protection and the Department of Health. In the past, actions by these agencies (in particular the FAA and the TSA) have required the Department to undertake additional capital expenditures and have affected passenger traffic. The Department cannot predict whether any such legislation or regulations will be introduced after the date of this Official Statement or, if introduced, whether such legislation or regulations would be enacted or adopted, or their effect on the operations or financial condition of the Department.

Limitation of Remedies; No Acceleration

Any remedies available to owners of the Bonds upon the occurrence of an event of default under the Master Indenture are in many respects dependent upon judicial actions which are in turn often subject to discretion and delay and could be both expensive and time-consuming to obtain. If the Department fails to comply with its covenants under the Master Indenture, including its covenant to pay principal of or interest on the Bonds, there can be no assurance that available remedies will be adequate to fully protect the interests of the owners of the Bonds. The ability of the Department to comply with its covenants under the Master Indenture and to generate Net Revenues sufficient to pay principal of and interest on the Bonds may be adversely affected by actions and events outside the control of the Department. Further, the rate covenant included in the Master Indenture provides that if the requirement that Net Revenues together with any Transfer equal at least 125% of aggregate Annual Debt Service with respect to the Bonds is not met, so long as the Department is taking specified steps to meet the rate covenant, an event of default will not be triggered until after the following Fiscal Year. See "SECURITY FOR THE SERIES 2021 BONDS-Rate Covenant." The ability of the Department to increase its rates, fees and charges and to reduce its expenses will be limited by, among other things, existing contracts and federal law.

Events of Default under the Indenture and related remedies are described herein under "APPENDIX C - FORM OF MASTER INDENTURE-ARTICLE VIII-DEFAULTS AND REMEDIES." The occurrence of an Event of Default does not grant any right to accelerate payment of the Bonds, including the Series 2021 Bonds. In addition, the Master Subordinate Obligation Indenture does not grant any right to accelerate payment of Subordinate Obligations as a result of an event of default thereunder. Since Net Revenues are Revenues net of all amounts needed to pay Operation and Maintenance Expenses of the Airport System, and the City is not subject to involuntary bankruptcy proceedings, the City may be able to continue indefinitely collecting Revenues and applying them to the operation of the Airport System even if an Event of Default has occurred and no payments are being made on the Bonds, including the Series 2021 Bonds.

Forward-Looking Statements

This Official Statement contains projections and estimates that are based on current expectations. In light of the important factors that may materially affect the financial condition of the Department and the aviation industry generally and other economic and financial matters, the inclusion in this Official Statement of such projections and estimates should not be regarded as a representation by the City that such projections and estimates will occur. Such projections and estimates are not intended as representations of fact or guarantees of results.

As discussed in the Report of the Airport Consultant, the factors affecting aviation activity at the Airport include: the growth of population and of the economy in the Airport Service Area, the recovery from the effects of the COVID-19 pandemic, airline service and route networks, the financial health and viability of the airline industry, national and international economic and political conditions, the availability and price of aviation fuel, levels of air fares, the capacity of the national air traffic control system and capacity at the Airport and elsewhere. The Report of the Airport Consultant should be read in its entirety for an understanding of all of the assumptions used to prepare the projections made therein. Inevitably, some assumptions used to develop the projections will not be realized and unanticipated events and circumstances may occur. Therefore, the actual results achieved during the projection period will vary, and the variations may be material. See "APPENDIX B - REPORT OF THE AIRPORT CONSULTANT."

TAX MATTERS

General

In the opinion of Kutak Rock LLP, Bond Counsel to the City, under existing laws, regulations, rulings and judicial decisions, interest on the Series 2021 Bonds is excluded from gross income for federal income tax purposes, except for interest on any Series 2021A Bond for any period during which such Series 2021A Bond is held by a “substantial user” of the facilities financed or refinanced by the Series 2021A Bonds or by a “related person” within the meaning of Section 147(a) of the Internal Revenue Code of 1986, as amended (the “Code”). Bond Counsel is further of the opinion that (a) interest on the Series 2021A Bonds constitutes an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals, and (b) interest on the Series 2021B Bonds is not a specific preference item for purposes of the federal alternative minimum tax. The opinions described above assume the accuracy of certain representations and compliance by the City with covenants designed to satisfy the requirements of the Code, that must be met subsequent to the issuance of the Series 2021 Bonds. Failure to comply with such requirements could cause interest on the Series 2021 Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2021 Bonds. The City has covenanted to comply with such requirements. Bond Counsel has expressed no opinion regarding other federal tax consequences arising with respect to the Series 2021 Bonds.

The accrual or receipt of interest on the Series 2021 Bonds may otherwise affect the federal income tax liability of the owners of the Series 2021 Bonds. The extent of these other tax consequences will depend on such owners’ particular tax status and other items of income or deduction. Bond Counsel has expressed no opinion regarding any such consequences. Purchasers of the Series 2021 Bonds, particularly purchasers that are corporations (including S corporations and foreign corporations operating branches in the United States of America), property or casualty insurance companies, banks, thrifts or other financial institutions, certain recipients of social security or railroad retirement benefits, taxpayers entitled to claim the earned income credit, taxpayers entitled to claim the refundable credit in Section 36B of the Code for coverage under a qualified health plan or taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, should consult their tax advisors as to the tax consequences of purchasing or owning the Series 2021 Bonds.

A copy of the proposed form of opinion of Bond Counsel is attached hereto as Appendix G.

Tax Treatment of Original Issue Premium

The Series 2021 Bonds that have an original yield below their respective interest rates, as shown on the inside cover of this Official Statement (collectively, the “*Premium Series 2021 Bonds*”), are being sold at a premium. An amount equal to the excess of the issue price of a Premium Series 2021 Bond over its stated redemption price at maturity constitutes premium on such Premium Series 2021 Bond. A purchaser of a Premium Series 2021 Bond must amortize any premium over such Premium Series 2021 Bond’s term using constant yield principles, based on the purchaser’s yield to maturity (or, in the case of Premium Series 2021 Bonds callable prior to their maturity, generally by amortizing the premium to the call date, based on the purchaser’s yield to the call date and giving effect to any call premium). As premium is amortized, the amount of the amortization offsets a corresponding amount of interest for the period, and the purchaser’s basis in such Premium Series 2021 Bond is reduced by a corresponding amount resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Premium Series 2021 Bond prior to its maturity. Even though the purchaser’s basis may be reduced, no federal income tax deduction is allowed. Purchasers of the Premium Series 2021 Bonds should consult with their tax advisors with respect to the determination and treatment of premium for federal income tax purposes and with respect to the state and local tax consequences of owning a Premium Series 2021 Bond.

Tax Treatment of Original Issue Discount

General

The Series 2021 Bonds that have an original yield above the respective interest rate as shown on the inside cover of this Official Statement (collectively, the “*Discount Series 2021 Bonds*”) are being sold at an original issue discount. The difference between the initial public offering prices of such Discount Series 2021 Bonds and their stated amounts to be paid at maturity constitutes original issue discount treated in the same manner for federal income tax purposes as interest, as described above.

The amount of original issue discount that is treated as having accrued with respect to such Discount Series 2021 Bond or is otherwise required to be recognized in gross income is added to the cost basis of the owner of the bond in determining, for federal income tax purposes, gain or loss upon disposition of such Discount Series 2021 Bond (including its sale, redemption or payment at maturity). Amounts received on disposition of such Discount Series 2021 Bond that are attributable to accrued or otherwise recognized original issue discount will be treated as tax-exempt interest, rather than as taxable gain, for federal income tax purposes.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discount Series 2021 Bond, on days which are determined by reference to the maturity date of such Discount Series 2021 Bond. The amount treated as original issue discount on such Discount Series 2021 Bond for a particular semiannual accrual period is equal to the product of (i) the yield to maturity for such Discount Series 2021 Bond (determined by compounding at the close of each accrual period) and (ii) the amount that would have been the tax basis of such Discount Series 2021 Bond at the beginning of the particular accrual period if held by the original purchaser, less the amount of any interest payable for such Discount Series 2021 Bond during the accrual period. The tax basis for purposes of the preceding sentence is determined by adding to the initial public offering price on such Discount Series 2021 Bond the sum of the amounts that have been treated as original issue discount for such purposes during all prior periods. If such Discount Series 2021 Bond is sold between semiannual compounding dates, original issue discount that would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

Owners of Discount Series 2021 Bonds should consult their tax advisors with respect to the determination and treatment of original issue discount accrued as of any date, with respect to when such original issue discount must be recognized as an item of gross income and with respect to the state and local tax consequences of owning a Discount Series 2021 Bond. Subsequent purchasers of Discount Series 2021 Bonds that purchase such bonds for a price that is higher or lower than the “adjusted issue price” of the bonds at the time of purchase should consult their tax advisors as to the effect on the accrual of original issue discount.

Recognition of Income Generally

Section 451 of the Code was amended by Pub. L. No. 115-97, enacted December 22, 2017 (sometimes referred to as the Tax Cuts and Jobs Act), to provide that taxpayers using an accrual method of accounting for federal income tax purposes generally will be required to include certain amounts in income, including original issue discount, no later than the time such amounts are reflected on certain financial statements of such taxpayer. The application of this rule may require the accrual of income earlier than would have been the case prior to the amendment of Section 451 of the Code. Investors should consult their own tax advisors regarding the application of this rule and its impact on the timing of the recognition of income related to the Discount Series 2021 Bonds under the Code.

Backup Withholding

As a result of the enactment of the Tax Increase Prevention and Reconciliation Act of 2005, interest on tax-exempt obligations such as the Series 2021 Bonds is subject to information reporting in a manner similar to interest paid on taxable obligations. Backup withholding may be imposed on payments fails to provide certain required information including an accurate taxpayer identification number to any person required to collect such information pursuant to Section 6049 of the Code. The reporting requirement does not in and of itself affect or alter the excludability of interest on the Series 2021 Bonds from gross income for federal income tax purposes or any other federal tax consequence of purchasing, holding or selling tax-exempt obligations.

Changes in Federal and State Tax Law

From time to time, there are legislative proposals in the Congress and in the various state legislatures that, if enacted, could alter or amend the federal and state tax matters referred to above or adversely affect the market value of the Series 2021 Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Series 2021 Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Series 2021 Bonds or the market value thereof would be impacted thereby. Purchasers of the Series 2021 Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Series 2021 Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

RATINGS

The Series 2021 Bonds have been assigned ratings of "___" (outlook: _______) by Moody's Investors Service ("*Moody's*"), "____" (outlook: ________) by S&P Global Ratings ("*S&P*") and "____" (outlook: _______) by Kroll Bond Rating Agency, Inc. ("*KBRA*"), respectively. Such ratings reflect only the respective views of Moody's, S&P and KBRA and an explanation of the significance of such ratings may be obtained from the rating agency furnishing the same. There is no assurance that such ratings will continue for any given period of time or that they will not be revised or withdrawn entirely by any or all of such rating agencies if, in its or their judgment, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Series 2021 Bonds.

FORWARD-LOOKING STATEMENTS

This Official Statement contains "forward-looking statements" within the meaning of the federal securities laws in the sections hereof entitled "THE NEW SLC," "THE AIRPORT," "REPORT OF THE AIRPORT CONSULTANT" and APPENDIX B. If and when included in this Official Statement, the words "expects," "projects," "intends," "anticipates," "estimates" and analogous expressions are intended to identify forward-looking statements as defined in the Securities Act of 1933, as amended, and any such statements inherently are subject to a variety of risks and uncertainties that could cause actual results to differ materially from those projected. Such risks and uncertainties include, among others, general economic and business conditions, changes in political, social and economic conditions, regulatory initiatives and compliance with governmental regulations, litigation and various other events, conditions and circumstances affecting airports and the airline industry, many of which are beyond the control of the Department. These forward-looking statements speak only as of the date of this Official Statement. The Department disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Department's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

NO DEFAULTED BONDS

The City has never failed to pay principal and interest when due on any of its bonds, notes or other financial obligations.

LEGAL MATTERS

Litigation

The City Attorney reports the following matters involving potential financial liability of the City with respect to the Department:

An opinion executed by the City Attorney, dated the date of closing, will be provided stating, among other things, that to the best of her knowledge, after due inquiry, no litigation, with merit, in the State or federal courts has been served on the City or is, to the best of her knowledge, threatened, challenging the creation, organization or existence of the City, or the titles of its officers to their respective offices, or seeking to restrain or enjoin the issuance, sale or delivery of the Series 2021 Bonds, or directly or indirectly contesting or affecting the proceedings or the authority by which the Series 2021 Bonds are issued, the legality of the purpose for which the Series 2021 Bonds are issued, or the validity of the Series 2021 Bonds, or the issuance thereof.

Lawsuits are periodically filed against the Department and/or its employees, involving construction claims, workers' compensation and employment claims, claims related to procurement processes and small claims. The majority of these claims are covered by the Department's insurance coverage and self-insured retentions within expected limits. The City has a statutory obligation to defend and indemnify its officers and employees, including those of the Department, in relation to lawsuits arising from acts or failures to act of the officers or employees while in the scope and course of employment.

The City is involved from time to time in routine litigation matters relating to the Department and its operations. These routine matters include personal injury and property damage claims for which the City's liability is covered in whole or part by insurance or by contractual provisions that obligate third party service providers or concessionaires to indemnify and defend the City from claims that relate to such third party services at the Airport.

Other matters include disputes with employees; disputes with contractors, subcontractors, engineers and others arising out of construction and maintenance of the Department's properties; disputes over leases and concessions; and property, theft and damage claims arising from the Department's parking operations. The City has assessed the pending litigation and determined that the likelihood of liability in uninsured claims currently pending is remote. The City does not expect that these matters will require any amounts to be paid that, singly or in the aggregate, will have a material effect on the operations or financial position of the Department. There can be no assurance, however, that a judgment may be rendered and sustained upon appeal that exceeds the amount of the Department's insurance and its self-insured retentions, and such amounts, although unlikely, could be material.

Approval of Legal Proceedings

Certain legal matters incident to the authorization and issuance of the Series 2021 Bonds are subject to the approval of Kutak Rock LLP, Bond Counsel to the City. Certain legal matters will be passed upon for the City by the City Attorney and by Kaplan Kirsch & Rockwell LLP, the City's Disclosure Counsel. The Underwriters are being represented by their counsel, Gilmore & Bell, P.C. The approving opinion of Bond Counsel will be delivered with the Series 2021 Bonds in substantially the form set forth in APPENDIX G of this Official Statement.

INDEPENDENT AUDITORS

The basic financial statements of the Department as of and for the year ended June 30, 2020 and 2019, included in APPENDIX A to this Official Statement, have been audited by Eide Bailly LLP, independent auditors, as stated in their report appearing in APPENDIX A herein.

Copies of the City's comprehensive annual financial report may be obtained upon request from the City Treasurer's office, 451 South State Street, Room 228, Salt Lake City, Utah 84111. Copies of the Department's comprehensive annual financial report may be obtained upon request from Brian Butler, the Department's Chief Financial Officer, 3920 West Terminal Drive, P.O. Box 145550, Salt Lake City, Utah 84122].

UNDERWRITING

The Series 2021 Bonds are being purchased by Citigroup Global Markets Inc., Goldman Sachs & Co. LLC, [BofA Securities, Inc. Morgan Stanley & Co. LLC, RBC Capital Markets, LLC, and ZB National Association] (collectively, the "*Underwriters*"), for whom Citigroup Global Markets Inc. ("*Citi*"), is acting as representative (the "*Representative*"). The Underwriters have agreed, subject to certain conditions, to purchase all of the Series 2021 Bonds at an aggregate purchase price of $____________ (equal to the par amount of the Series 2021 Bonds, [plus an original issue premium in the aggregate amount of $_____________] less an underwriting discount of $____________) pursuant to a Bond Purchase Agreement between the City and the Representative, on behalf of the Underwriters (the "*Bond Purchase Agreement*") and to reoffer the Series 2021 Bonds at public offering prices not higher than or at yields not lower than those set forth on the inside cover page hereof. The Bond Purchase Agreement provides that the Underwriters will purchase all of the Series 2021 Bonds, if any are purchased. The Underwriters reserve the right to join with dealers and other underwriters in offering the Series 2021 Bonds to the public. The obligations of the Underwriters to accept delivery of the Series 2021 Bonds are subject to various conditions of the Bond Purchase Agreement.

The Underwriters may offer and sell the Series 2021 Bonds to certain dealers (including depositing the Series 2021 Bonds into investment trusts, which investment trusts may be sponsored by an Underwriter) and others at prices lower than the public offering prices stated on the inside cover page hereof. The initial public offering prices may be changed from time to time by the Underwriters.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, investment management, principal investment, hedging, financing and brokerage activities. Certain of the Underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various investment banking services for the City, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the City.

The following language has been provided by the Underwriters named herein. The City takes no responsibility as to the accuracy or completeness thereof.

Citigroup Global Markets Inc., an underwriter of the Series 2021 Bonds, has entered into a retail distribution agreement with Fidelity Capital Markets, a division of National Financial Services LLC (together with its affiliates, "*Fidelity*"). Under this distribution agreement, Citi may distribute municipal securities to retail investors at the original issue price through Fidelity. As part of this arrangement, Citi will compensate Fidelity for its selling efforts.

[To be provided]

MUNICIPAL ADVISOR

PFM is serving as municipal advisor to the Department for the issuance of the Series 2021 Bonds. PFM is not obligated to undertake, and has not undertaken, either to make an independent verification of or to assume responsibility for, the accuracy, completeness, or fairness of the information contained in this Official Statement. PFM is an independent financial advisory firm and is not engaged in the business of underwriting, trading or distributing securities. PFM is a registered municipal advisor with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board under the Dodd-Frank Act of 2010.

CONTINUING DISCLOSURE

The City will enter into a Continuing Disclosure Agreement (the "*CDA*"), in substantially the form attached hereto as APPENDIX F, for the benefit of the beneficial owners of the Series 2021 Bonds to send certain information annually and to provide notice of certain events to the Municipal Securities Rulemaking Board pursuant to the requirements of Section (b)(5) of Rule 15c2-12 (the *"Rule")* adopted by the Securities and Exchange Commission (the *"Commission")* under the Securities Exchange Act of 1934. In the CDA, the City will agree to use diligent efforts to require certain "obligated persons" (at this time only Delta) to provide certain annual financial information and operating data, unless the City is no longer required to do so under the Rule. The City has not undertaken to provide additional information regarding any person that is not obligated under the AUA, a lease or other agreement having a term of more than one year to pay a portion of the debt service on the Series 2021 Bonds and providing at least twenty percent (20%) of the Revenues of the Department for the prior two (2) Fiscal Years. Delta has agreed in the AUA to provide the City such information with respect to Delta as the City may reasonably request in order for the City to comply with the requirements of the Rule.

A failure by the City to comply with the CDA will not constitute a default under the Indenture and beneficial owners of the Series 2021 Bonds are limited to the remedies described in the CDA. A failure by the City to comply with the CDA must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Series 2021 Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Series 2021 Bonds and their market price. See "FORM OF CONTINUING DISCLOSURE AGREEMENT" attached hereto as APPENDIX F for the information to be provided, the events which will be noticed on an occurrence basis and the other terms of the CDA, including termination, amendment and remedies.

The City entered into a CDA with respect to the Series 2017 Bonds in February 2017, and the City entered into an additional CDA with respect to the Series 2018 Bonds in October 2018. Prior to February 2017, the City did not have any bonds secured by Net Revenues of the Airport System outstanding within the period ending five (5) years before the date of this Official Statement. The City has complied fully with its continuing disclosure obligations with respect to its Airport Revenue Bonds for the preceding five years.

The City has entered into a number of continuing disclosure undertakings with respect to the bonds it has issued for facilities and functions unrelated to the Airport. The City does not believe that these other continuing disclosure agreements or its compliance with them is material to holders of the Bonds.

MISCELLANEOUS

All quotations from, and summaries and explanations of the Utah Constitution, statutes, programs, laws of the State, court decisions and the Indenture, which are contained in this Official Statement do not purport to be complete and reference is made to said Constitution, statutes, programs, laws, court decisions and the Indenture for full and complete statements of their provisions.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of facts. This Official Statement is not to be construed as a contract between the City or the Underwriters and the purchasers or owners of any of the Series 2021 Bonds.

The appendices attached hereto are an integral part of this Official Statement and should be read in conjunction with the foregoing material.

The delivery of this Official Statement and its distribution and use have been duly authorized by the City.

SALT LAKE CITY CORPORATION

By: ______________________________________
Erin J. Mendenhall, Mayor

SALT LAKE CITY DEPARTMENT OF AIRPORTS

By: ______________________________________
Bill Wyatt, Executive Director

APPENDIX A
COMPREHENSIVE ANNUAL FINANCIAL REPORT

APPENDIX B
REPORT OF THE AIRPORT CONSULTANT

SLC INTERNATIONAL

Appendix B: Report of the Airport Consultant

Airport Revenue Bonds, Series 2021
Salt Lake City International Airport

DRAFT 4 – May 10, 2021

PREPARED FOR
Salt Lake City Department of Airports

PREPARED BY
Landrum & Brown, Incorporated

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July XX, 2021

Mr. William W. Wyatt
Executive Director
Salt Lake City Department of Airports
Salt Lake City International Airport
3920 West Terminal Drive
Salt Lake City, Utah 84122

Re: Report of the Airport Consultant, Salt Lake City, Utah, Airport Revenue Bonds, Series 2021A (AMT) and Series 2021B (Non-AMT), Salt Lake City International Airport

Dear Mr. Wyatt:

Landrum & Brown, Incorporated (L&B), in association with Airmac LLC, is pleased to submit this Report of the Airport Consultant (Report) for the proposed issuance by Salt Lake City, Utah, of its Airport Revenue Bonds, Series 2021A (AMT) and Series 2021B (Non-AMT) herein referred to collectively as the Series 2021 Bonds. This independent Report has been prepared for the Salt Lake City Department of Airports (Department) to support its planned issuance of the Series 2021 Bonds and is intended to be included in the Official Statement for the Series 2021 Bonds as Appendix B, Report of the Airport Consultant. All capitalized terms in this Report are used as defined in the Official Statement relating to the Series 2021 Bonds or the Master Trust Indenture, except as otherwise defined herein.

Salt Lake City International Airport (Airport) is owned by Salt Lake City, Utah (City) and operated by the City through the Department. The Mayor of the City, the City Council and an 11-member advisory board (Airport Advisory Board) of citizen volunteers oversee its affairs. The Airport Advisory Board provides advice with respect to broad matters of policy affecting the operation of the Airport System, while the Mayor and City Council oversee the Department's affairs. The Airport comprises approximately 9,400 acres of land in Salt Lake County, Utah. It is located approximately five miles west of the City's downtown. The Airport is generally isolated from other airport competition and is the primary commercial air passenger and cargo service facility for the Salt Lake Valley, the State of Utah, and portions of southwestern Wyoming, southeastern Idaho, northeastern Nevada, and northwestern Colorado. The Department also operates two general aviation airports: South Valley Regional Airport in West Jordan and Tooele Valley Airport in Erda (Auxiliary Airports). These airports serve the general aviation needs of corporate and private aircraft in the region. The Department operates the Airport and the Auxiliary Airports together as an Airport System.

The day-to-day operations of the Airport System are managed by the Executive Director, who is appointed by and reports directly to the Mayor. The Executive Director leads the management staff of the Department along with the Department's Division Directors. Ten Directors are responsible for the following nine Divisions: Operations; Maintenance; Finance; Engineering; Planning and Environmental; Administration and Commercial Services; Communication and Marketing; Information Technology; and Operational Readiness, Activation, and Transition for the New SLC. The executive team of the Department is a full-time staff of professional and technical personnel located at the Airport.

The New SLC

The Department has completely redeveloped the Airport's landside and terminal facilities and has completed the initial phase of its new airside concourses. Forty-six of the 78 loading-bridge capable gates are complete and in-use, and the new airside concourse development is planned to be complete by late 2024. This redevelopment is comprised of two major capital programs known as the Terminal Redevelopment Program (TRP) and the North Concourse Program (NCP), as further described below. Collectively, these redevelopment programs are referred to as the New SLC (formerly referred to as the Airport Redevelopment Program). An overview of the TRP and the NCP is provided below, and additional details are contained in Chapter 4 of this Report.

The Terminal Redevelopment Program

In 2014, the Signatory Airlines (defined herein) operating at the Airport approved the implementation of the TRP through execution of a new Airline Use Agreement (AUA) that incorporates the TRP and is effective through June 30, 2024. As described below, the Department offered an extension of the AUA through June 30, 2034, which has been executed by Delta Air Lines (Delta). The TRP replaced all of the former aged and functionally obsolete terminal complex, including the development of a consolidated terminal facility, an attached linear airside concourse (Concourse A, formerly referred to has the South Concourse), and landside facilities at the Airport. In addition, the TRP addressed changes in the aviation industry and improved inherent operational inefficiencies of the former facilities. Other than the eastern half of Concourse A, the TRP has been completed and opened in September 2020. The remaining portion of Concourse A is planned to be completed in late 2023. It is currently estimated that the TRP will cost approximately $2.72 billion of which approximately $2.21 billion has already been spent as of March 31, 2021.

Additional details on the TRP and its primary components are contained in Chapter 4 of this Report.

The North Concourse Program

The NCP consists of a 31-gate midfield concourse and the development of an underground connecting tunnel from Concourse A of the TRP. The initial phase of the NCP that has provided 21 of the planned 31 gates on Concourse B (formerly referred to as the North Concourse) was completed and opened in October 2020. The development of the NCP eliminated the need to renovate and maintain former Concourses C, D, and F. In April 2016, the Signatory Airlines unanimously approved the implementation of the NCP. The remaining portions of Concourse B along with the new central underground tunnel are planned to be completed in the third quarter of 2025. When completed, it is currently estimated that the NCP will cost approximately $1.73 billion of which approximately $637 million has already been spent as of March 31, 2021. Additional details on the NCP and its primary components are contained in Chapter 4 of this Report.

The Series 2021 Bonds

The Series 2021 Bonds are being issued pursuant to the Master Trust Indenture and Third Supplemental Trust Indenture. As of July 2, 2021, the Department currently had $1.849 billion of debt outstanding consisting of the Series 2017 Bonds and Series 2018 Bonds. In addition, the Department has entered into a short-term revolving credit facility with JP Morgan Chase Bank, National Association, pursuant to which the City can access up to $300 million (Line of Credit) secured by one or more notes (Notes); which Notes constitute subordinate obligations under the Subordinate Obligation Trust Indenture. As of date, the Department has an outstanding balance of $xx million on the Line of Credit.

The Department has funded to date and expects to continue to fund the design and construction of the New SLC from a variety of sources, including Department funds, proceeds of airport revenue bonds, the Line of Credit (as an interim funding source), Passenger Facility Charges (PFCs), Customer Facility Charges (CFCs), and federal grants. In addition to the Series 2021 Bonds, the Department previously issued its $1.0 billion of Series 2017

Bonds and its $850.55 million of Series 2018 Bonds, and the Department currently expects that it will issue additional bonds to complete the funding for the New SLC.

Proceeds of the Series 2021 Bonds will be used to (1) fund a portion of the costs of the New SLC, (2) repay the current outstanding balance of the Line of Credit, (3) fund capitalized interest, (4) fund a deposit to the Common Debt Service Reserve Fund, and (5) pay the costs of issuance of the Series 2021 Bonds. The Series 2021 Bonds are special limited obligations of the City, secured by a pledge of Net Revenues derived by the Department from the operation of the Airport System.

Master Trust Indenture

The City is obligated under the Master Trust Indenture, referred to herein as the Master Indenture, to establish, fix, prescribe and collect rates, tolls, fees, rentals and charges in connection with the operation of the Airport System and for services rendered in connection therewith, so that during each Fiscal Year (FY) the Net Revenues, together with any Transfer from the Rolling Coverage Account, will be equal to at least 125% of Annual Debt Service on the Outstanding Bonds for such FY. In addition, the City has covenanted, while any Bonds are Outstanding, to establish, fix, prescribe, and collect rates, tolls, fees, rentals and charges in connection with the operation of the Airport System and for services rendered in connection therewith, so that Revenues in each FY will be at least equal to the following amounts: (i) Operation and Maintenance Expenses of the Airport System due and payable during such FY; (ii) the Annual Debt Service on any Outstanding Bonds required to be funded by the City in such FY as required by the Master Indenture or any Supplemental Indenture with respect to the Outstanding Bonds; (iii) the required deposits to the Common Debt Service Reserve Fund or any Series Debt Service Reserve Fund which may be established by a Supplemental Indenture; (iv) the reimbursement owed to any Credit Provider or Liquidity Provider as required by a Supplemental Indenture; (v) the interest on and principal of any indebtedness of the Department required to be funded during such FY, other than for Outstanding Bonds, but including Subordinate Obligations; and (vi) funding of any debt service reserve funds created with respect to any indebtedness of the Department, other than Outstanding Bonds, but including Subordinate Obligations.

Airline Use Agreement

The City entered into a 10-year AUA with the Signatory Airlines operating at the Airport effective on July 1, 2014 and expiring on June 30, 2024, except for the AUA with Delta that is effective through June 30, 2034 (as described below). The AUA establishes, among other things, procedures for setting and adjusting rentals, rates, fees and charges to be collected for the use of Airport facilities. As of the date of this Report, the Signatory Airlines at the Airport include Alaska Airlines, American Airlines, Delta, Frontier Airlines, JetBlue Airways, Southwest Airlines and United Airlines. Together, the Signatory Airlines accounted for 98.1% of enplaned passengers at the Airport in FY 2020.

In May 2018, The Department offered a 10-year extension to the AUA to all the Signatory Airlines operating at the Airport to extend all existing terms and conditions of the AUA through June 30, 2034. At this time, Delta is the only airline that has executed the 10-year AUA extension. Delta is the largest airline operating at the Airport with approximately 73% of the enplaned passengers in FY 2020. The Department is currently in discussions with the other Signatory Airlines regarding their execution of the AUA extension.

The AUA governs airline use of certain Airport facilities, including Airfield, Terminal, Terminal Aircraft Aprons, baggage claim, ticket counters and gate areas and permits the Signatory Airlines to lease Exclusive Use Premises, Preferential Use Premises, and Joint Use Premises. Exclusive Premises generally include office space, storage areas, airline club lounges, and employee break rooms; and Preferential Use Premises is Airport space, including holdroom areas and gates, ticket counters, and certain baggage makeup areas, leased to a Signatory Airline and to which the Signatory Airline has a higher and continuous priority of use over all other air carriers. Joint Use Premises generally include baggage claim areas and baggage makeup equipment. The AUA also contemplated the development of the TRP during the course of its term. Section 10.06 of the AUA specifies special provisions regarding the TRP including memorializing that the Signatory Airlines have approved and support the TRP. The NCP was not contemplated as part of the AUA; however, the Signatory Airlines approved its implementation in April 2016.

The AUA also provides for extraordinary coverage protection that allows the Department to collect additional payments from the Signatory Airlines to satisfy the Rate Covenant set forth in the Master Indenture if the Department expects it will not meet the Rate Covenant in any FY. More information on the AUA can be found in Chapter 5 of this Report.

Report of the Airport Consultant

In our preparation of this independent Report, we evaluated the ability of the Department to generate Revenues from operation of the Airport System sufficient to meet the funding requirements and obligations established by the Master Indenture during the projection period of FY 2022 through FY 2028. The following provides an overview of the primary findings and conclusions contained in the Report.

COVID-19 Impacts on the Aviation Industry and the Airport

COVID-19 is a respiratory disease caused by a novel strain of coronavirus. The World Health Organization (WHO) declared the outbreak of COVID-19 a public health emergency of international concern on January 30, 2020, and subsequently declared it a pandemic on March 11, 2020. As of March 15, 2021, WHO has reported over 119.6 million confirmed cases of COVID-19 and over 2.6 million deaths worldwide.[1] For the United States (U.S.), as of March 15, 2021, WHO reported over 29.1 million confirmed cases and over 529,000 deaths. In terms of confirmed cases and deaths, the U.S. has been the most impacted country in the world, representing more than 20% of total global numbers.[2] The State of Utah (State) has also been impacted by the COVID-19 pandemic. As of March 15, 2021, the Utah Department of Health reported that there were approximately 378,600 cases and 2,027 deaths related to COVID-19 in the State, which represents approximately 1.3% and 0.38% of the total U.S., respectively.[3] In terms of population, State is just under 1.0% of the total U.S. As of March 15, 2021, the State had approximately 11,802 confirmed COVID-19 cases per 100,000 people as compared to the nationwide average of 8,816 cases per 100,000.[4] In terms of COVID-19 deaths per 100,000 people, the State is below the national average of 160 at 63 as of March 15, 2021.[5]

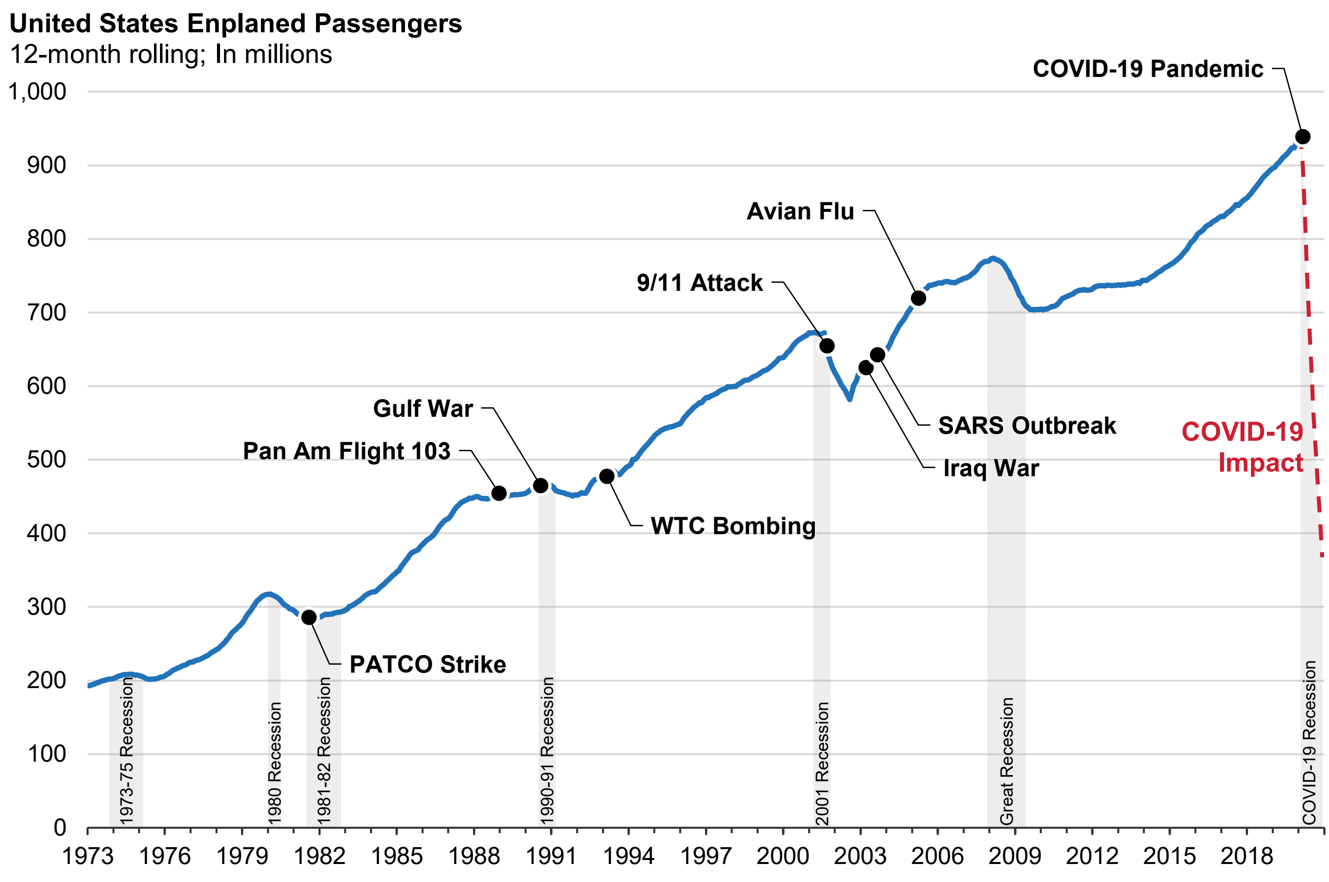
Along with all other airports in the U.S. and abroad, the Airport has been acutely impacted by the broad-based economic shutdown resulting from efforts to stop the spread of COVID-19, including reductions in flights and severe declines in the volume of passenger traffic. The COVID-19 pandemic has adversely affected domestic and international travel and travel-related industries. Airlines have reported unprecedented downturns in passenger volumes, which in turn, have prompted them to significantly reduce, and in many cases eliminate, both domestic and international scheduled service.

1 World Health Organization, WHO Coronavirus (COVID-19) Dashboard, https://covid19.who.int/table, accessed March 2021.
2 Ibid.
3 Utah Department of Health, Overview of COVID-19 Surveillance, https://coronavirus.utah.gov/case-counts/, accessed March 2021.
4 Centers for Disease Control and Prevention, CDC COVID Data Tracker, https://www.cdc.gov/covid-data-tracker/#cases, accessed March 2021.
5 Ibid.

Figure 1 illustrates the relative effect of the COVID-19 pandemic on annual U.S. passenger volumes as compared to the effect of prior significant events and situations in the U.S. on passenger traffic. As presented, the associated impacts of the COVID-19 pandemic have resulted in the largest passenger declines in aviation history. Chapter 1 of this Report provides information on COVID-19 prevention measures being undertaken by the State and Airport, economic impacts associated with the COVID-19 pandemic, a summary of aviation industry and Airport activity impacts, and a summary of Airport financial impacts.

It should be noted despite recent improved COVID-19 metrics and increased air travel activity, that impacts of the COVID-19 pandemic still are emerging, and at this time L&B is unable to fully quantify the effect that the COVID-19 pandemic will have on the region's economic base and the Airport and the length of time over which this effect will occur. The historical financial information and operating data set forth in this Report for the dates as of which such information and data are set forth and for the periods that occurred before the COVID-19 pandemic and the measures instituted to control such pandemic may not be indicative of future results or performance due to these and other factors. For a description of the Department's ongoing response to COVID-19 and related financial and operating effects on the Department and the Airport, see the section in the Official Statement titled "IMPACT OF COVID-19 PANDEMIC ON THE AIRPORT."

Figure 1 U.S. Aviation System Shocks and Recoveries



Note: Excludes non-revenue enplaned passengers.
Source: U.S. Bureau of Transportation Statistics, U.S. Air Carrier Traffic Statistics; National Bureau of Economic Research, U.S. Business Cycle Expansions and Contractions.

As described in Chapter 1 of this Report, because of certain unique characteristics of the Salt Lake City region, the Airport has not been as negatively impacted by the COVID-19 pandemic as the nation as a whole. A summary of these are as follows.

- The region has historically exhibited stronger employment trends than the nation as a whole. As of March 2021, the region's unemployment rate is 2.8% as compared to the overall U.S. of 6.2%.
- The region is in relatively close proximity to many national parks, state parks, and ski resorts that offer unique outdoor activities that are more conducive for visitors during the COVID-19 pandemic. Visitor traffic to these areas was robust during the latter portion of 2020 and early 2021.
- Passenger traffic at the Airport has not been as impacted as the overall U.S.
- Scheduled departing seats for the Airport for May 2021 as compared to May 2019 are up by 4.3%. The seat capacity for the nation is still down as compared to 2019 levels.
- As the 4th largest airport for Delta in terms of seat capacity, the Airport is currently scheduled to have an increase of 7.2% in departing seats for FY 2021 as compared to FY 2020. The Airport is the only airport within Delta's ten largest that is scheduled to have an increase in seats.

Role of the Airport

The Airport serves two distinct roles for passenger air transportation: origin-destination (O&D), for passengers beginning or ending their trip at the Airport, and as Delta's primary connecting hub for the inter-mountain region and the western U.S. Based on data for calendar year (CY) 2019, the Airport was classified by the Federal Aviation Administration (FAA) as a Large Hub facility based upon its share of nationwide enplaned passengers. Based on data from the FAA, approximately 12.8 million enplaned passengers boarded aircraft at the Airport in CY 2019, ranking the Airport 23rd in the U.S. The Airport has a diverse, stable base of air carriers. Four of the U.S. network airlines along with two low-cost carriers (LCCs) and one ultra-low-cost carrier are Signatory Airlines at the Airport. The Airport serves a large and growing O&D market. Per the U.S. Department of Transportation in FY 2020, an estimated 58% of the Airport's enplaned passengers were O&D. The Airport is also a primary connecting hub airport for Delta. Delta accounted for approximately 73% of enplaned passengers at the Airport in FY 2020 consisting of both O&D and connecting passengers (estimated at 47% O&D and 53% connecting).

Economic Base for Air Traffic

The Airport is the primary commercial air service facility serving the Salt Lake City metropolitan area and the surrounding region and is located far from other comparable airports. The geographical region that serves as an airport's primary air service catchment area can be referred to as its 'Air Service Area.' For the purposes of this Report, the Airport's Air Service Area is defined as the Salt Lake City-Provo-Orem Combined Statistical Area (CSA), which includes the following 10 counties in Utah: Box Elder, Davis, Juab, Morgan, Salt Lake City, Summit, Tooele, Utah, Wasatch, and Weber. The Salt Lake City-Provo-Orem CSA is the 22nd most populated CSA in the U.S., with approximately 2.3 million people, and comprises over 82% of the population for the State of Utah.

The Air Service Area's economic strength is evaluated in Chapter 2 of this Report. The Air Service Area has historically exhibited more favorable trends in population growth, educational attainment, employment, and household income than the U.S., and these trends are projected to continue.

The economy in the Air Service Area is also connected to visitors to the region, including both leisure and business travelers. The Air Service Area is in relatively close proximity to many national parks (including the Mighty 5), state parks, and ski resorts that offer visitors unique and exceptional activities in an open and outdoor natural setting more conducive to restrictions in place during pandemics. Many of these activities have been as popular as ever during the COVID-19 pandemic.

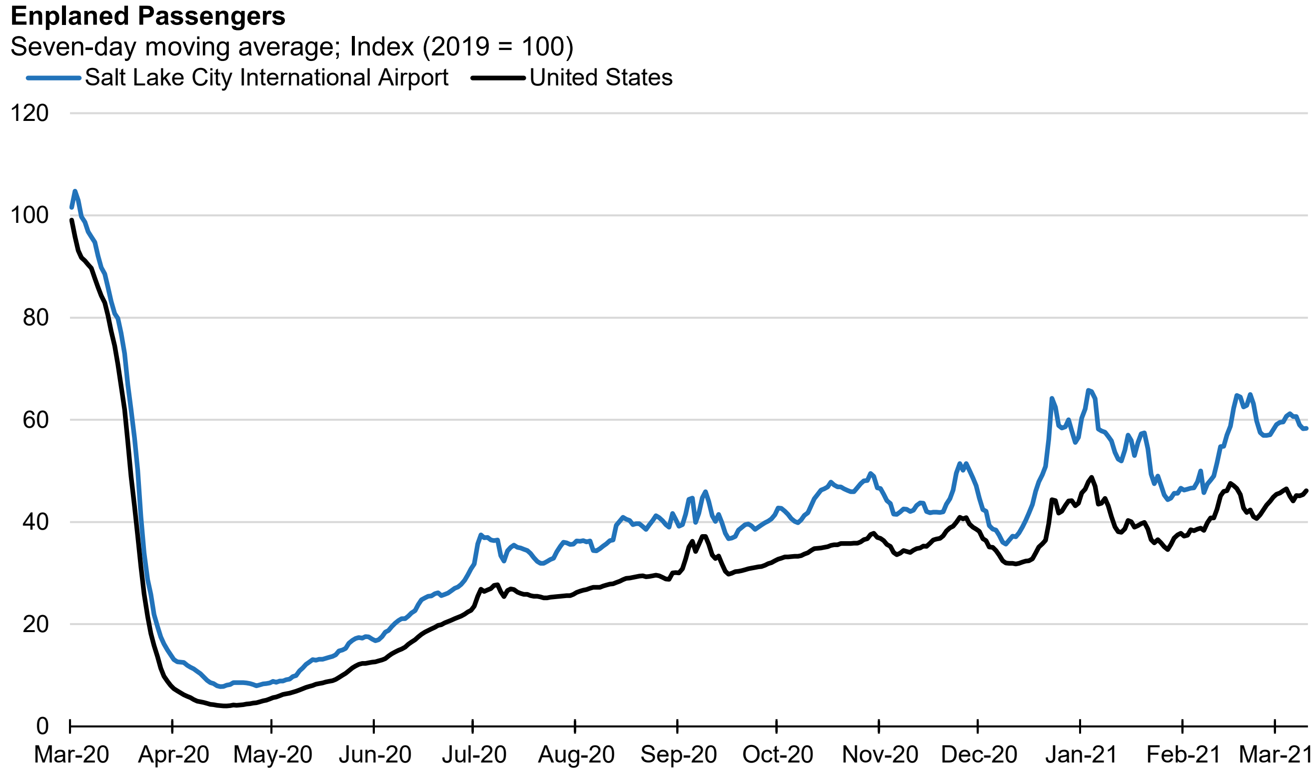
While, overall, the associated impacts and restrictions resulting from the COVID-19 pandemic have negatively affected the regional economy, tourism, conventions, and events over the past year, the Air Service Area has fared better than the national economy. It is anticipated the economy will continue its recovery as the spread of COVID-19 is controlled, which will further stimulate demand for air travel. More information on the economic base for air transportation is contained in Chapter 2.

Air Service and Air Traffic Analysis

Prior to the impacts associated with the COVID-19 pandemic, between FY 2012 and FY 2019, total enplaned passengers at the Airport increased from approximately 10.1 million to approximately 13.1 million, an overall compound annual growth rate (CAGR) of approximately 3.7% for this period. The last few months of FY 2020 were significantly impacted by the pandemic and passenger traffic declined precipitously. In March 2020, passengers were down 49.2% as compared to March 2019 and decreased to a low of 91.9% down in April 2020 as compared to April 2019. In May 2020 and June 2020, enplaned passengers started to recovery as they were down 85.8% and 75.9%, respectively from the same months in 2019. For the entire FY 2020, enplaned passengers decreased by 22.9% from FY 2019 to 10.1 million enplaned passengers. In FY 2021, enplaned passengers are estimated to be approximately 6.7 million, which is about 51% of FY 2019 levels.

While these enplaned passenger decreases are substantial, the Airport has not been as negatively impacted as the U.S. as a whole. **Figure 2** depicts the impacts associated with the COVID-19 pandemic to passenger checkpoint throughput at both the Airport and for the overall U.S per data from the Transportation Security Administration (TSA). This figure presents the recovery trend for passenger checkpoint throughput indexed to 2019 levels (i.e., 2019 levels equal 100). As shown, during the early days of the pandemic, the impact to the Airport's checkpoint throughput tracked closely with the general nationwide trend, but, was slightly better. The recovery at the Airport has been more pronounced than the nation overall, especially, as we have moved on from the early days of the pandemic. For the weekly average in early March 2021, the Airport was around 58% of the 2019 throughput compared to about 46% for the U.S.

Figure 2 Comparison of Airport and U.S. TSA Checkpoint Passengers



Sources: Salt Lake City Department of Airports, accessed March 2021.
Transportation Security Administration, accessed March 2021.

L&B prepared the air traffic activity projections included in this Report. The baseline projection in the Report is based on a number of assumptions. Most notably, it assumes that the Airport will recover back to FY 2019 enplaned passenger levels in FY 2024 and, thereafter, the underlying economic conditions of the Air Service Area and a return to historical connecting passenger levels by Delta are expected to be the primary driver for passenger demand at the Airport. Additional key assumptions are listed below:

- Recovery back to "pre-COVID-19" air traffic levels will require (1) a restoration of passenger confidence from a public health standpoint along with (2) an economic recovery.
- The U.S. Gross Domestic Product (GDP) will continue its ongoing recovery and will return to 2019 levels during the first quarter 2022.
- Population or herd immunity through ongoing vaccinations and natural immunity will be achieved sometime in late 2021.
- Leisure air travel will recover faster from the impacts associated with the COVID-19 pandemic than compared to business air travel. With the emergence of video and virtual online technologies over 2020, it is assumed that a small percentage of business travel will not return over the projection period (about 8%).
- The Airport will recover back to historical percentages of O&D and connecting passengers and the Airport will remain a hub for Delta.
- The other major carriers currently serving the Airport will continue to provide air service to support local demand.
- The recovery of trans-oceanic international service is assumed to lag that of domestic traffic.
- The return to longer-term national air traffic growth trends will occur by 2024.

Given the uncertainty of the level of impact of the COVID-19 pandemic, and the duration of the recovery from such impacts, L&B also prepared a slower recovery enplaned passengers projection. For additional details on the slower recovery projection scenario, please refer to Section 3.4.5 herein. **Table 1** presents the baseline and slower recovery enplaned passengers projections.

Table 1 Enplaned Passengers Projection [Subject to Change]

Fiscal Year	Enplaned Passengers (in thousands)	
	Baseline	Slower Recovery
2019 (actual)	13,090	13,090
2020 (actual)	10,096	10,096
2021	6,692	6,692
2022	11,507	8,246
2023	12,522	11,035
2024	13,070	11,686
2025	13,418	12,002
2026	13,695	12,253
2027	13,953	12,487
2028	14,132	12,650
Compound Annual Growth Rate		
2019-20	(22.9%)	(22.9%)
2020-21	(33.7%)	(33.7%)
2021-28	11.3%	9.5%
2019-28	0.9%	(0.4%)

Note: These projections are based on current expectations and information and are not intended as a representation of facts or guarantee of results.
Sources: Salt Lake City Department of Airports (actual data); L&B (estimated and projected data).

It is important to note that many of the factors affecting air travel demand are not necessarily quantifiable. As a result, all projections are subject to uncertainty. While the global COVID-19 pandemic is currently ongoing, other economic disturbances could occur over the projection period. Therefore, these projection scenarios, as with any projections, should be viewed as a general indication of future aviation activity as opposed to a precise prediction. Actual future traffic is likely to vary from these projections, and such variances could be material.

Capital Improvement Program

For purposes of this Report, the Department's current capital program is organized into the following categories, each of which is discussed in the sections that follow in this chapter of the Report:

The New SLC: The New SLC consists of both the TRP and NCP as described below:

- **The Terminal Redevelopment Program**: The TRP is the major capital program currently under construction that has completely replaced and rebuilt the Airport's landside and terminal facilities and is currently replacing its airside concourse facilities over the next few years in conjunction with the NCP. The western portion of the airside concourse (Concourse A) was opened in September 2020 and is operational. The TRP has been funded, in part, with proceeds of the Series 2017 Bonds and the Series 2018 Bonds, and is also intended to be funded, in part, with proceeds of the Series 2021 Bonds and

Additional Bonds along with other funding sources to be described later. The capital and operating costs associated with the TRP have been included in the financial analysis in this Report and are further described in Chapter 5.

- **The North Concourse Program**: The NCP is also currently under construction and includes the development of a midfield airside concourse (Concourse B) to the north of the new airside concourse to be developed simultaneously with the TRP (i.e., Concourse A). The western portion of Concourse B opened in October 2020 and is currently operational. The eastern portion of Concourse B is anticipated to be opened during the fourth quarter of 2024 with full operation of Concourse B by the fourth quarter of 2025. The NCP has been funded, in part, with proceeds of the Series 2017 Bonds and the Series 2018 Bonds, and is also intended to be funded, in part, with proceeds of the Series 2021 Bonds and Additional Bonds along with other funding sources to be described later. The capital and operating costs associated with the NCP have been included in the financial analysis in this Report and are further described in Chapter 5.

Other Capital Projects: These projects are in addition to the elements of the New SLC and are the other Airport System capital projects that currently are anticipated by the Department to be undertaken over the projection period, or from FY 2022 through FY 2028. Such projects are referred to in this Report as the 'Other Capital Projects.' The estimated capital funding and operating costs, if any, and estimated revenue impacts, if any, associated with the Other Capital Projects have also been included as part of the financial analysis in this Report.

The New SLC, including the increased cost for the NCP as described above, is estimated to cost approximately $4.45 billion, including design, engineering, construction, escalation for inflation, and contingency amounts, but excluding financing costs. Sources of funding for the New SLC are presented in Exhibit A of this Report. Approximately $2.84 billion of project costs have already been incurred through March 2021. Proceeds of the Series 2017 Bonds and Series 2018 Bonds have funded and continue to fund portions of the New SLC and proceeds of the planned Series 2021 Bonds and proceeds of other future additional bonds are also planned to fund a portion of the New SLC, as well as, utilizing the Line of Credit as an interim funding source.

Other Capital Projects currently anticipated by the Department to be undertaken and/or completed during the projection period are also shown in Exhibit A. Preliminary cost estimates for the Other Capital Projects total approximately $308 million for the period of FY 2021 through FY 2028. It should be noted that certain capital projects included in Other Capital Projects could potentially be deferred or not otherwise undertaken by the Department during the projection period depending on circumstances such as aviation demand levels, availability of project funding, etc.

Financial Analysis

L&B evaluated the ability of the Airport System to generate Net Revenues sufficient to meet the funding requirements and obligations established by the Master Indenture during the projection period of FY 2022 through FY 2028. Per our analysis, the Department is projected to produce sufficient Net Revenues, which, together with Transfers from the Rolling Coverage Account, will at least equal 125% of debt service on the outstanding Bonds, the Series 2021 Bonds, and projected future additional Bonds.

The Department is projected to meet its requirements and obligations established by the Master Indenture and maintain airline cost per enplaned passenger (CPE) levels generally in-line with other large hubs in the western U.S. **Table 2** below presents projections of debt service coverage ratios and airline CPE. Please refer to Section 5.10 of this Report for financial results related to the slower recovery enplaned passengers projection.

Table 2 Debt Service Coverage and Passenger Airline CPE Projections

Fiscal Year	Debt Service Coverage Ratio	Airline CPE
2022	1.43	$11.59
2023	1.67	$11.12
2024	1.40	$17.13
2025	1.44	$18.05
2026	1.40	$17.32
2027	1.38	$17.55
2028	1.38	$17.74

Source: Landrum & Brown, Inc.

L&B prepared the aviation activity and financial projections included in this Report along with various underlying assumptions. In preparing our findings and conclusions, L&B has relied upon the accuracy and completeness of certain assumptions, financial data, and other data provided to it by the referenced sources, without independent verification; however, L&B has reviewed the projections and assumptions with the Department and has no reason to believe such assumptions and data are materially incorrect.

The techniques and methodologies used in preparing this Report are consistent with industry practices for similar studies in connection with airport revenue bond sales. Although L&B believes that the approach and assumptions used are reasonable and provide an appropriate basis for the financial projections, any projection is subject to uncertainties. Inevitably, some assumptions used to derive the projection contained herein will not be realized, and unforeseeable events may occur. The actual financial results achieved will vary from those projected, and such variations could be material. We have no responsibility to update this Report for events and/or circumstances occurring after the date of this Report.

L&B is not registered with the U.S. Securities & Exchange Commission as a municipal advisor, is not acting as a municipal advisor, and does not assume any fiduciary duties or provide advisory services as described in Section 15B of the Securities Exchange Act of 1934 or otherwise. L&B does not make recommendations or advice regarding any action to be taken by our clients with respect to any prospective, new, or existing municipal financial products or issuance of municipal securities including with respect to the structure, timing, terms or other similar matters concerning municipal financial products or the issuance of municipal securities.

L&B, in association with Airmac LLC, appreciates this opportunity to serve as the Department's Airport Consultant for this proposed financing.

Sincerely,

Landrum & Brown, Incorporated

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1 COVID-19 Impacts on the Aviation Industry and the Airport

Coronavirus disease 2019 (COVID-19) is a respiratory disease caused by a novel strain of coronavirus. The World Health Organization (WHO) declared the outbreak of COVID-19 a public health emergency of international concern on January 30, 2020, and subsequently declared it a pandemic on March 11, 2020. As of March 15, 2021, WHO has reported over 119.6 million confirmed cases of COVID-19 and over 2.6 million deaths worldwide.[6] For the United States (U.S.), as of March 15, 2021, WHO reported over 29.1 million confirmed cases and over 529,000 deaths. In terms of confirmed cases and deaths, the U.S. has been the most impacted country in the world, representing more than 20% of total global numbers.[7] The State of Utah (State) has also been impacted by the COVID-19 pandemic. As of March 15, 2021, the Utah Department of Health reported that there were approximately 378,600 cases and 2,027 deaths related to COVID-19 in the State, which represents approximately 1.3% and 0.38% of the total U.S., respectively.[8] The State is just under 1.0% of the total U.S. population. As of March 15, 2021, the State had approximately 11,802 confirmed COVID-19 cases per 100,000 people as compared to the nationwide average of 8,816 cases per 100,000.[9] In terms of COVID-19 deaths per 100,000 people, the State is below the national average of 160 at 63 as of March 15, 2021.[10]

Since the first reported U.S. cases in January 2020, there has been a focus on containing the disease by prohibiting non-essential travel, limiting person-to-person contact, and restricting travel into the U.S. of certain foreign nationals.[11] Across the U.S., states and local governments, including the State, initially issued “stay at home” or “shelter in place” orders designed to restrict movement and limit businesses and activities to essential functions, which substantially reduced activities that normally engaged or facilitated air travel. While stay at home orders have generally been lifted in the U.S., air travel has not yet recovered and is generally only about 55% to 60% of 2019 levels as of late April 2021; however, the recovery has accelerated somewhat in recent weeks.

International travel has been more heavily impacted by the impacts associated with the COVID-19 pandemic. Other countries have effectively closed their borders by restricting entry and exit to only essential travel during the initial period of the COVID-19 pandemic, and while these restrictions are gradually being lifted, many countries around the world have restricted entry to U.S. citizens, including the European Union and Canada.

The Salt Lake City International Airport (Airport or SLC), along with all other airports in the U.S. and abroad, has been acutely impacted by the broad-based economic shutdown resulting from efforts to stop the spread of COVID-19, including reductions in flights and declines in passenger volumes. The COVID-19 pandemic has adversely affected domestic and international travel and travel-related industries. Airlines have reported unprecedented downturns in passenger volumes, which, in turn, have prompted them to significantly reduce service. A recovery of air travel is underway and the Airport and the nation have been experiencing increases in air traffic since the low point in April 2020. A full recovery of air traffic to levels experienced in 2019, however, is not expected to occur for a few years.

6 World Health Organization, WHO Coronavirus (COVID-19) Dashboard, https://covid19.who.int/table, accessed March 2021.
7 Ibid.
8 Utah Department of Health, Overview of COVID-19 Surveillance, https://coronavirus.utah.gov/case-counts/, accessed March 2021.
9 Centers for Disease Control and Prevention, CDC COVID Data Tracker, https://www.cdc.gov/covid-data-tracker/#cases, accessed March 2021.
10 Ibid.
11 President of the U.S. Executive Proclamation, January 31, 2020

This purpose of this chapter is to provide a concise summary of how the State, Salt Lake City metropolitan region, and the Airport have been affected by the COVID-19 pandemic in relation to the overall U.S. and identify factors and trends that appear unique to the region. As described in this chapter and in the Report, overall the Salt Lake City metropolitan region and the Airport have not been as negatively affected as the nation as a whole by the COVID-19 pandemic. While the Report is intended to be read in its entirety for the full context of the impacts associated with the COVID-19 pandemic, this chapter summarizes the following areas on how the region, Department, and the Airport have been impacted and how such impacts appear to be somewhat unique from national trends.

- Background on the national, State, and Department COVID-19 responses;
- unique economic impacts;
- aviation industry and air traffic activity impacts;
- impacts to the Department's capital program; and
- a summary of Airport financial assistance and relief measures.

It should be noted that impacts of the COVID-19 pandemic are still emerging at this time and Landrum & Brown, Incorporated (L&B) is unable to fully quantify the effect that the COVID-19 pandemic will have on the region's economic base and the Airport and the length of time over which this effect will occur. The historical financial information and operating data set forth in this Report for the dates as of which such information and data are set forth and for the periods that occurred before the COVID-19 pandemic and the measures instituted to control such pandemic may not be indicative of future results or performance due to these and other factors. For a description of the Salt Lake City Department of Airport's (Department's) ongoing response to COVID-19 and related financial and operating effects on the Department and the Airport, see the section in the Official Statement titled "*IMPACT OF COVID-19 PANDEMIC ON THE AIRPORT*."

1.1 COVID-19 Response

1.1.1 Federal

The Federal Reserve Bank acted in March 2020 after stock market indices dropped precipitously and credit markets began to freeze. Federal Reserve Chair Powell called an emergency meeting of the Federal Reserve, cut interest rates to near zero, and, with the U.S. Treasury, offered $3 trillion in lending to banks, businesses, cities, and states. With that assurance, the credit markets began to function again. Congress passed $2.4 trillion in coronavirus relief packages in March and April 2020, a second package of a $900 billion coronavirus relief bill in December 2020, and a third package of $1.9 trillion in March 2021 aimed at mitigating the continuing effects of the COVID-19 pandemic.

The COVID-19 crisis is different from the 2008 Great Recession since it is a public health emergency and not caused by fundamental economic imbalances. The Federal Reserve and Congress have taken measures to mitigate the economic effects of COVID-19 and, when the virus outbreak is under control, it is assumed that the economy should be able to substantially recover. However, many economic activities will be in a state of suspension until COVID-19 vaccines are more widely available and states relax local stay-at-home mandates.

In early February 2021, the federal government invoked the Defense Production Act to assist vaccine makers Pfizer and BioNTech to scale up production. The federal government had contracts in place for 600 million vaccine doses in the first half of the year (sufficient for 300 million people under a two-dose protocol).

Pfizer announced that it expects to deliver 200 million vaccine doses to the U.S. by May 2021 (two months earlier than its July 2021 target); its global estimate is two billion doses by December 2021, up from 1.3 billion doses. Moderna raised its vaccine production estimate to 600 million doses in 2021, 100 million more than its initial estimate. Johnson & Johnson's Ad26.COV2.S single-shot vaccine was also authorized by the U.S. FDA. With assistance from Merck & Co., Johnson & Johnson was originally expected to ship 100 million doses in the first half of 2021. However, on April 13, 2021, use of the Johnson & Johnson vaccine was halted as federal health agencies called for a pause in the vaccine's use to examine cases of a rare blood-clotting disorder. The pause was lifted in April 2021. Two other vaccines from Novavax and AstraZeneca are expected to be available in 2021 if they receive Emergency Use Authorization (EUA) from the FDA. [12] As of February 16, 2021, more than 70.0 million doses have been distributed with nearly 52.9 million people receiving the first dose and nearly 14.1 million receiving the second dose.[13] This equates a little more than four percent of Americans are completely vaccinated with 16.0% awaiting the second doses.

1.1.2 The State

The former Governor of the State, Gary Herbert, declared a state of emergency to facilitate the State's response to COVID-19 on March 6, 2020 the same day the first active case of COVID-19 was confirmed in Utah in Davis County.[14] On March 17, 2020, former Governor Herbert ordered restaurants and bars to suspend dine-in service, and limit group gatherings to 10 people to stem the spread of COVID-19 in the State.[15] On March 18, 2020, a 5.7 Magnitude earthquake struck the Salt Lake City metropolitan area.[16] The earthquake caused power outages, damage to buildings in the area, and temporarily caused the Airport to close; however, no serious injuries to people in the region were reported.[17] No significant damage was experienced at the Airport. At that time the State was responding to two major issues. On March 29, 2020, former Governor Herbert issued the "Stay Safe, Stay Home" directive to reduce risk of COVID-19 transmission and minimize the impact on local hospitals.[18] This executive order was similar in nature to the "stay at home" orders implemented in states across the U.S. to mitigate the spread of COVID-19.On April 9, 2020, former Governor Herbert issued an Executive Order that individuals entering the State fill out a travel form. This applied to individuals entering via road as well as the Airport.[19] As the country and region continues to recover and people become vaccinated, the State has relaxed and removed these early executive orders that initially restricted the movement of people and dine-in restaurant service. Such activities are guided by the public health order described below.

12 "Biden Harnesses Defense Production Act to Speed Vaccinations and Production of Protective Equipment," *Washington Post*, 5 February 2021, https://www.washingtonpost.com/health/2021/02/05/biden-vaccines-tests-gloves; "How New Vaccine News Gives Hope for Spring, if Enough People Get the Shots," *The New York Times*, 3 February 2021, https://www.nytimes.com/2021/02/03/health/covid-vac cines.html; "Covid-19 Vaccine Makers Take Aim at Dangerous New Strains," *The Wall Street Journal*, 4 February 2021, https://www. wsj.com/articles/covid-19-vaccine-makers-take-aim-at-dangerous-new-strains-11612357201; "Moderna Raises Covid-19 Vaccine Production Estimate," *The Wall Street Journal*, 5 January 2021, https://www.wsj.com/articles/moderna-raises-covid-19-vaccine-production-estimate-11609861657; "Pfizer, BioNTech Boost Vaccine Production Goal To 2 Billion Doses In 2021," *Forbes*, 12 January 2021, https://www.forbes. com/ sites/katiejennings/2021/01/12/pfizer-biontech-boost-vaccine-production-goal-to-2-billion-doses-in-2021/?sh=21c46c6a48a5, accessed February 2021.

13 CDC COVID Data Tracker accessed at https://covid.cdc.gov/covid-data-tracker/#vaccinations

14 "Utah COVID-19 Response Storymap", State of Utah, https://storymaps.arcgis.com/collections/caf8b840306d4307a826ea7c19844464?item=2, accessed March 2021.

15 Ibid.

16 Ibid.

17 "Utah's big earthquake: Buildings damaged, but no major injuries, as state braces for days of aftershocks", Salt Lake City Tribune, March 18, 2020, https://www.sltrib.com/news/2020/03/18/earthquake-hits-utahs/, accessed March 2021.

18 "Utah COVID-19 Response Storymap", State of Utah, https://storymaps.arcgis.com/collections/caf8b840306d4307a826ea7c19844464?item=2, accessed March 2021.

19 Ibid

Effective February 24, 2021, the Utah Department of Heath issued State Public Health Order 2021-7 to update the statewide COVID-19 restrictions. Under this order, the State moved to new transmission index-based requirements for individuals and businesses. The transmission index clarifies the public health metrics used to determine which counties are placed in which transmission level. Counties will be placed in one of three transmission levels: High, Moderate, or Low. A transmission level is determined if a county has two of the three metrics, as follows.[20]

- High:
  - 7-day average percent positivity over 10%
  - 14-day case rate per 100,000 population over 325
  - 7-day average statewide ICU utilization over 72%, and COVID-19 ICU utilization greater than or equal to 15%
- Moderate:
  - 7-day average percent positivity between 5.1% and 9.9%
  - 14-day case rate per 100,000 population between 101 and 324
  - 7-day average statewide ICU utilization between 69% and 71.9%, and COVID-19 ICU utilization between 6% and 14.9%
- Low:
  - 7-day average percent positivity under 5%
  - 14-day case rate per 100,000 population less than or equal to 100
  - 7-day average statewide ICU utilization under 68.9% and COVID-19 ICU utilization less than or equal to 5.9%

These levels correspond directly to case rates, positivity rates, and intensive care unit (ICU) utilization. Data is analyzed weekly, and counties are placed into a transmission level depending solely on what their data show. Changes from a lower level to a higher level may occur weekly.[21] Specific recommendations are provided for social gatherings, restaurants, bars, workout gyms, public gatherings, organized sports and activities, and schools based on the transmission index for the applicable county. As of April 22, 2021, one county was in the High level, 15 counties in the Moderate levels, and 13 counties in the Low level. Most of the counties in the Salt Lake City region are currently in the Moderate level, with the exception of Juab County which is in the Low level of transmission.[22]

1.1.3 The Department

Specifically related to the Airport, the Department implemented several efforts and processes to help prevent the spread of COVID-19 to help ensure the health safety of airline passengers, employees, and others working at the Airport.[23] To promote health and safety, the Department through its 'SLC Fly Healthy Promise' has implemented the following:

- Enhanced efforts to clean facilities with increased sanitization and disinfecting of high touch areas throughout the Airport;
- Added hand sanitizer stations, installed handrail cleaning systems, placed plexi-guard shields in key locations, and implemented misting/fogging in seating areas;
- Practiced physical distancing throughout the Airport;

[20] "COVID-19 Transmission Index", Utah Department of Health, Coronavirus Utah.gov, https://coronavirus.utah.gov/utah-health-guidance-levels/#, accessed April 2021.
[21] Ibid.
[22] Ibid.
[23] "SLC Fly Healthy Promise", Salt Lake City Department of Airports, https://slcairport.com/customer-assistance/travel-advisory-2/, accessed March 2021.

- Required that face coverings be worn by all Airport workers and anyone entering the terminal;
- Added touchless fixtures to all restrooms;
- Allowed only individuals with an airline ticket, Airport badge or Airport authorization in the public areas of the Airport;
- Required that all drop-offs and pick-ups of passengers be done curbside in designated locations or in the parking garage; and
- Allowed one individual to accompany a ticketed passenger if that passenger needs assistance.

The New SLC (defined herein) implementation teams recognized at the start of the COVID-19 pandemic that measures needed to be quickly put in place to ensure the health of the trade workers onsite. Written COVID-19 procedures were published in early March 2020 and processes were immediately put in place that included temperature checks at all points of entry to the construction sites, mandatory mask requirements, additional hand-washing/sanitizing stations/boot-washing stations, additional building-cleaning and sanitizing, reporting requirements, daily electronic educational newsletters, and jobsite signage. The measures put in place and reinforced on a daily basis allowed the construction to remain open, to receive high marks on three different county health department inspections, to peak at 1,950 trade workers, and to remain on schedule for the initial phase openings in September 2020 and October 2020.

1.2 Unique economic Impacts related to the COVID-19 Pandemic

This section describes two main areas where the region's economic impacts associated with the COVID-19 pandemic have differed somewhat from national trends. For more detailed information on these, please refer to Chapter 2 of this Report.

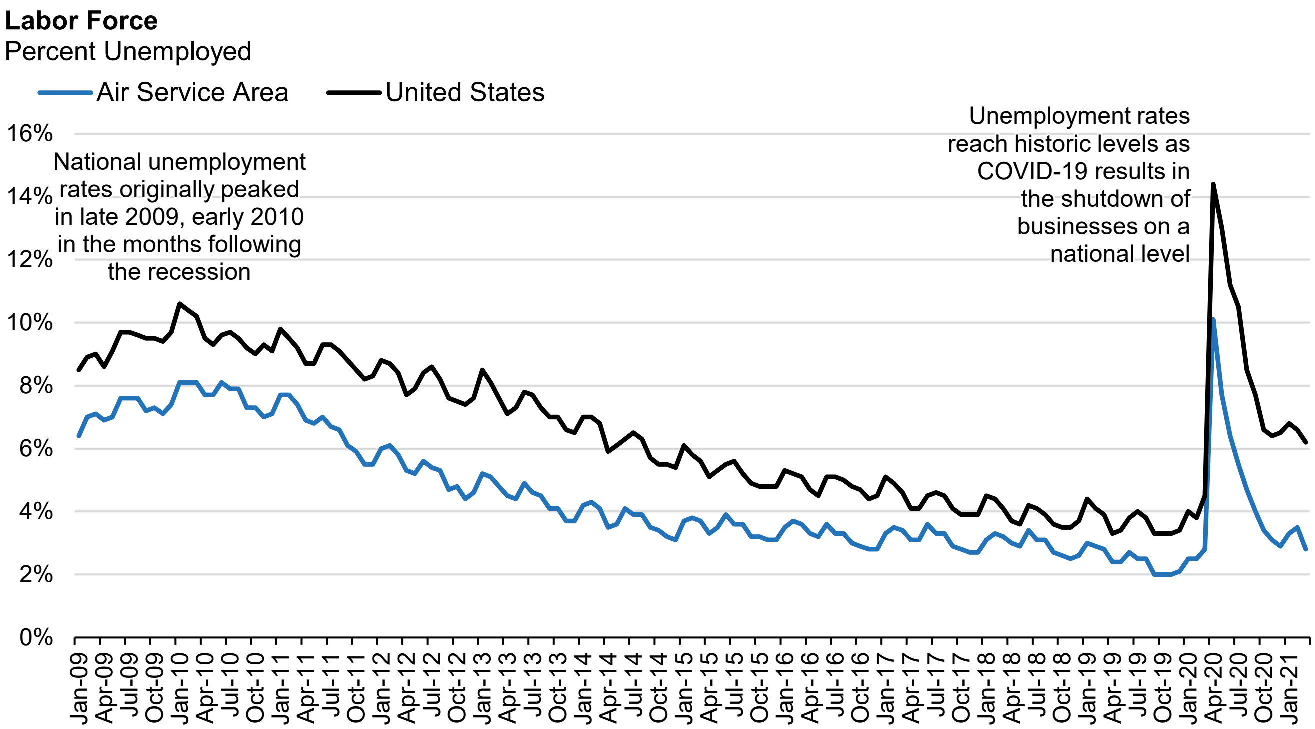
1.2.1 Employment

The Salt Lake City metropolitan region has, historically, exhibited stronger employment trends than the nation as a whole as described in Section 2.2.2 of this Report. However, employment for both the nation and the Air Service Area[24] was severely affected by the onset of the COVID-19 pandemic. Jobless claims across the U.S., including in the State, increased dramatically in the wake of the COVID-19 pandemic. On March 16, 2020, the Utah Department of Health issued a public health emergency and limited some services and businesses, including requiring restaurants and bars to close for dine-in customers.

Figure 1-1 presents the historical unemployment rates for the Air Service Area, the State, and the U.S. As shown, from 2009 through 2019, unemployment rates in the Air Service Area trended similarly to the national average but at a consistently more favorable rate. During the Great Recession, unemployment for the Air Service Area peaked at 8.1% in January 2010 as compared to the national unemployment peak of 10.6% in the same month. Total employment during 2019 increased at a faster rate than population since the end of the Great Recession, resulting in significant declines in unemployment rates during that time. However, since the impacts associated with the COVID-19 pandemic occurred in the U.S. starting in March 2020, unemployment rates increased to historic levels as a result of stay-at-home orders and companies reducing costs to minimize potential losses. In April 2020, the unemployment rate for the Air Service Area reached 10.3% compared to the national rate of 14.4%. While the national unemployment rate has begun a slow decline, the unemployment rate in the Air Service Area declined significantly to rates seen at recently as mid-2018. In March 2021, the unemployment rate for the Air Service Area was 2.8%, which was significantly lower than that of the U.S. at 6.2%.

24 For the purposes of this Report, the Air Service Areas is defined as the Salt Lake City-Provo-Orem Combined Statistical Area, which includes the following ten counties in Utah: Box Elder, Davis, Juab, Morgan, Salt Lake, Summit, Tooele, Utah, Wasatch, and Weber.

Figure 1-1 Unemployment Rates (Not Seasonally Adjusted for January 2009 – March 2021)

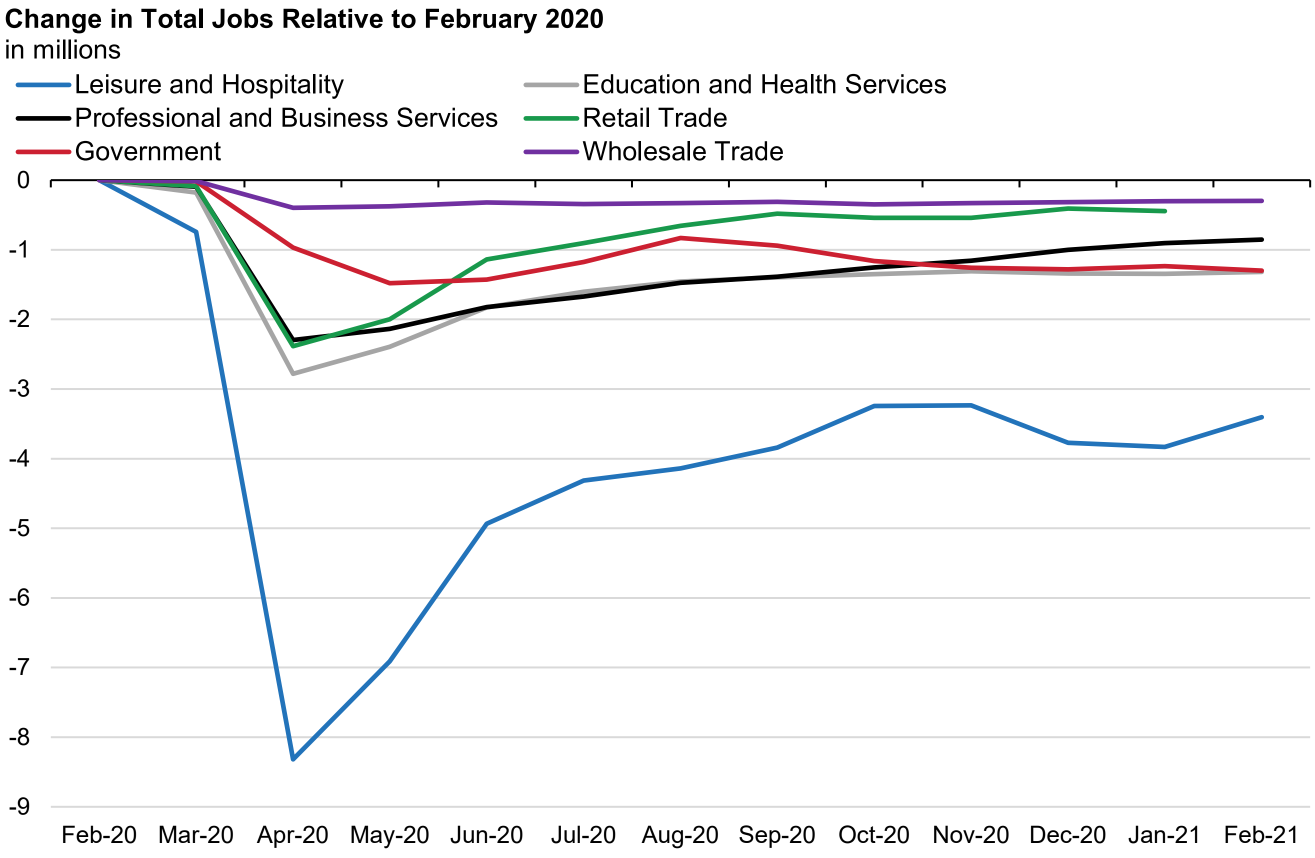


Month	Unemployment Rate		
	United States	Utah	Air Service Area
January 2020	4.0%	2.8%	2.6%
February 2020	3.8%	2.8%	2.7%
March 2020	4.5%	4.1%	3.9%
April 2020	14.4%	10.4%	10.3%
May 2020	13.0%	8.5%	8.5%
June 2020	11.2%	5.7%	5.7%
July 2020	10.5%	4.6%	4.6%
August 2020	8.5%	4.2%	4.2%
September 2020	7.7%	4.7%	4.7%
October 2020	6.6%	3.7%	3.7%
November 2020	6.4%	3.9%	3.8%
December 2020	6.5%	3.3%	3.2%
January 2021	6.8%	3.5%	3.3%
February 2021	6.6%	3.6%	3.5%
March 2021	6.2%	2.9%	2.8%

Sources: U.S. Department of Labor: Bureau of Labor Statistics, Labor Force Statistics from the Current Population Survey, May 2021.

From February 2020 to April 2020, there were 22.2 million jobs lost in the U.S. Certain job sectors were more affected than others. Service-providing industries have been severely impacted, accounting for 90.6% of job losses in the first two months of the pandemic, compared to 9.4% for goods-producing sectors, which include manufacturing, construction, and mining and logging. Within the service-providing industry, the leisure and hospitability sector has been the most impacted sector during the pandemic with 8.3 million job losses in the first two months (a loss of 49.3% of all leisure and hospitality jobs), accounting for 37.5% of the total non-farm industry losses. As of February 2021, more than half of the jobs have been recovered. However, not all sectors have been recovering at the same rate. Transportation and warehousing exhibited the fastest recovery with more than 95% of the initial job losses recovered by February 2021. By February 2021, the leisure and hospitality sector recovered 56.1% of the initial job losses from April 2020 but remains the largest sector for job losses (36.1% of the total job losses). **Figure 1-2** presents the job losses for the most affected sectors in the U.S. for February 2020 through February 2021.

Figure 1-2 U.S. Employment Change by Industry Sector (February 2020 – February 2021)



Source: U.S. Department of Labor: Bureau of Labor Statistics, Current Employment Statistics - CES (National)

Indicative of the more favorable unemployment rate in the Air Service Area as compared to the U.S., its employment in the leisure and hospitality sector has recovered more rapidly than that of the U.S. According to the Bureau of Labor Statistics, there were approximately 156,100 employees in the leisure and hospitality sectors in Utah during February 2020. The number of employees dropped to a low of around 92,600 in April 2020, indicating 63,500 lost jobs due to the pandemic. As of February 2021, there were about 141,900 employees in the leisure and hospitality sector, still 14,200 fewer jobs than pre-pandemic levels. This indicates that 77.6% of lost jobs in the leisure and hospitality sector have been recovered in Utah compared to just 56.1% in the U.S.

1.2.2 Regional Tourism and Visitors

Since the onset of the COVID-19 pandemic, the tourism industry across the U.S. has been dramatically impacted as travel and vacations have been cancelled or deferred. Tourism is a major industry in the Air Service Area. In 2019, travelers directly spent $10.1 billion in Utah. Nonresident visitors spent 85.6% of the total spending with a majority of those visitors traveling for leisure purposes.[25] However, impacts associated with the COVID-19 pandemic have caused a significant decline in travel in Utah. According to a recent study, it is estimated that total 2020 travel and tourism jobs were down around 15% from 2019.[26]

Outdoor tourism is a major industry in the Air Service Area and for the surrounding region and the State. In general, outdoor tourism consists of two main seasons: summer and winter. However, it is not uncommon to find outdoor tourists in all months. In the summer season, the main driver for outdoor tourism are the national and State parks. In the winter, it is primarily the numerous ski resorts throughout the region. It is important to point out that while tourism in general has been negatively impacted by the COVID-19 pandemic, outdoor activities that offer access to open spaces and that are more conducive to physical distancing (e.g., parks, ski areas, beaches, etc.) have been more popular as described below.

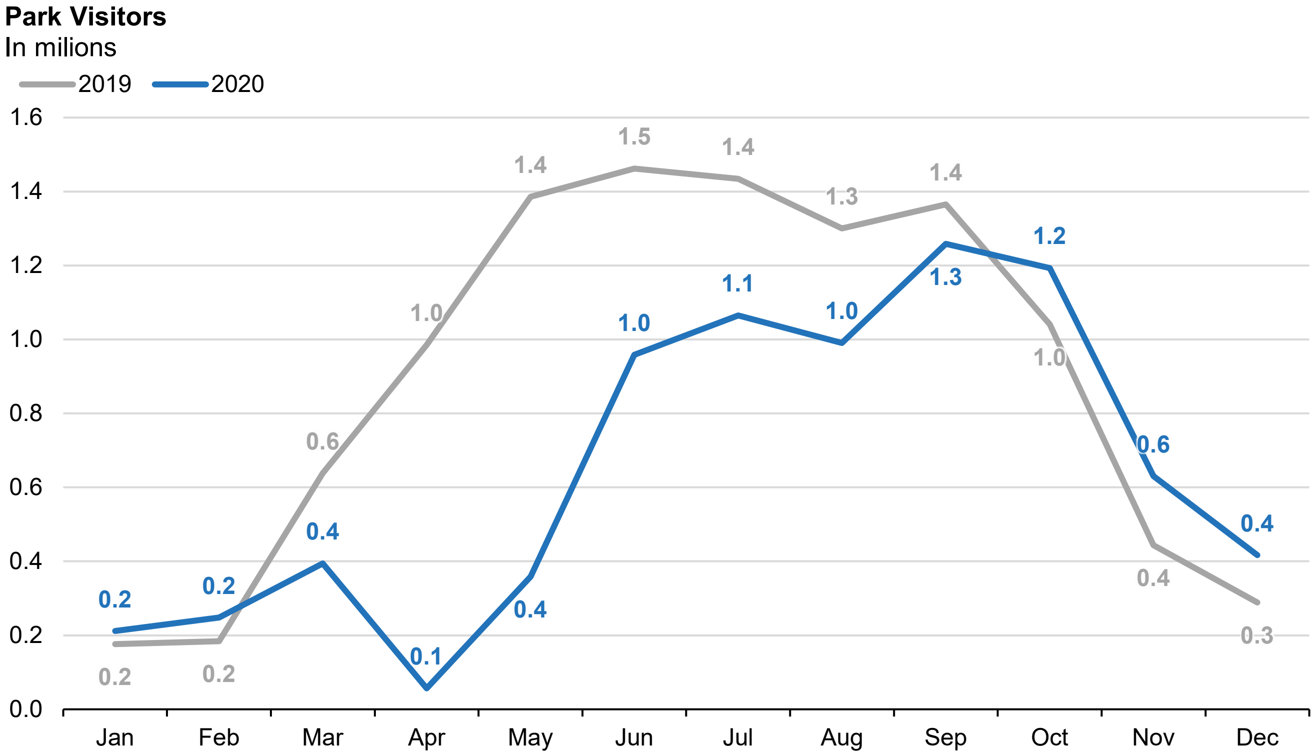
Utah is home to five national parks, nicknamed 'The Mighty 5', which combined for 10.7 million recreation visits in 2019. There are also 11 national places including the Glen Canyon National Recreation Area and the Golden Spike National Monument. The COVID-19 pandemic initially caused the temporary closure of all the national parks in Utah by early April. According to data from the National Park Service, the Mighty 5 had 7.8 million recreation visits in 2020, a decline of 27.4%. The parks began to reopen in May 2020. **Figure 1-3** presents the monthly visits to the Mighty 5 from January 2019 through December 2020. As shown, there was a significant drop in visitors beginning in March 2020. However, visitor traffic was relatively robust in the late summer and early fall of 2020, considering much of the tourism in the U.S. was still severely impacted as a result of the pandemic. In fact, October, November, and December visitors in 2020 exceeded those of the same months in 2019.

In addition to the Mighty 5 national parks, Utah has 44 state parks. In 2019, state park visits increased 10.6% from 6.7 million to 7.4 million people. Unlike the national parks, Utah's state parks saw significant growth in 2020, receiving over 10 million visits. This increase in visitors is likely because of other tourist destinations not being open during the COVID-19 pandemic. As mentioned, both the national parks and the state parks offer visitors open spaces and outdoor activities that are more conducive to activity restrictions during a pandemic.

25 Kem C. Gardner Policy Institute, The State of Utah's Travel and Tourism Industry 2019, September 2020.
26 Kem C. Gardner Policy Institute, A "Tourism Trifold", January 2021.

The ski industry is another major driver for tourism in Utah. For the 2018-19 season which runs from mid-November through to April, there were 5.1 million skier days[27] in Utah, the most on record. However, the 2019-20 season was shut down early because of the COVID-19 pandemic. However, despite the shortened season, Utah's ski resorts still saw its 4th best season on record.[28] All 15 of Utah's ski areas were open for the 2020-21 season with safety protocols in place.

Figure 1-3 Park Visitors to the Mighty 5 (January 2019 – December 2020)



Source: National Parks Service, National Reports, April 2021.

[27] A skier day is defined as one person visiting a ski area for all or part of a day or night for skiing or snowboarding.
[28] Ski Utah, Utah Skier Numbers Remain Promising Despite an Abrupt End to the 2019-20 Season, accessed online at https://www.skiutah.com/news/authors/pr/utah-skier-numbers-remain

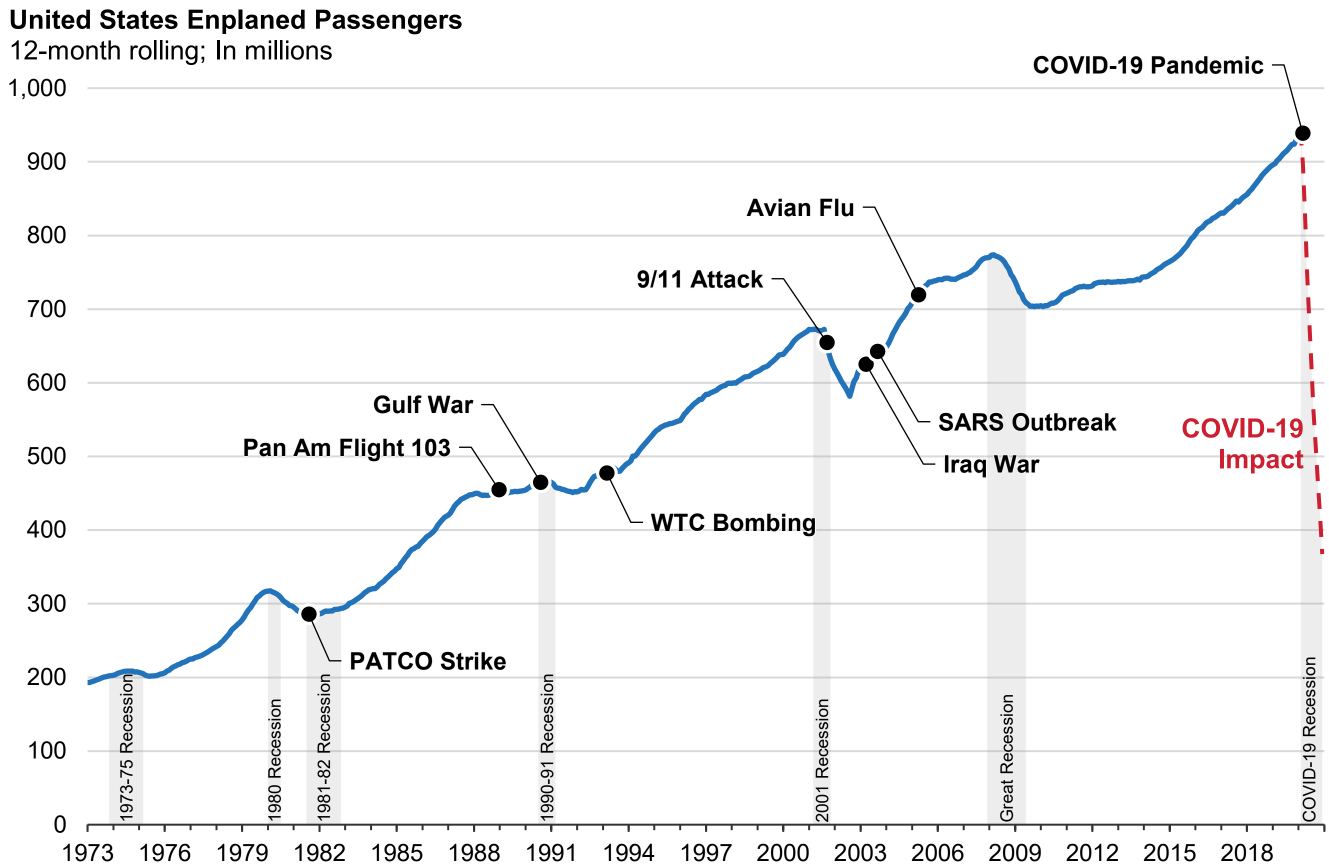
1.3 Summary of Aviation Industry and Airport Air Traffic Impacts

This section describes a summary of key aviation industry and Airport air traffic impacts associated with the COVID-19 pandemic on a national level and at the Airport and identifies unique factors at the Airport in this regard. In general, the Airport has been impacted less negatively than the U.S., as described below. For more detailed information, please refer to Chapter 3 of this Report.

1.3.1 Passenger Impacts

The COVID-19 pandemic resulted in a 95% decrease of total passengers being screened at the Transportation Security Administration (TSA) security checkpoints in the U.S. in early-to-mid April 2020 that has since improved somewhat to about 50% in mid-March 2021, as compared to the same period in 2019. In response to the dramatic decrease in passengers, airlines reduced their scheduled flights and seat capacity starting in late March 2020. **Figure 1-4** below presents the relative effect of the COVID-19 pandemic on annual U.S. passenger volumes. As presented, the associated impacts of the COVID-19 pandemic have resulted in the largest passenger declines in aviation history.

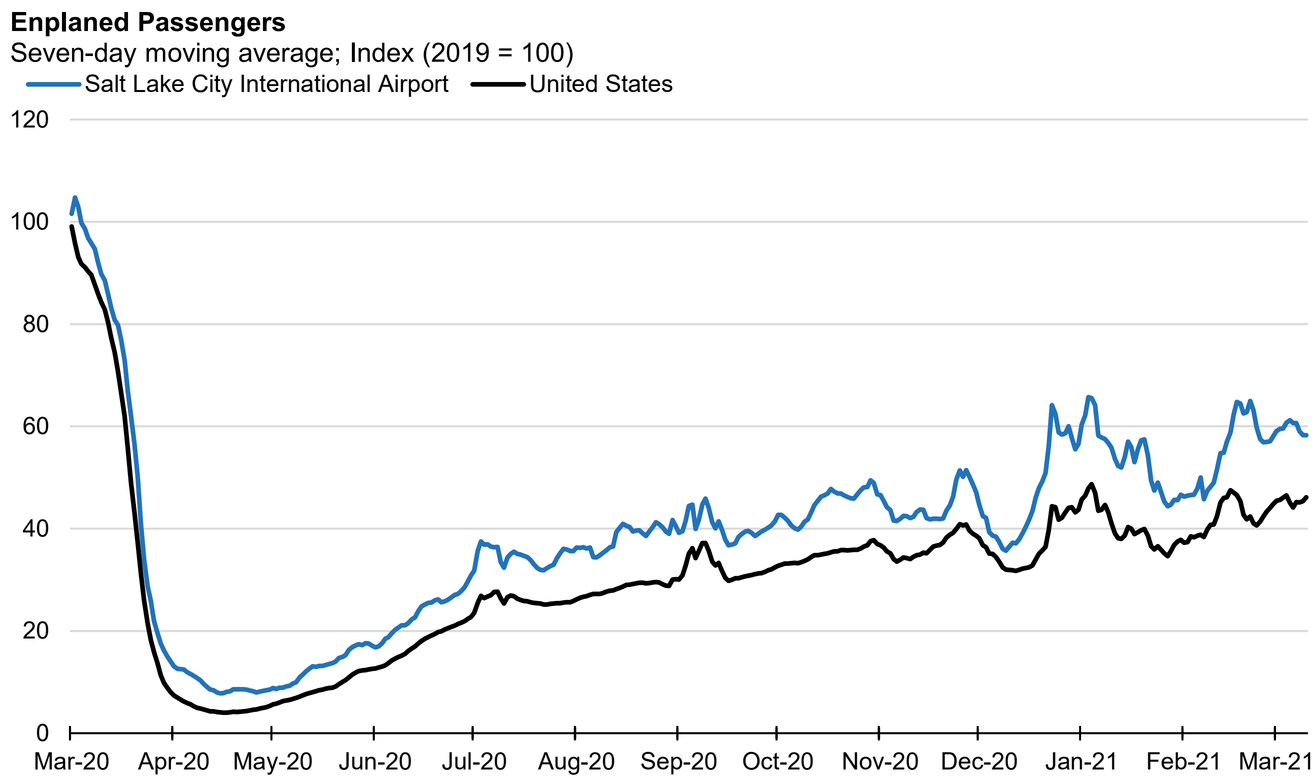
Figure 1-4 Relative impact of COVID-19 to the Aviation Industry



Note: Excludes non-revenue enplaned passengers.
Source: U.S. Bureau of Transportation Statistics, U.S. Air Carrier Traffic Statistics; National Bureau of Economic Research, U.S. Business Cycle Expansions and Contractions.

In March 2020, the enplaned passengers throughout the nation and at the Airport decreased dramatically primarily due to the impacts associated with the COVID-19 pandemic. These impacts included international travel restrictions and stay-at-home orders throughout the U.S. While these enplaned passenger decreases have been substantial, the Airport has not been as negatively impacted as the U.S. as a whole. **Figure 1-5** depicts the impacts associated with the COVID-19 pandemic to checkpoint throughput at both the Airport and for the overall U.S per data from the TSA. This figure presents the recovery trend for checkpoint throughput indexed to 2019 levels (i.e., 2019 levels equal 100). As shown during the early days of the pandemic, the impact to the Airport's checkpoint throughput tracked closely with the general nationwide trend; however, as time passed, the Airport's throughput was slightly better than the U.S. as a whole. The recovery at the Airport has been more pronounced than the nation, especially, as we have moved on from the early days of the pandemic. For the weekly average in early March 2021, the Airport was around 58% of the 2019 throughput compared to about 46% for the U.S.

Figure 1-5 Comparison of Airport and U.S. TSA Checkpoint Passengers



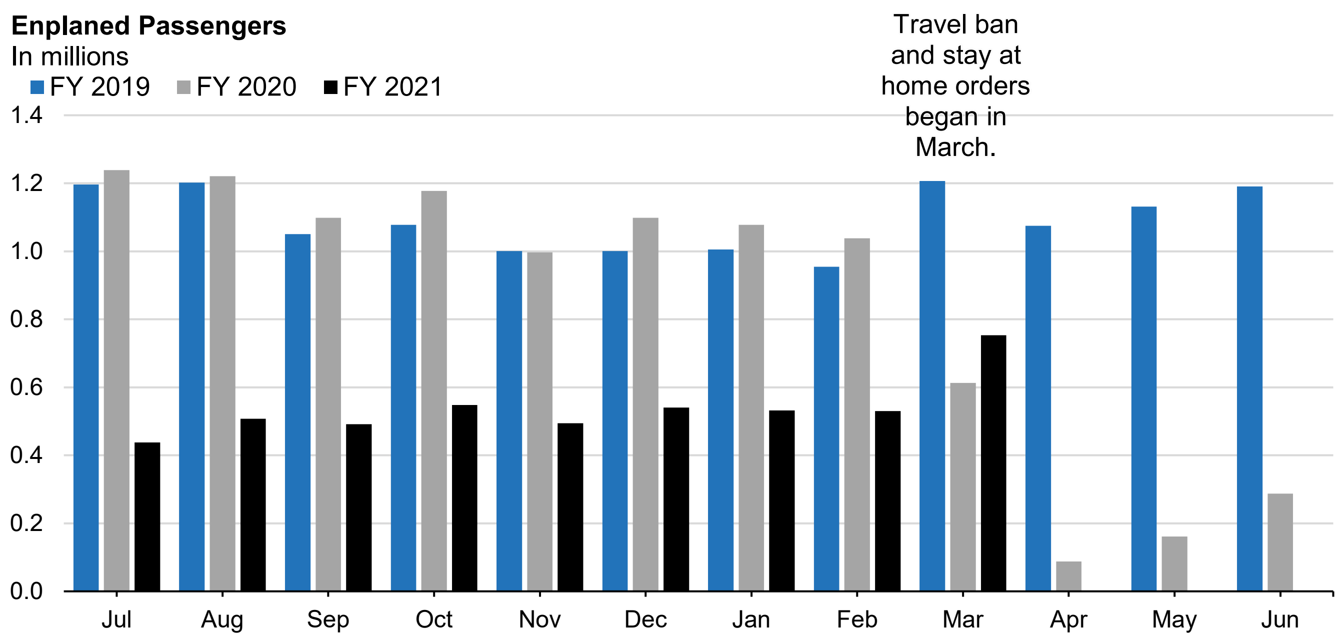
Sources: Salt Lake City Department of Airports, accessed March 2021.
Transportation Security Administration, accessed March 2021.

Table 1-1 presents the monthly enplaned passengers at the Airport for FY 2020 and FY 2021 compared to FY 2019. As shown, in March 2020, enplaned passengers decreased by approximately 49.2% from March 2019. The decline continued into April when enplaned passengers were 91.9% lower than April 2019. Since April 2020, enplaned passengers at the Airport have slowly started to recover on a monthly basis. The recovery in enplaned passengers at the Airport plateaued in November 2020 through February 2021 with monthly totals being down around 50% as compared to the same months in the prior year. In March 2021, enplaned passengers at the Airport exceeded levels in March 2020 by 22.9%. March 2020 was the first month significantly impacted by the

COVID-19 pandemic. March 2021 enplaned passengers are still down from March 2019 levels by 37.6%; however, March 2021 enplaned passenger levels show recovery as the past four months were down approximately 50% from pre-COVID-19 pandemic levels.

Table 1-1 Enplaned Passengers at the Airport (FY 2019 – FY 2021 YTD)

Month	Enplaned Passengers			Percent Change from Prior Year	
	FY 2019	FY 2020	FY 2021	FY 2020	FY 2021
July	1,196,325	1,239,067	438,268	3.6%	-64.6%
August	1,201,689	1,220,698	507,906	1.6%	-58.4%
September	1,050,274	1,098,626	491,647	4.6%	-55.2%
October	1,077,840	1,177,796	548,370	9.3%	-53.4%
November	1,000,320	996,598	494,175	-0.4%	-50.4%
December	1,000,259	1,098,032	540,171	9.8%	-50.8%
January	1,005,577	1,078,161	531,994	7.2%	-50.7%
February	954,196	1,037,793	530,106	8.8%	-48.9%
March	1,206,454	612,882	752,949	-49.2%	22.9%
April	1,075,360	87,557		-91.9%	
May	1,131,368	161,192		-85.8%	
June	1,190,471	287,330		-75.9%	
Total	**13,090,133**	**10,095,732**	**4,835,586**	**-22.9%**	



Source: Salt Lake City Department of Airports, Air Traffic Statistics.

1.3.2 Scheduled Departures and Departing Seats

To further illustrate the continued recovery of the Airport's air traffic from the impacts associated with the COVID-19 pandemic, a review of scheduled aircraft departures and seat capacity was performed by L&B. **Table 1-2** compares key air service metrics at the Airport for May 2020 versus May 2021 by airline. Total departures are relatively flat and scheduled departing seats are actually up in May 2021 by approximately 4.3% as compared to May 2019. As shown in the table, foreign flag airlines are not operating at the Airport. Because of the restrictions put in place because of the COVID-19 pandemic, all foreign flag airlines had suspended service at the Airport by May 2020. As of March 2021, none of the foreign flag airlines are scheduled to resume service at the Airport by May 2021.

While passenger counts are still recovering back to levels experienced in 2019, May is the first month where scheduled departing seats are above 2019 levels. This is an encouraging sign for air traffic recovery at the Airport. On the national level, seat capacity is still down as compared to 2019 levels.

1.3.3 Delta Air Line's Operations at the Airport

Delta Air Lines (Delta) is the dominant airline at the Airport, historically accounting for around 70% of the Airport's enplaned passengers. The Airport is one Delta's primary connecting hubs along with Hartsfield-Jackson Atlanta International Airport (ATL), Minneapolis-St. Paul International Airport (MSP), and Detroit Metropolitan Wayne County Airport (DTW). **Table 1-3** provides the scheduled departing seats for Delta's top ten airports in the U.S for FY 2021 versus FY 2020. As shown, the Airport had approximately 9.4 million scheduled departing seats during FY 2020, which ranked it as Delta's 4th largest airport in the U.S. In FY 2021, the Airport maintains its number four ranking; however, it has moved closer to the top three airports. Departing seats at the Airport are scheduled to reach almost 10.1 million in FY 2021, resulting in an increase of 7.2% over FY 2020. The Airport is the only U.S. airport in Delta's top 10 for departing seats with positive growth in FY 2021, and only one of five U.S. airports ranked in Delta's top 30 with positive growth in FY 2021.

Table 1-2 Key Air Service Metrics at the Airport by Airline (May 2021 vs May 2019)

Airline	Departures			Scheduled Departing Seats			Nonstop Markets Served		
	May 2019	May 2021	Percent Change	May 2019	May 2021	Percent Change	May 2019	May 2021	Change
Delta Air Lines	7,784	7,927	1.8%	910,097	976,146	7.3%	95	90	-5
Southwest Airlines	899	750	-16.6%	134,317	123,122	-8.3%	12	14	2
United Airlines	605	572	-5.5%	48,234	47,782	-0.9%	6	6	0
American Airlines	520	577	11.0%	69,154	79,681	15.2%	5	6	1
Alaska Airlines	273	341	24.9%	29,585	31,412	6.2%	5	5	0
JetBlue Airways	238	141	-40.8%	35,952	22,644	-37.0%	5	5	0
Frontier Airlines	109	157	44.0%	21,014	29,160	38.8%	4	4	0
Aeroméxico	31	0	-100.0%	3,060	0	-100.0%	1	0	-1
KLM	14	0	-100.0%	4,116	0	-100.0%	1	0	-1
Total	**10,473**	**10,465**	**-0.1%**	**1,255,529**	**1,309,947**	**4.3%**			

Notes: Data includes regional affiliates, as applicable.
As of April 2021, Aeroméxico and KLM are not scheduled to resume service at the Airport.
Nonstop markets served total do not sum as there is overlap in markets by carriers.
Source: Diio Mi, Schedule – Dynamic Table, accessed April 2021.

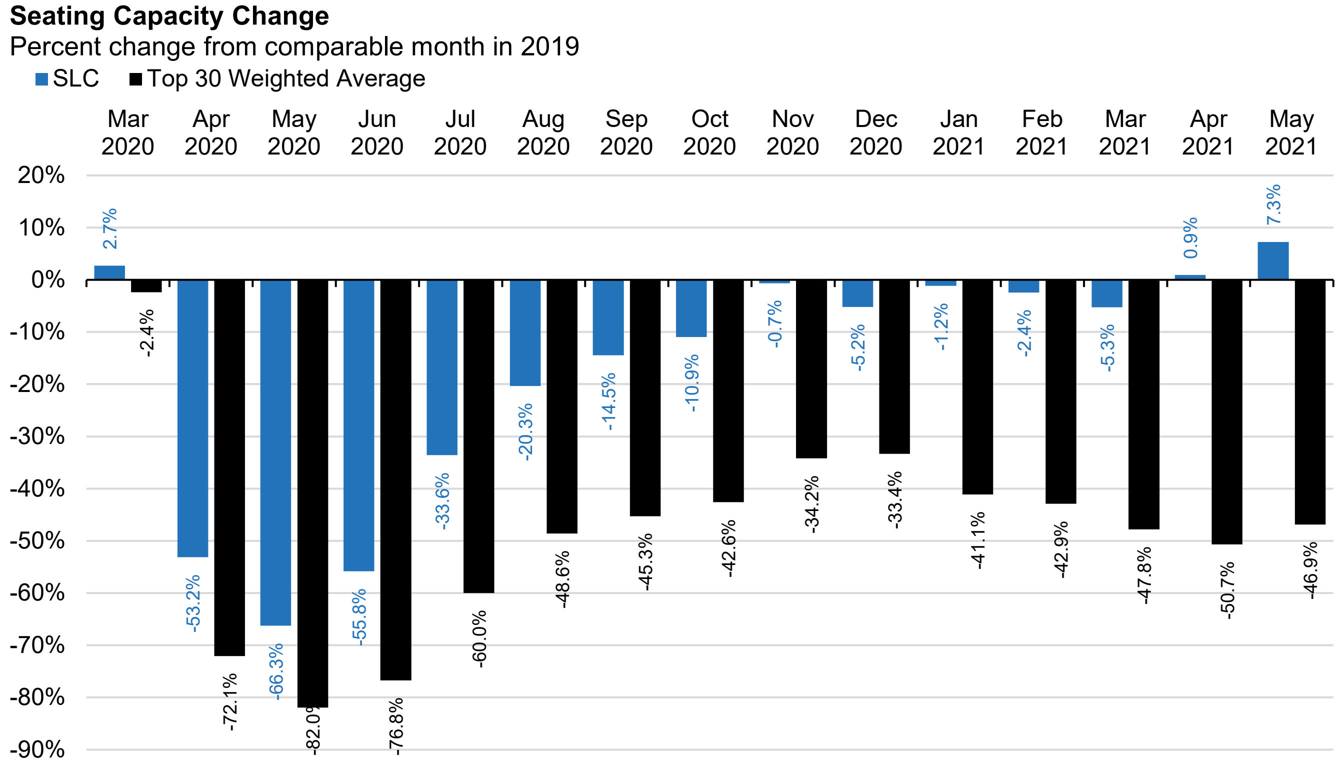
Table 1-3 Delta's Top Ten Airports Based on Scheduled Departing Seats (FY 2020 vs FY 2021)

Rank	Airport	Code	Departing Seats		Year-Over-Year Percent Change
			FY 2020	FY 2021	
1	Atlanta	ATL	39,841,093	33,727,290	-15.3%
2	Minneapolis	MSP	13,246,811	10,819,068	-18.3%
3	Detroit	DTW	13,560,175	10,705,191	-21.1%
4	Salt Lake City	SLC	9,354,801	10,026,526	7.2%
5	Los Angeles	LAX	6,710,041	5,794,301	-13.6%
6	New York-JFK	JFK	8,261,986	5,464,329	-33.9%
7	Seattle	SEA	6,087,947	5,145,818	-15.5%
8	New York-LGA	LGA	6,336,910	3,066,756	-51.6%
9	Orlando	MCO	2,889,151	2,666,352	-7.7%
10	Boston	BOS	4,078,316	2,339,968	-42.6%

Source: Diio Mi Innovate Schedules, Accessed March 2021

For the twelve months ended February 2021 as compared to the prior same twelve-month period, Delta's scheduled seat capacity declined 50.6% year-over-year throughout its system network. But at the Airport, comparing the same time periods, Delta's scheduled seat capacity only declined 24.6%, or less than half as much as it did over Delta's system. Of Delta's 30 largest airports in the U.S., Delta's overall seat capacity at the Airport declined less than any other airport. **Figure 1-6** presents the change in seating capacity at the Airport versus the weighted average for the top 30 airports in Delta's network. Furthermore, the Airport's return to pre-pandemic levels has been much faster as compared to most of the U.S. Delta's seat capacity as the Airport essentially returned to pre-pandemic levels in November 2020, as scheduled seat capacity was down less than 1% as compared to November 2019. Delta's May seat capacity at the Airport is up 7.3% versus May 2019. For all airlines, the Airport is up 4.3% in seat capacity when comparing May 2021 to May 2019. The Airport appears to be positioned well for recovery from the impacts associated with the pandemic as compared to other airports.

Figure 1-6 Delta Air Lines Seating Capacity Change



Source: Innovata (via Diio), Schedule files, accessed March 2021.

Prior to the COVID-19 pandemic, there was a general industry trend of growth in travel to “secondary leisure” destinations, as opposed to more mature destination markets such as Las Vegas and Orlando. This trend was driven by a desire for new or unique travel experiences, driven in-part by younger travelers. This mix of destinations typically included lesser traveled beach markets, wine country and/or markets with select outdoor-driven activities. The result was that the fastest growing air travel markets over the past few years have included smaller Carolina coastal markets, northwestern Florida, smaller markets on the west coast and select mountain region markets. The impacts associated with the COVID-19 pandemic magnified these travel themes that were firmly in place before the pandemic as these types of markets are more conducive to outdoor activities and physical distancing.

The result has been that since the onset of the COVID-19 pandemic, travel to these markets with unique, mostly outdoor, activities has increased further, while leisure travel to major destination markets and particularly large cities like Chicago and New York City has decreased. While it is likely that travel to major destination markets will recover, it is more questionable how long it will take for travel to major cities to recover. However, it is likely that travel growth to secondary leisure destinations will continue over the foreseeable future. The Airport has historically been Delta’s link to the mountain region of the U.S., in many cases being the only Delta hub that offers flights to these markets. In May 2021, the Airport is the only Delta option to twenty markets. Almost all of these are in the states of Idaho, Wyoming, Montana, and Utah.

1.4 Summary of Airport Capital Program Impacts

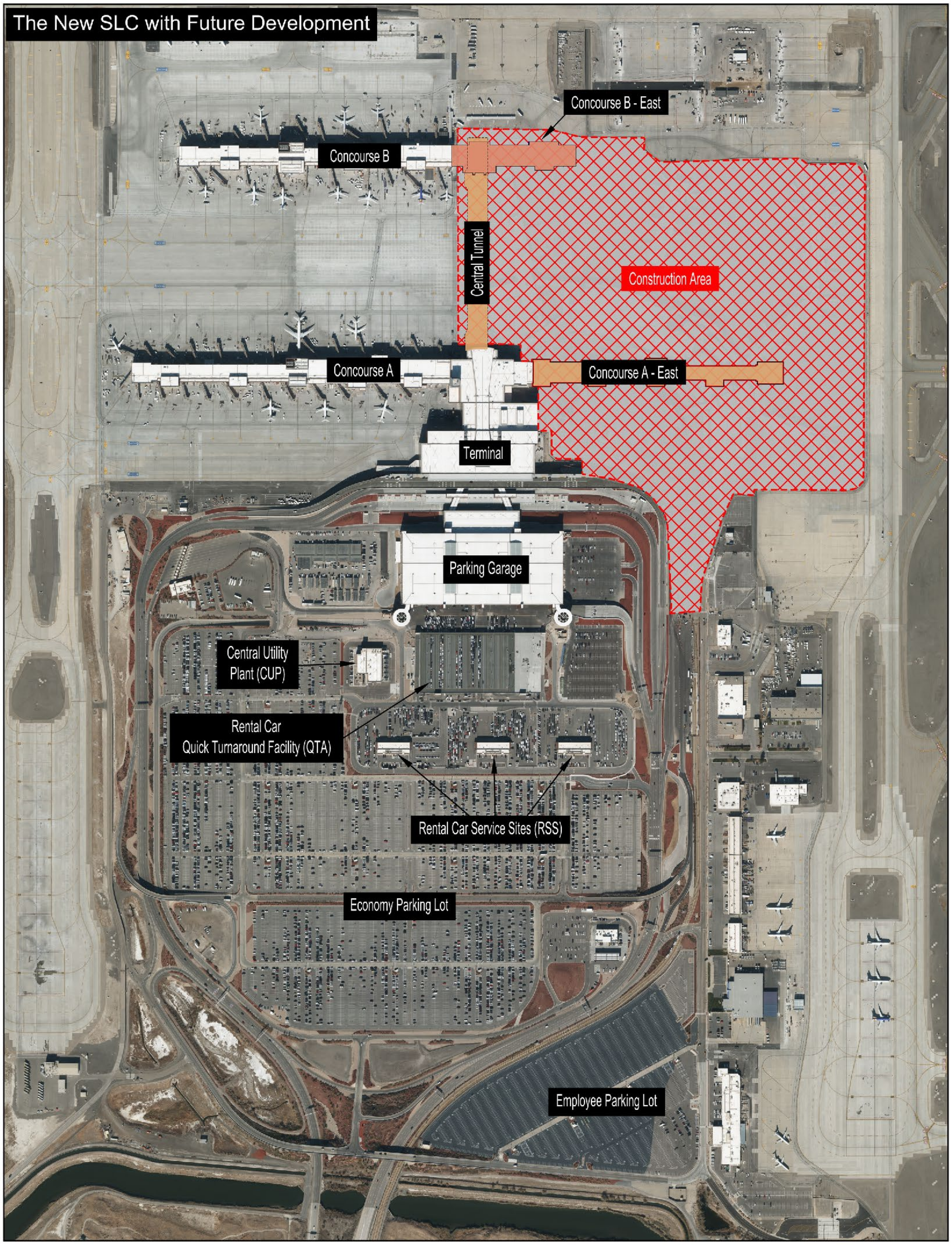
For the past several years, the Airport has been undertaking a major capital development program known as the New SLC (formerly referred to as the Airport Redevelopment Program). The New SLC is a comprehensive capital program to completely redevelop and replace the existing landside and terminal complex of the Airport. The New SLC is comprised of two major capital programs known as the Terminal Redevelopment Program (TRP) (X% complete) and the North Concourse Program (NCP) (X% complete) and, in total, is currently estimated to cost approximately $4.45 billion. A significant portion of the New SLC has been completed and is currently operational. Remaining portions of the New SLC currently under construction primarily consist of airside concourse development, connecting tunnel, and associated airside improvements. **Figure 1-7** illustrates the New SLC and shows the facilities that are complete and in operation and the future airside concourse elements currently under construction.

Because the Department was nearing completion of the first major phase of the New SLC when the impacts associated with the COVID-19 pandemic started to occur in March 2020, the Department continued to move forward with its construction. By the fall of 2020, the Department had completely redeveloped the Airport's landside and terminal facilities and had completed the initial phase of its new airside concourses. Those elements are shown as existing facilities in operation in Figure 1-7.

Future phases of the new airside concourse development as part of the New SLC are planned to be completed by 2025. Because of the substantial decreases in air traffic resulting from the impacts associated with the COVID-19 pandemic that have temporarily reduced the need for aircraft gates, the Department was able to accelerate the demolition of its former airside concourses. The demolition of these former airside concourses has essentially cleared the site for the development of the New SLC and simplified its construction phasing. The demolition of the former facilities has accelerated the planned opening of all the aircraft gates planned as part of the New SLC by nearly two years.

More details on the New SLC and its two components, the TRP and NCP, are contained in Chapter 4 of this Report.

Figure 1-7 The New SLC



Source: Airport management records, April 2021.

1.5 Summary of Airport Financial Assistance and Relief Measures

This section describes a summary of key financial assistance provided to U.S. airports as a result of air traffic impacts at the Airport associated with the COVID-19 pandemic and how the Department has applied or is planning to apply such federal assistance. In addition, the Department provided short-term relief to is tenants shortly after the onset of the pandemic. This section also describes relief provided to the Airport's airline and non-airline tenants. For more detailed information, please refer to Chapter 5 of this Report.

1.5.1 CARES Act

The Coronavirus Aid, Relief, and Economic Security (CARES) Act (H.R. 748, Public Law 116-136) was approved by the U.S. Congress and signed by the President on March 27, 2020. It is one of the legislative actions taken to address the crisis associated with the COVID-19 pandemic and includes among its relief measures direct aid in the form of grants for U.S. airports, as well as direct aid, loans and loan guarantees for passenger and cargo airlines. The CARES Act provides $10 billion of grant assistance to airports.

The FAA announced in April 2020 that it had allocated approximately $82.5 million to the Department for the Airport System. The Department used approximately $3.9 million of CARES Act funds in FY 2020 for the reimbursement of Operating Expenses. For FY 2021, the Department is planning on using $66 million of CARES Act funds for the reimbursement of Operating Expenses. The Department intends to apply its remaining balance of CARES Act funds or approximately $12.6 million in FY 2022 for approved uses.

1.5.2 Coronavirus Response and Relief Supplemental Appropriation Act

On December 27, 2020, the Consolidated Appropriations Act, 2021 was signed by the President. Division M of that Act is the Coronavirus Response and Relief Supplemental Appropriation Act, 2021 (CRRSAA). Title IV of CRRSAA provides approximately $2 billion in economic relief to airports to prevent, prepare for, and respond to the COVID-19 public health emergency, including relief from rent and minimum annual guarantees (MAGs) for eligible airport concessions at primary airports.

The FAA announced on February 12, 2021 that it had allocated approximately $23.4 million to the Department. Of that amount, approximately $2.8 million must be used for concessionaire relief. The Department is planning to apply all of this funding except for the amounts obligated to concession relief for the reimbursement of Operating Expenses in FY 2022 (approximately $20.6 million).

1.5.3 American Rescue Plan Act

On March 11, 2021, the President signed the American Rescue Plan Act of 2021 (ARPA), a $1.9 trillion economic stimulus package designed to help the United States' economy recover from the adverse impacts of the COVID-19 pandemic. In addition to other economic relief, ARPA includes financial relief for certain eligible airports. For eligible airports, ARPA appropriates $8 billion to assist such airports to prevent, prepare for, and respond to COVID-19, and such amounts remain available until September 30, 2024.

The allocation of amounts appropriated pursuant to ARPA have not yet been announced, and the Department is not yet aware of the amount of funding the Airport will receive pursuant to ARPA at this time. [to be updated]

It is important to note that the amounts and allocations by FY described above for the CARES Act, CRSSAA, and ARPA are still preliminary at this time and are subject to change. The Department will continue to monitor its budgeted plan and may, ultimately, apply different amounts of such funding at the Department's discretion.

1.5.4 COVID-19 Financial Relief Measures

1.5.4.1 Airline

The significant declines in passenger traffic associated with the COVID-19 pandemic had a negative financial impact on the airline industry, as presented previously. The Department received requests for financial relief from the airlines at the Airport early on during the COVID-19 pandemic. At its discretion to provide some relief to the airlines, the Department deferred airline landing fees and terminal rents for April 2020, May 2020, and June 2020. The repayment terms associated with the Department's deferral of airline rentals and fees were 50% of the balance in July 2020, and the remaining 50% in August 2020. The Department has received all outstanding balances from the airlines under this deferral program. The Department also provided short-term financing to build out space in new facilities.

1.5.4.2 Non-Airline Tenants

The significant declines in passenger traffic associated with the COVID-19 pandemic has also had a negative financial impact on non-airline businesses at the Airport. In March 2020, former Governor Herbert ordered restaurants and bars to suspend dine-in service. This order negatively affected full-service dine-in restaurants at the Airport. Early in the pandemic, many concessionaires closed or reduced operations at the Airport.

The Department received requests for financial relief from Airport concessionaires, rental car companies, and other non-airline tenants at the Airport. A summary of the measures the Department implemented are as follows:

In-Terminal Concessions:

- Deferral of food and beverage and retail MAGs from April 1, 2020 through September 30, 2020 for existing concession contracts expiring September 14, 2020 and October 26, 2020 when the former terminals and airside concourses closed
- Percent rent only was charged during the above deferral period; however, the annual settlement was based on actual contract terms that contain MAG abatement provisions

- Allowing new food and beverage and retail concession contracts that start on September 15, 2020 and October 27, 2020 to pay percentage of rent (MAG deferral) until the Airport achieves 90% of 2019 enplaned passenger levels for three consecutive months or July 1, 2023, whichever occurs first
- Extended terms of concession agreements to commence upon achieving 90% of 2019 enplaned passengers levels over three consecutive months or July 1, 2023, whichever occurs first
- Allowed concessionaires to complete build-outs of locations as the pandemic subsides and traffic returns to pre-pandemic levels
- Allowing temporary closures, reduced operating hours, and scaled back menus of concessionaires without penalty
- Provided short-term financing for the build-out of space in new facilities

Rental Cars:

- Deferral of MAG from April 1, 2020 through September 30, 2020
- Percent rent only was charged during the deferral period; however, the annual settlement was based on actual contract terms that contain MAG abatement provisions
- Provided additional overflow parking from April 1, 2020 through September 30, 2020
- Provided short-term financing for the build-out of space in new facilities

2 Role of the Airport and Economic Base for Air Traffic

This chapter introduces the Salt Lake City International Airport and summarizes the role the Airport serves in accommodating air traffic for the nation, the region, and as a primary connecting hub in the network of Delta. This chapter also describes the Salt Lake City region's economic base and its ability to continue to support demand for air transportation.

2.1 Role of the Airport

The Airport is owned and operated by Salt Lake City, Utah (the City), with support and advice of the Salt Lake City Airport Board (Airport Advisory Board). The Department, a department of the City, is charged with operating the Airport System defined herein. The Airport serves as the principal commercial service airport for the Salt Lake City metropolitan region, the State, and portions of Colorado, Idaho, Nevada, and Wyoming.

2.1.1 National Role

The Airport has historically been one of the busiest commercial passenger airports in the U.S. In CY 2019, the Airport had 12.8 million enplaned passengers which was an increase of approximately 5.0% based on Federal Aviation Administration (FAA) data from CY 2018. For CY 2019, the Airport was ranked the 23rd busiest airport in the U.S. in terms of passenger traffic. Since the Airport enplaned at least one percent of U.S. enplaned passengers in CY 2019, it has been designated as a Large Hub airport by the FAA. **Table 2-1** provides the rankings of the U.S. Large Hub airports in terms of total enplaned passengers per the FAA for CY 2019 (the latest data available).

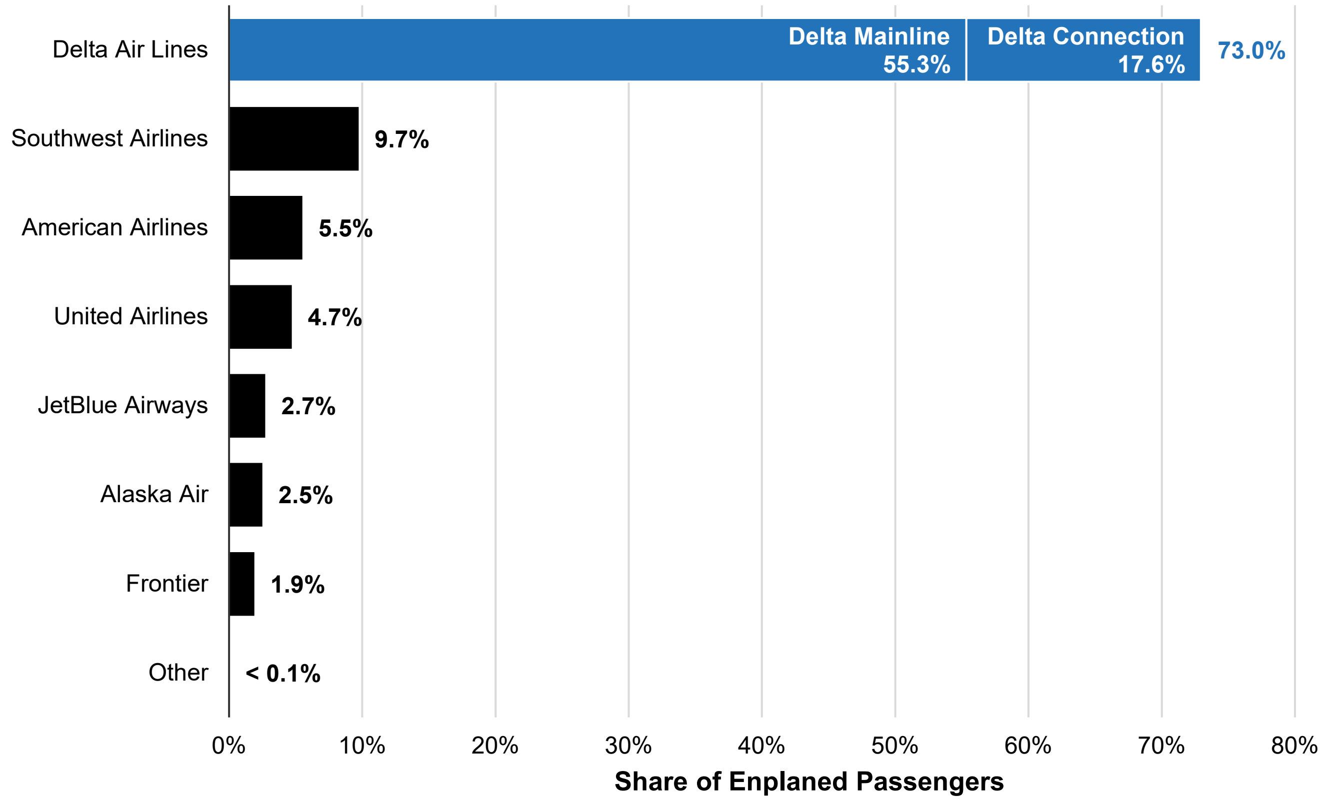
The Airport has a diverse, stable base of air carriers. The Airport's largest carrier in terms of passenger traffic, Delta, operates a major connecting hub at the Airport. Delta's enplaned passenger market share, including its regional affiliate or connection carriers (Delta Connection Carriers), comprised approximately 73.0% of enplaned passengers at the Airport in FY 2020. Delta's enplaned passenger market share increased by about 0.8 percentage points at the Airport from its 2019 market share of 72.1%. The Airport predominantly serves domestic traffic, which comprised approximately 96.1% of the Airport's enplaned passenger traffic in FY 2020. International enplaned passengers accounted for approximately 3.9% of the Airport's passengers. **Figure 2-1** presents the Airport's enplaned passenger market share by airline for FY 2020.

Table 2-1 U.S. Large Hub Airports Enplaned Passenger Rankings (2019)

Rank	Code	Airport	Enplaned Passengers (in thousands)
1	ATL	Hartsfield - Jackson Atlanta International	53,506
2	LAX	Los Angeles International	42,939
3	ORD	Chicago O'Hare International	40,871
4	DFW	Dallas-Fort Worth International	35,779
5	DEN	Denver International	33,593
6	JFK	John F Kennedy International	31,037
7	SFO	San Francisco International	27,779
8	SEA	Seattle-Tacoma International	25,002
9	LAS	McCarran International (Las Vegas)	24,728
10	MCO	Orlando International	24,562
11	CLT	Charlotte/Douglas International	24,200
12	EWR	Newark Liberty International	23,161
13	PHX	Phoenix Sky Harbor International	22,434
14	IAH	George Bush Intercontinental/Houston	21,905
15	MIA	Miami International	21,421
16	BOS	General Edward Lawrence Logan International	20,699
17	MSP	Minneapolis-St Paul International	19,193
18	DTW	Detroit Metropolitan Wayne County	18,143
19	FLL	Fort Lauderdale/Hollywood International	17,951
20	PHL	Philadelphia International	16,006
21	LGA	LaGuardia	15,394
22	BWI	Baltimore/Washington International Thurgood Marshall	13,285
23	**SLC**	**Salt Lake City International**	**12,841**
24	SAN	San Diego International	12,649
25	IAD	Washington Dulles International	11,884
26	DCA	Ronald Reagan Washington National	11,595
27	TPA	Tampa International	10,979
28	MDW	Chicago Midway International	10,082
29	HNL	Daniel K Inouye International (Honolulu)	9,989
30	PDX	Portland International	9,797

Source: Federal Aviation Administration, Air Carrier Activity Information System, October 29, 2020. Compiled by Landrum & Brown, Inc.

Figure 2-1 Enplaned Passenger Market Share at the Airport (FY 2020)



Notes: Regional affiliates, as applicable, have been included with their appropriate network partner. Amounts may not add because of rounding.

Source: Salt Lake City Department of Airports, Air Traffic Statistics, accessed at https://slcairport.com/about-the-airport/airport-overview/air-traffic-statistics/

The Airport's total aircraft operations rankings were generally consistent with its level of passenger traffic. Airport Council International-North America (ACI-NA) data indicated that the Airport had 344,625 aircraft operations[29] in CY 2019 (including all-cargo carrier operations), which ranked the Airport as the 23rd busiest airport in the U.S.[30]

In addition to passenger traffic, there is a significant amount of air cargo processed at the Airport. According to the ACI-NA, 201,177 metric tons of air cargo, including both freight and mail, were loaded and unloaded at the Airport in CY 2019.[31] Based on this data from ACI-NA, the Airport ranked as the 31st busiest airport for cargo in the U.S. for this period.

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29 An aircraft operation includes the landing, takeoff, or touch-and-go procedure by an aircraft on the runway at an airport.

30 Airports Council International-North America (ACI-NA), North American Airport Traffic Report, accessed online at https://airportscouncil.org/intelligence/north-american-airport-traffic-reports/

31 Ibid

2.1.2 Regional Role

The Airport serves as the primary commercial service airport for the Salt Lake City metropolitan area and the surrounding area. Origin and destination (O&D) passengers, or those that begin or end their travel at the Airport, accounted for approximately 58.1% of passenger traffic at the Airport in FY 2020.[32]

The geographic region that serves as an airport's primary catchment area is referred to as its "Air Service Area". For the purposes of this report, the Airport's Air Service Area is defined as the Salt Lake City-Provo-Orem Combined Statistical Area (CSA), which includes the following ten counties in Utah: Box Elder, Davis, Juab, Morgan, Salt Lake, Summit, Tooele, Utah, Wasatch, and Weber.[33] The Salt Lake City-Provo-Orem CSA was the 22nd most populous CSA in the nation in CY 2020 with approximately 2.3 million people and accounted for approximately 82.4% of the entire population of Utah.

In many cases, an airport's air service area can extend beyond its 'primary' Air Service Area depending on the location of other population centers and availability of other commercial service airports. However, it is generally the economic strength of the primary air service area that provides the principal demand for supporting O&D air travel. In the case of the Airport, its secondary air service area generally consists of the remainder of the State and portions of Colorado, Idaho, Nevada, and Wyoming within about 300 driving miles from the Airport.

The Air Service Area is largely isolated from competing airport facilities and, hence, the Airport has limited, if any, competition for air service. Las Vegas McCarran International Airport (LAS) is the closest Large Hub airport and is over 400 (driving) miles from the Airport. Denver International Airport (DEN), the next closest Large Hub, is over 500 driving miles from the Airport. Boise Airport in Idaho is over 300 driving miles from the Airport; however, it is a much smaller facility and classified as a Small Hub by the FAA.[34] **Figure 2-2** illustrates the Airport's location in relation to its Air Service Area as well as the other airports within the region.

32 Data used to estimate an airport's share of O&D passengers is from the USDOT. These data are a random 10% sample of tickets either ticketed by a U.S. carrier or where a U.S. carrier operated at least one flight in the ticket's itinerary.

33 Executive Office of the President: Office of Management and Budget, Revised Delineations of Metropolitan Statistical Areas, and Combined Statistical Areas, and Guidance on Uses of the Delineations of These Areas, March 6, 2020.

34 The FAA classifies Small Hub airports as those serving at least 0.05% but less than 0.25% of annual U.S. passenger boardings.

Figure 2-2 Air Service Area and Proximity to Other Airports

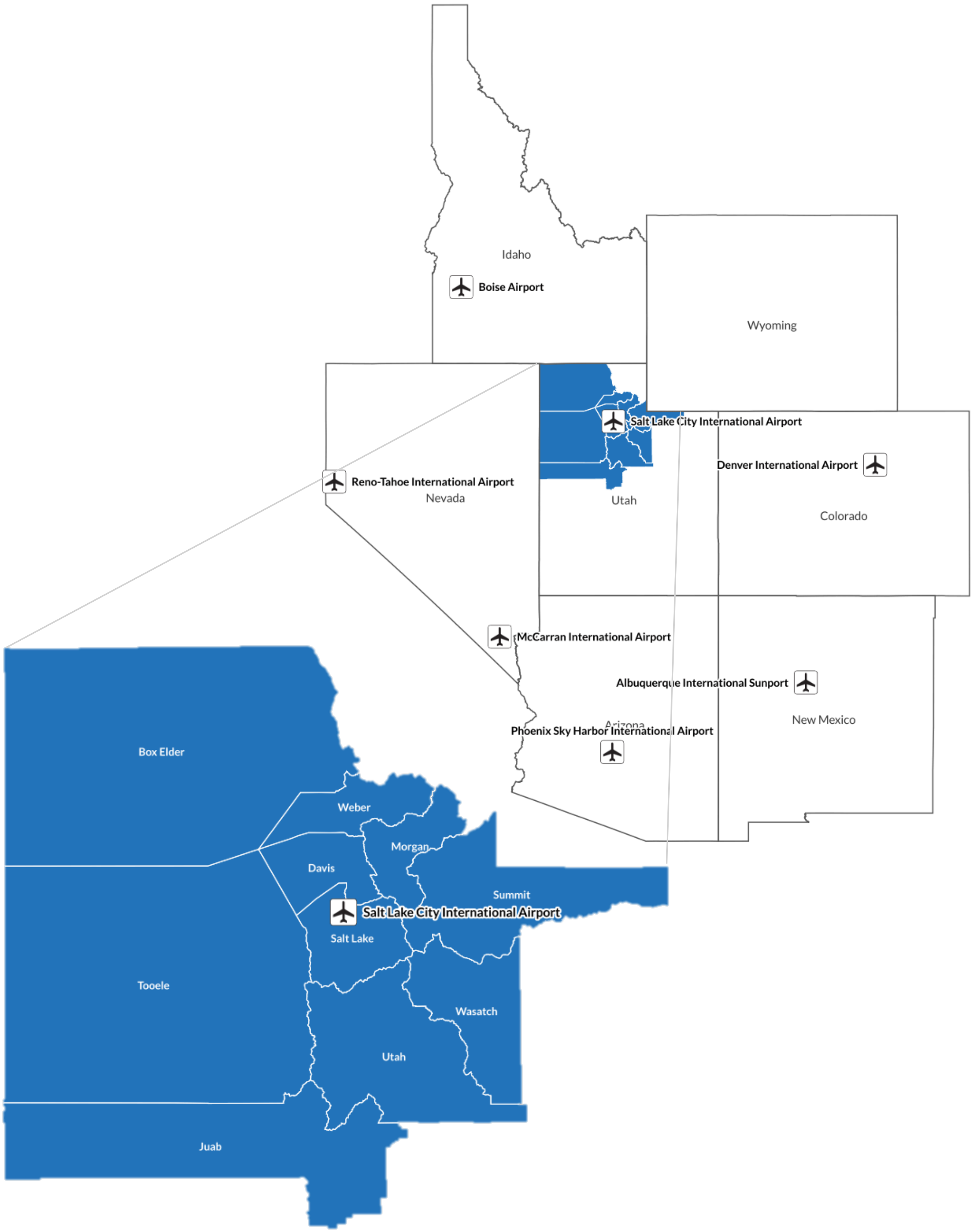


Figure 2-2 Air Service Area and Proximity to Other Airports (Continued)

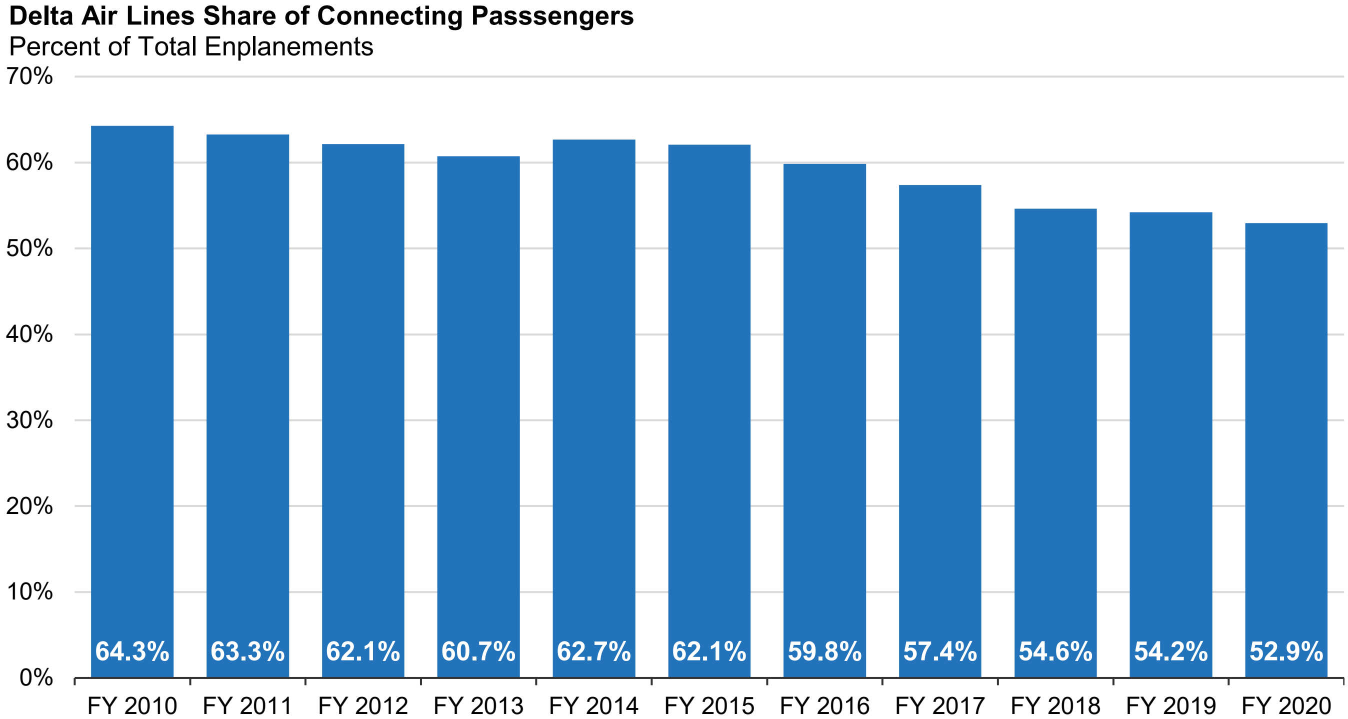
Airport	Code	FAA Airport Category	Driving Distance from Downtown Salt Lake City	CY 2019 Enplaned Passengers (in thousands)
Salt Lake City International Airport	SLC	Large	8 miles	12,227
Boise Airport	BOI	Small	337 miles	1,943
McCarran International Airport	LAS	Large	428 miles	23,795
Reno-Tahoe International Airport	RNO	Small	520 miles	2,048
Denver International Airport	DEN	Large	524 miles	31,363
Albuquerque International Sunport	ABQ	Medium	602 miles	2,647
Phoenix Sky Harbor International Airport	PHX	Large	666 miles	21,623

Sources: Federal Aviation Administration, Air Carrier Activity Information System, October 29, 2020; Executive Office of the President: Office of Management and Budget, Revised Delineations of Metropolitan Statistical Areas, and Combined Statistical Areas, and Guidance on Uses of These Areas.

2.1.3 Role as Hub for Delta Air Lines

The Airport has served as a hub for Delta for many decades. Prior to the impacts associated with the global COVID-19 pandemic, Delta's enplaned passengers increased over the years, averaging 2.2% growth per annum from FY 2011 through FY 2019. Delta is the largest carrier at the Airport with approximately 73.0% of the total enplaned passengers in FY 2020. A significant portion of Delta's traffic is connecting passengers, or passengers that have a scheduled stop at the Airport and transfer to another flight. In recent years, prior to the impacts of the COVID-19 pandemic, the share of connecting traffic has declined. This decrease in connecting passengers over this period, or a corresponding increase in O&D passengers, can be partly attributed to the ongoing economic growth of the Air Service Area as local demand for air travel increased prior to the pandemic. **Figure 2-3** presents the share of connecting passengers at the Airport on Delta since FY 2010 and through FY 2020 (data for full FY 2021 is not yet available). Delta's operations at the Airport are described in more detail in Section 3.1.2 herein.

Figure 2-3 Delta Air Lines Connecting Passengers Share at the Airport (FY 2011 – FY 2020)



Source: Diio Mi, US DOT Reports DB1A; US DOT T100 Report, accessed March 2021.

2.2 Economic Base for Air Traffic

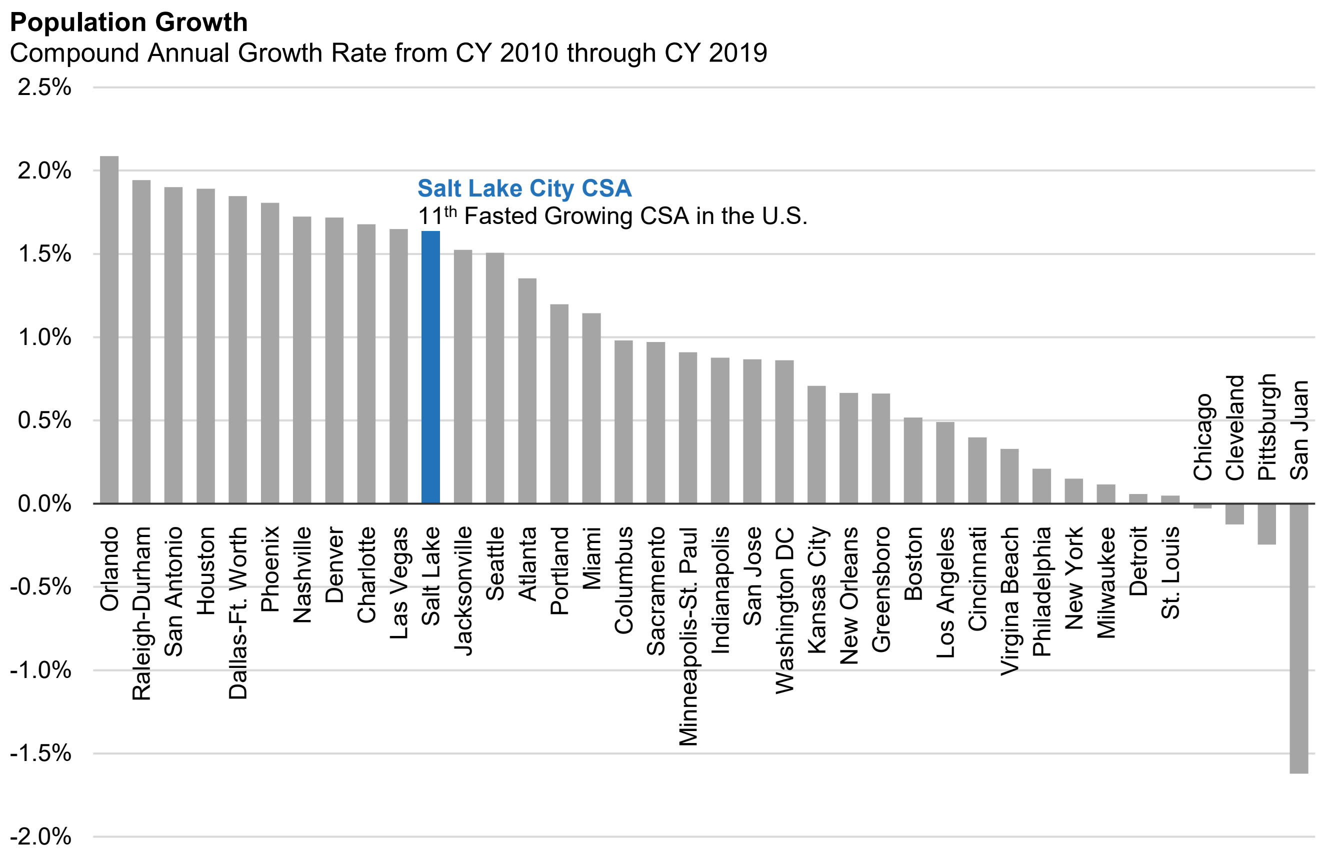
Historically, air travel demand at an airport is largely correlated with the demographic and economic characteristics of the surrounding region. Following a recovery of the aviation industry from the impacts of the COVID-19 pandemic, the demographic and economic strength of the region is expected to once again drive growth at the Airport. The economic strength of the Air Service Area has historically had a major impact on the aviation activity at the Airport since the majority of the Airport's passenger demand is O&D activity. The following sections review current economic trends and conditions of the Airport's Air Service Area and present data indicative of the Air Service Area's capability to generate demand for air transportation through the next several years.

This section also addresses the estimated impacts associated with the COVID-19 pandemic using data and information available to date. It should be noted, however, that impacts are still emerging and at this time L&B is unable to fully quantify the effect and length of time that the COVID-19 pandemic will have on the region's economic base and the length of time over which this effect will occur. No assurance can be given that the future results discussed herein will be achieved, and actual results may differ materially from the projections described herein. In this respect, the words "estimate," "forecast," "projected," "anticipate," "expect," "intend," "believe" and similar expressions are intended to identify forward-looking statements. The forward-looking statements in this Report are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by such statements. All estimates, projections, forecasts, assumptions and other forward-looking statements are expressly qualified in their entirety by the cautionary statements set forth in this Report and the Official Statement.

2.2.1 Socioeconomic Trends

There are 38 CSAs in the U.S. with a population in excess of 1.5 million people, including the Salt Lake City CSA. According to the U.S. Census Bureau, population in the Salt Lake City CSA or Air Service Area has increased from 2.3 million in 2010 to an estimated 2.6 million in 2019. This relatively rapid growth ranked the Salt Lake City CSA as the 11th fastest growing CSA with a population in excess of 1.5 million people. **Figure 2-4** presents the compound annual growth rate (CAGR) between 2010 and 2019 (the latest data available) for population for the nation's 38 CSAs with populations in excess of 1.5 million.

Figure 2-4 Population Growth in CSAs with Population in Excess of 1.5 Million



Source: U.S. Census Bureau, Annual Estimates of Resident Population, accessed via American FactFinder.

Table 2-2 provides population data from Woods & Poole Economics, Inc. for the Air Service Area, the State, and the U.S. for 2010 and 2020 (estimated). Between 2010 and 2020 (estimated), the population of the Air Service Area increased at 1.6% per annum from just under 2.3 million to 2.6 million. During the same period, the U.S. population increased at 0.7% per annum.

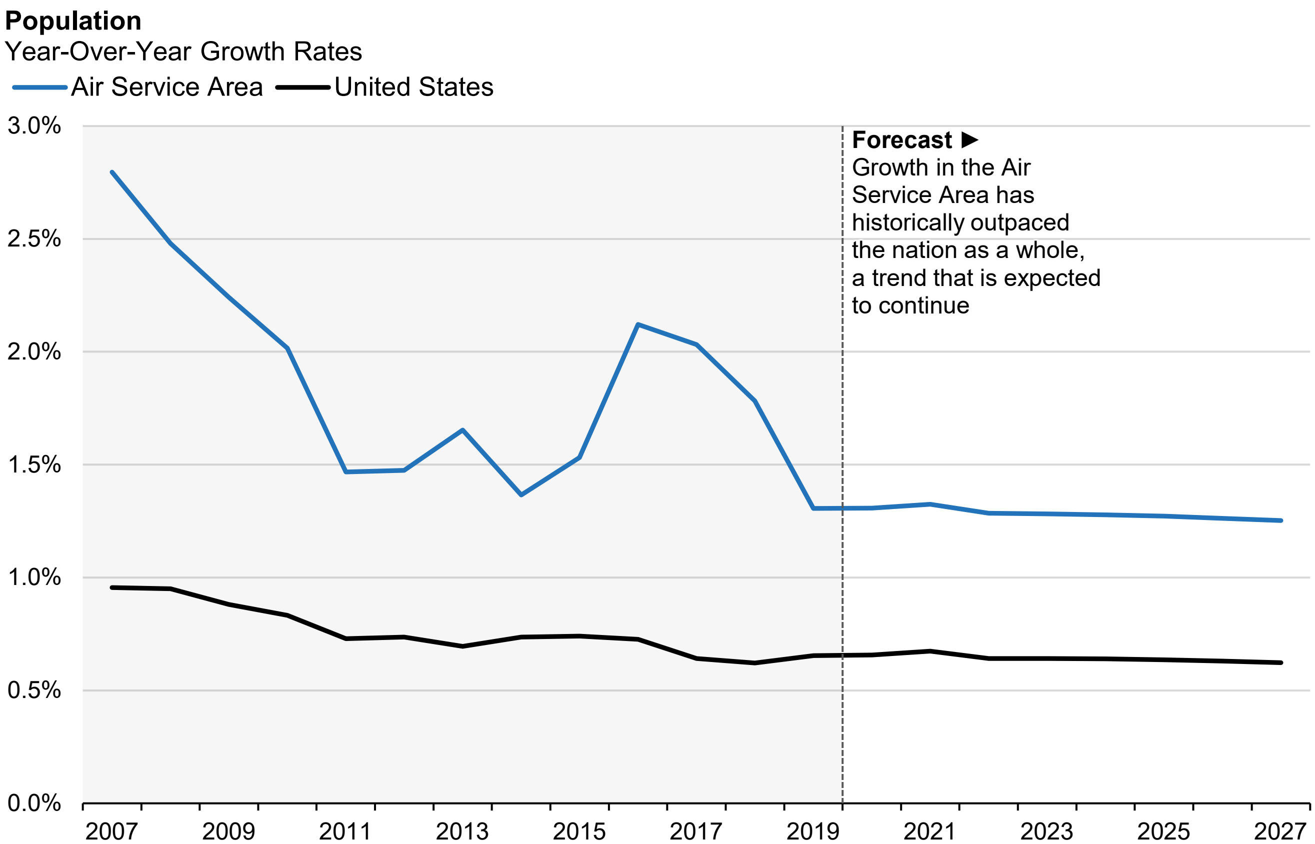
Table 2-2 Population Growth (2010 –2020)

Region	Population		CAGR
	2010	2020	2010-20
Salt Lake County, UT	1,032,979	1,165,031	1.3%
Utah County, UT	519,994	633,415	2.2%
Davis County, UT	307,906	356,663	1.6%
Weber County, UT	232,139	258,806	1.2%
Tooele County, UT	58,501	70,930	2.2%
Box Elder County, UT	50,170	55,356	1.1%
Summit County, UT	36,500	42,514	1.7%
Wasatch County, UT	23,644	33,987	4.1%
Morgan County, UT	9,522	12,231	2.8%
Juab County, UT	10,263	11,672	1.4%
Air Service Area	**2,281,618**	**2,640,605**	**1.6%**
United States	**309,326,026**	**329,308,907**	**0.7%**
Utah	**2,775,334**	**3,201,975**	**1.6%**

Notes: CAGR = Compound annual growth rate. Population for 2020 is estimated.
Source: Woods & Poole Economics, Inc., 2020 Complete Economic and Demographic Data Source, April 2020.

Figure 2-5 depicts historical and forecast year-over-year growth of population for the Air Service Area and the U.S. as a whole. Population growth in the Air Service Area has continually outpaced the nation as a whole. According to Woods & Poole, population in the Air Service Area is forecast to increase from 2.6 million in 2020 (estimated) to 2.9 million in 2027, resulting in a CAGR of 1.3%, which is more than double the rate forecast for national population.

Figure 2-5 Historical and Forecast Population Trends (2007 – 2027)



Note: The forecasted year-over-year growth rates were developed prior to the COVID-19 pandemic and may not reflect changes resulting from the pandemic.

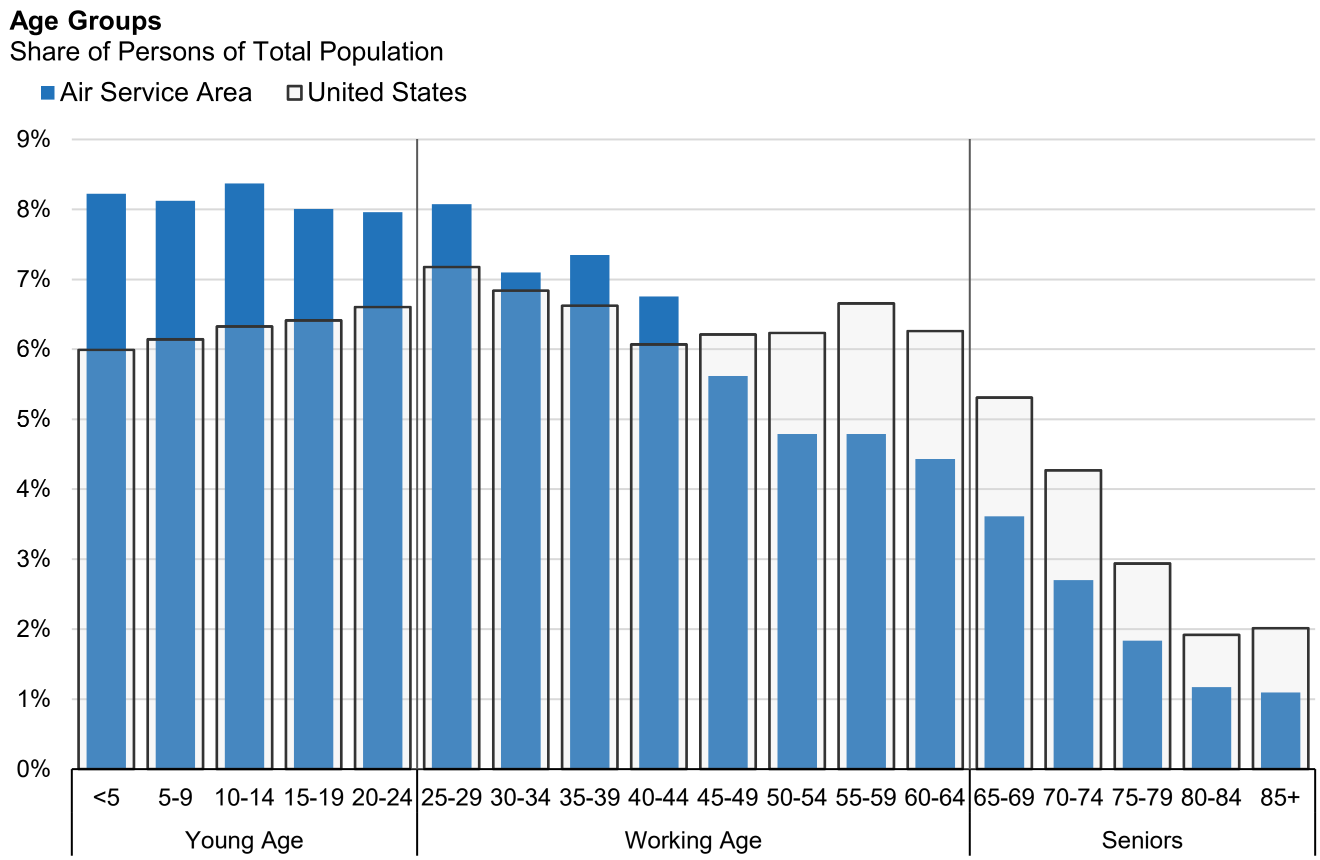
Source: Woods & Poole Economics, Inc., 2019 Complete Economic and Demographic Data Source, April 2020.

2.2.1.1 Age Distribution

Demand for air travel varies by age group. People of working ages[35] from 25 to 64 have, historically, accounted for a higher share of air travel than older or younger people as they often traveled for business purposes and have more disposable income available for leisure trips. **Figure 2-6** presents the distribution of age groups among the population for the Air Service Area and the U.S. Overall, the median age of the population for the Air Service Area (30.8) is significantly lower than nationally (38.4). The Air Service Area's share of population between the working ages of 25 and 64 is currently lower than that of the U.S. Persons within the Air Service Area between the ages of 25 and 64 accounted for 48.9% of the population as compared to 52.1% for the U.S., While the share of working age population in the Air Service Area is somewhat lower than that of the U.S., it does have a higher proportion of population in the younger working age range or ages 24 to 46. This provides an opportunity for the Air Service Area to maintain a robust working age population for years to come as the population ages.

[35] Commonly, working age is defined at those people aged 15 to 64. However, for the purposes of this Report, a narrower age range of 25 to 64 has been used to reflect the group of people most likely beyond secondary education and more likely to be employed on a full-time basis.

Figure 2-6 Age Distribution (2019)



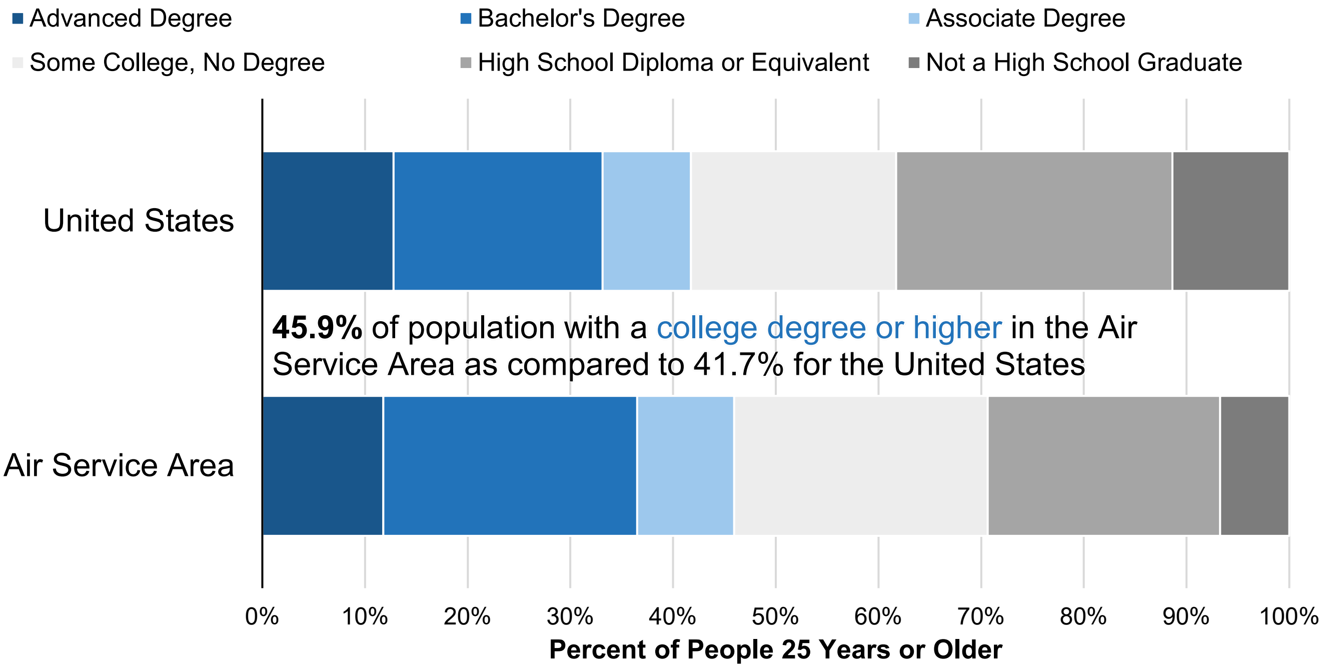
Note: Commonly, working age is defined at those people aged 15 to 64. However, for the purposes of this Report, a narrower age range of 25 to 64 has been used to reflect the group of people most likely beyond secondary education and more likely to be employed on a full-time basis.

Source: US Census Bureau, 2019: ACS 1-Year Estimates Data Profiles.

2.2.1.2 Educational Attainment

People with a college degree have, historically, generated a higher percentage of expenditures on air travel. **Figure 2-7** presents the share of educational attainment for persons aged 25 or older within the Air Service Area and the U.S. According to the U.S. Census Bureau, 45.9% of the population aged 25 or older in the Air Service Area have a college degree or higher. By comparison, only 41.7% of the population aged 25 or older in the U.S. have a college degree or higher.

Figure 2-7 Educational Attainment (2019)

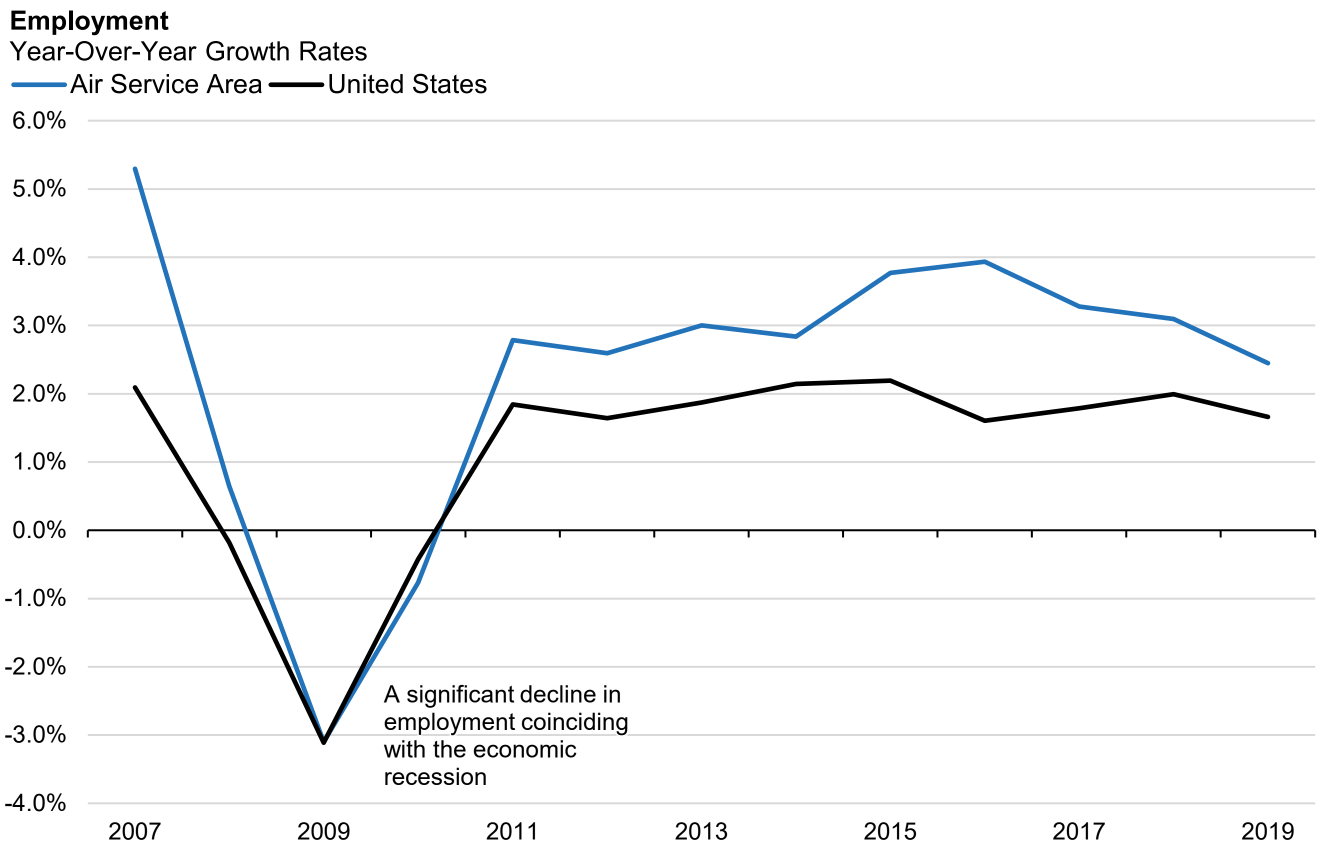


Source: US Census Bureau, 2019: ACS 1-Year Estimates Data Profiles.

2.2.2 Employment

Growth in employment is an important indicator of the overall health of the local economy. Historically, changes in population and employment tend to be closely correlated as people migrate in and out of areas largely depending on their ability to find work. **Figure 2-8** presents annual growth rates for employment in the Air Service Area and the U.S. from 2007 through 2019 (before the impacts of the COVID-19 pandemic). Between December 2007 and June 2009, a major financial recession occurred. The recession, often referred to as the 'Great Recession', was the longest recession since the airline industry was deregulated. As shown, from 2008 through 2010 there was a sharp decline in employment in each geographic region. From 2010 through 2019, employment in the Air Service Area increased at a CAGR of 3.1% compared to 1.9% for U.S. as a whole.

Figure 2-8 Historical Employment Trends (2007 – 2019)

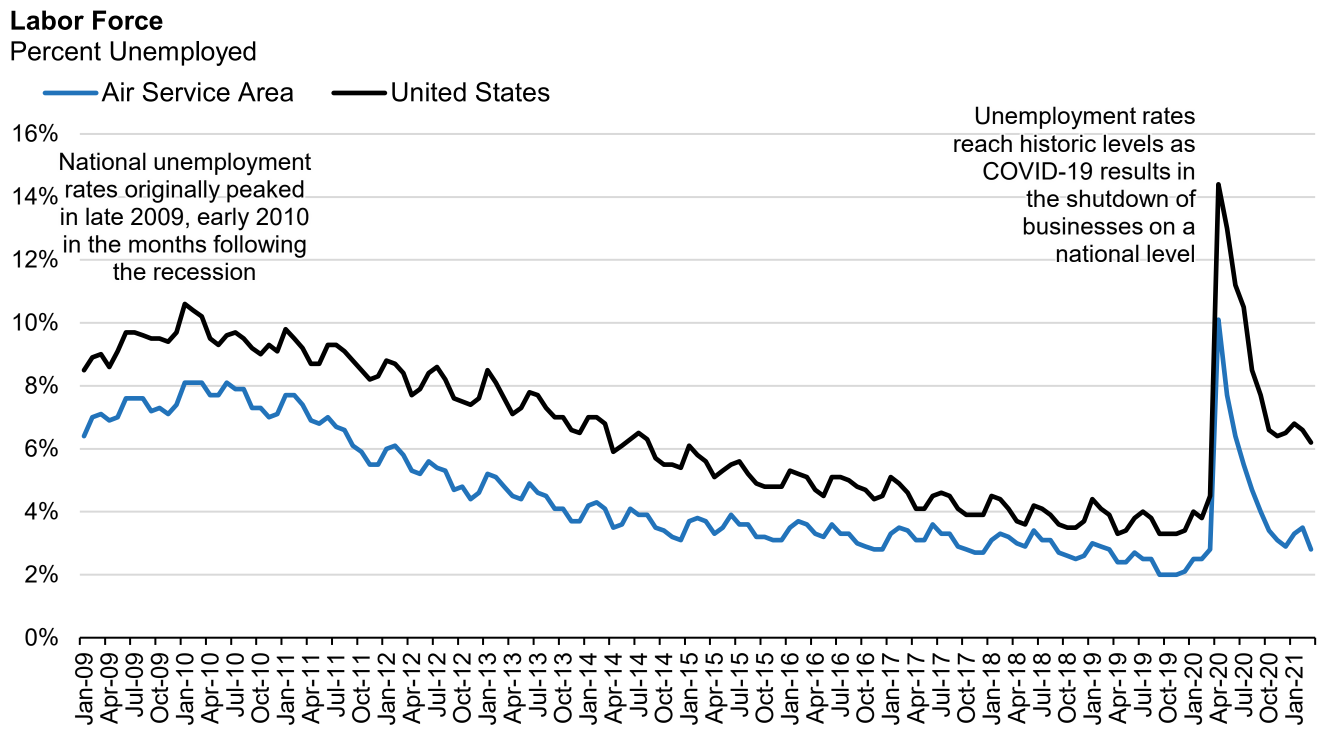


Source: Woods & Poole Economics, Inc., 2020 Complete Economic and Demographic Data Source, April 2020.

2.2.2.1 Labor Force & Unemployment Rates

Unemployment rates are also an indicator of economic health as rates usually decrease as economic activity in the region grows. **Figure 2-9** presents the historical unemployment rates for the Air Service Area, the State, and the U.S. As shown, from 2009 through 2019, unemployment rates in the Air Service Area trended similar to the national average but at a consistently more favorable rate. During the Great Recession, unemployment for the Air Service Area peaked at 8.1% in January 2010 as compared to the national unemployment peak of 10.6% in the same month. Total employment during 2019 increased at a faster rate than population since the end of the Great Recession, resulting in significant declines in unemployment rates during that time. However, since the impacts associated with the COVID-19 pandemic occurred in the U.S. starting in March 2020, unemployment rates increased to historic levels as a result of stay-at-home orders and companies hedging for potential losses. In April 2020, the unemployment rate for the Air Service Area reached 10.3% compared to the national rate of 14.4%. While the national unemployment rate has begun a slow decline, the unemployment rate in the Air Service Area declined significantly to rates seen at recently as mid-2018. In March 2021, the unemployment rate for the Air Service Area was 2.8%, which was significantly lower than that of the U.S. at 6.2%.

Figure 2-9 Unemployment Rates (Not Seasonally Adjusted for January 2009 – December 2020)

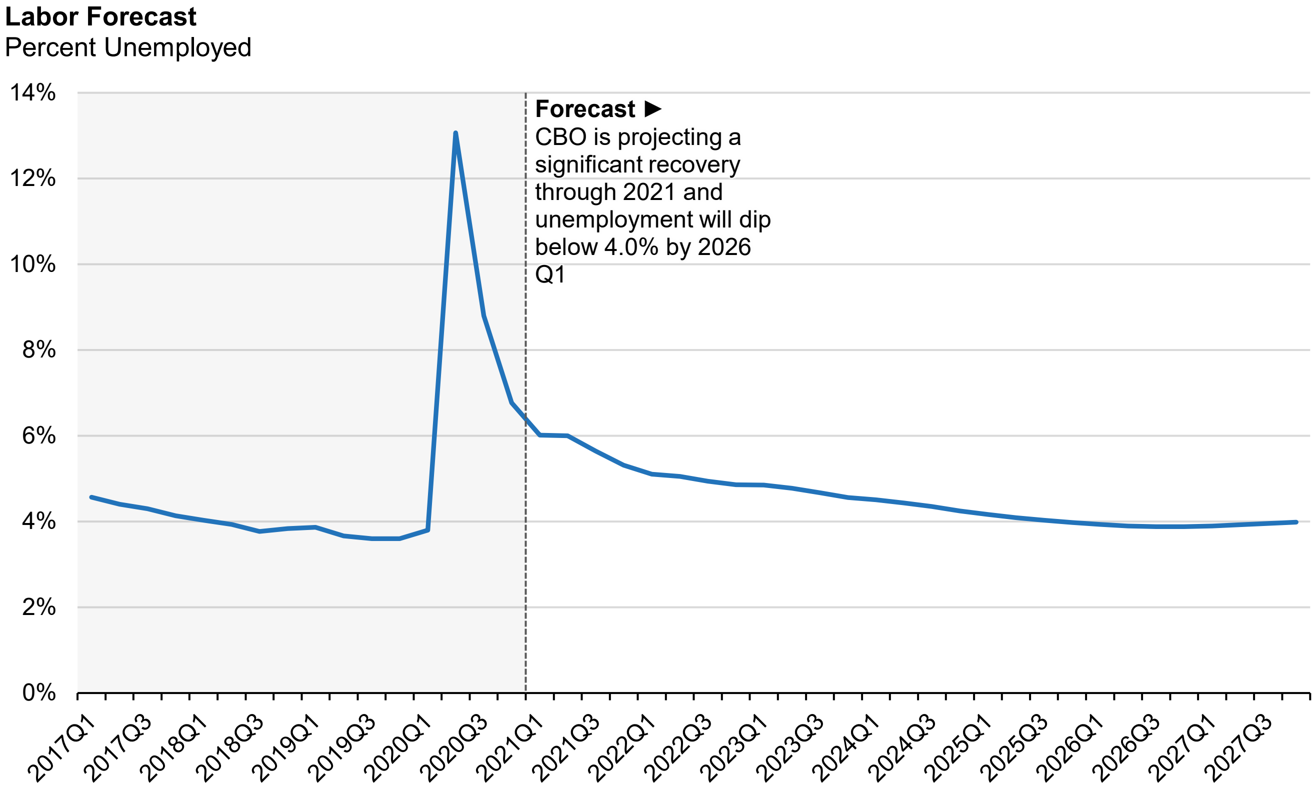


Month	Unemployment Rate		
	United States	Utah	Air Service Area
January 2020	4.0%	2.8%	2.6%
February 2020	3.8%	2.8%	2.7%
March 2020	4.5%	4.1%	3.9%
April 2020	14.4%	10.4%	10.3%
May 2020	13.0%	8.5%	8.5%
June 2020	11.2%	5.7%	5.7%
July 2020	10.5%	4.6%	4.6%
August 2020	8.5%	4.2%	4.2%
September 2020	7.7%	4.7%	4.7%
October 2020	6.6%	3.7%	3.7%
November 2020	6.4%	3.9%	3.8%
December 2020	6.5%	3.3%	3.2%
January 2021	6.8%	3.5%	3.3%
February 2021	6.6%	3.6%	3.5%
March 2021	6.2%	2.9%	2.8%

Sources: U.S. Department of Labor: Bureau of Labor Statistics, Labor Force Statistics from the Current Population Survey, January 2021.

The Congressional Budget Office (CBO) currently forecasts that the national unemployment rate will continue to decline and reach approximately 5.3% in the fourth quarter of 2021, with a slower estimated recovery, thereafter.[36] **Figure 2-10** presents the CBO's long-term forecast for the unemployment rate in the U.S. Per the CBO, unemployment rates are not expected to reach levels experienced prior to the impacts associated the COVID-19 pandemic over the forecast period.

Figure 2-10 Congressional Budget Office Forecast of Unemployment Rates (through 2027 Q4)



Source: Congressional Budget Office, An Overview of the Budget and Economic Outlook: 2021 to 2031, February 2021.

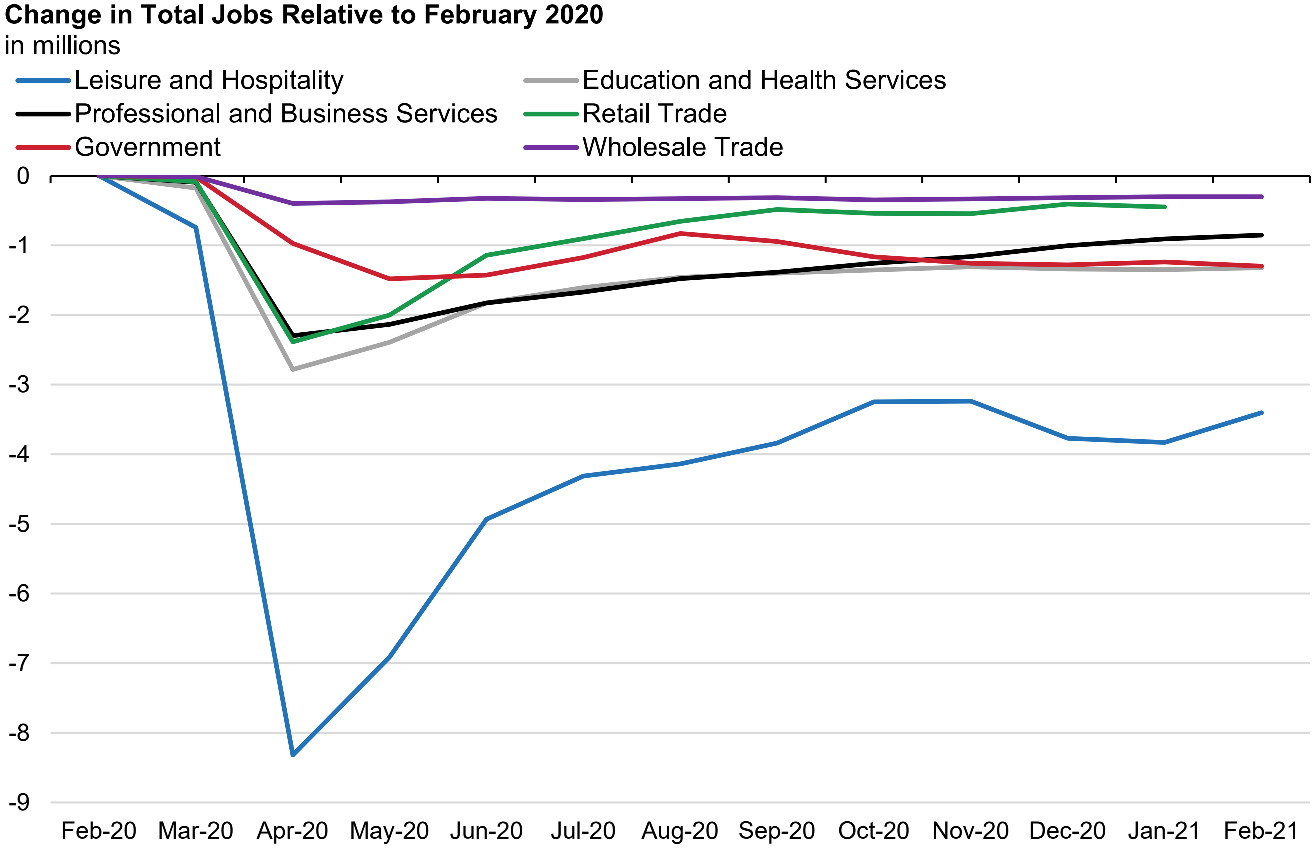
2.2.2.2 Industry Sectors

As shown above, the COVID-19 pandemic has had a dramatic effect on employment nationally. From February 2020 to April 2020, there were 22.2 million jobs lost in the U.S. Certain job sectors were more affected than others. Service-providing industries have been severely impacted, accounting for 90.6% of job losses in the first two months of the pandemic, compared to 9.4% for goods-producing sectors, which include manufacturing, construction, and mining and logging. Within the service-providing industry, the leisure and hospitality sector has been the most impacted sector during the pandemic with 8.3 million job losses in the first two months (a loss of 49.3% of all leisure and hospitality jobs), accounting for 37.5% of the total non-farm industry losses. As of February 2021, more than half of the jobs have been recovered. However, not all sectors have been recovering at the same rate. Transportation and warehousing exhibited the fastest recovery with more than 95% of the initial job

[36] Congressional Budget Office, An Overview of the Budget and Economic Outlook: 2021 to 2031, February 2021.

losses recovered by February 2021. By February 2021, the leisure and hospitality sector recovered 56.1% of the initial job losses from April 2020 but remains the largest sector for job losses (36.1% of the total job losses). **Figure 2-11** presents the job losses for the most affected sectors in the U.S. for February 2020 through February 2021.

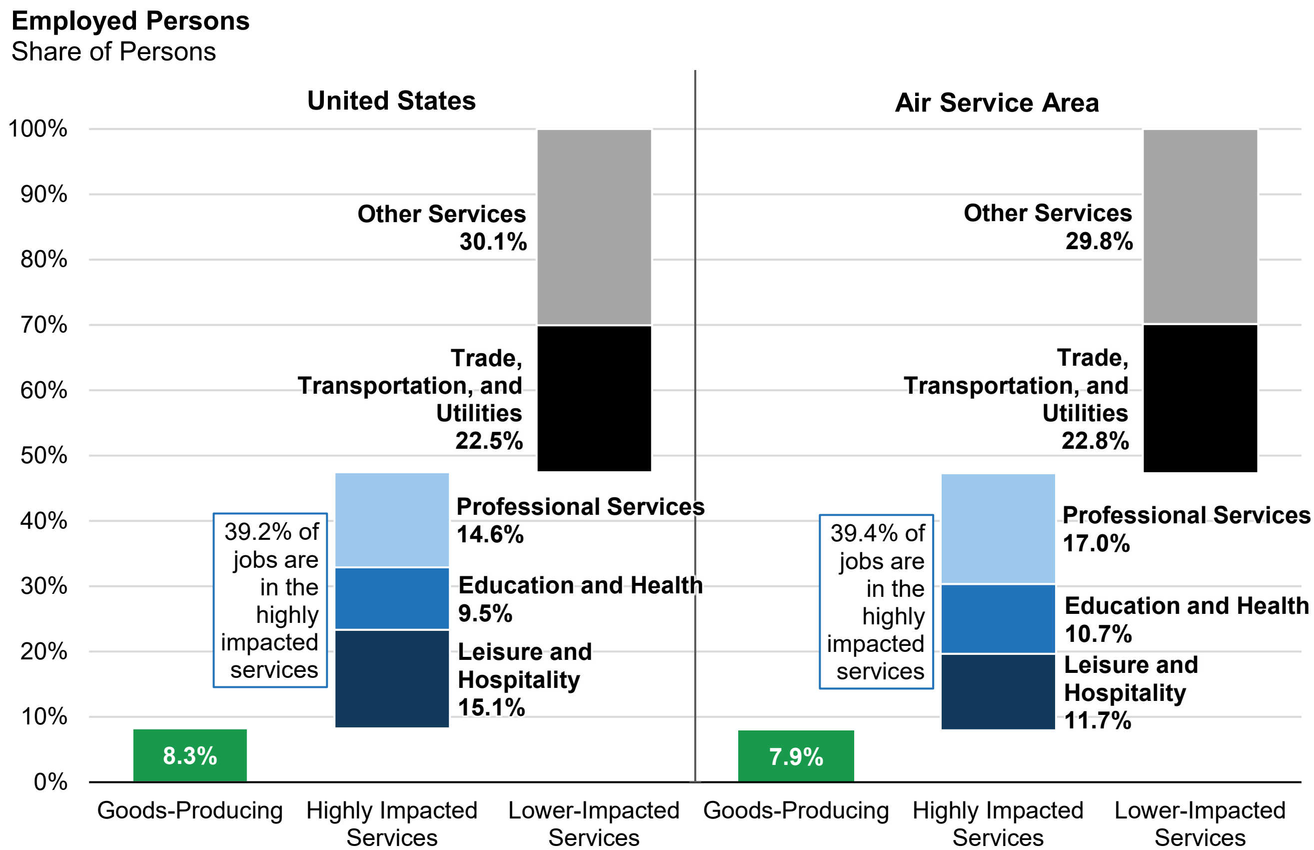
Figure 2-11 U.S. Employment Change by Industry Sector (February 2020 – February 2021)



Source: U.S. Department of Labor: Bureau of Labor Statistics, Current Employment Statistics - CES (National)

Figure 2-12 presents employment by industry sector for the Air Service Area and the U.S for 2019, which is prior to the impacts associated with the COVID-19 pandemic. Historically, those industry sectors that have been highly affected by the COVID-19 pandemic (i.e., professional services, education and health, and leisure and hospitality) comprise a similar share of the jobs in the Air Service Area than that of the nation. As shown, the goods-producing sectors account for 7.9% of the jobs in the Air Service Area while nationally they account for 8.3%. The highly impacted service sectors described above account for 39.4% of the jobs in the Air Service Area compared to 39.2% nationally.

Figure 2-12 Employment by Industry Sector (2019)



Source: Woods & Poole Economics, Inc., 2020 Complete Economic and Demographic Data Source, April 2020.

Indicative of the more favorable unemployment rate in the Air Service Area as compared to the U.S., its employment in the leisure and hospitality sector has recovered more rapidly than that of the U.S. According to the Bureau of Labor Statistics, there were approximately 156,100 employees in the leisure and hospitality sectors in Utah during February 2020. The number of employees dropped to a low of around 92,600 in April 2020, indicating 63,500 lost jobs due to the pandemic. As of February 2021, there were about 141,900 employees in the leisure and hospitality sector, still 14,200 fewer jobs than pre-pandemic levels. This indicates that 77.6% of lost jobs in the leisure and hospitality sector have been recovered in Utah compared to just 56.1% in the U.S.

2.2.2.3 Major Employers

The top 25 employers in the Air Service Area for 2019 are shown in **Table 2-3**. These employers serve a diverse range of industries including but not limited to health care, education, government, retail, electronics, and banking institutions.

Table 2-3 Top Employers in Utah (2019)

Rank	Company Name	Industry	Employment Range
1	Intermountain Healthcare	Health Care	20,000 +
2	University of Utah	Higher Education	20,000 +
3	State of Utah	State Government	20,000 +
4	Brigham Young University	Higher Education	15,000-19,999
5	Wal-Mart Associates	Warehouse Clubs/Supercenters	15,000-19,999
6	Hill Air Force Base	Federal Government	10,000-14,999
7	Amazon.com Services	Courier/Express Delivery Service	10,000-14,999
8	Davis County School District	Public Education	7,000-9,999
9	Utah State University	Higher Education	7,000-9,999
10	Smith's Food and Drug Centers	Grocery Stores	7,000-9,999
11	Granite School District	Public Education	7,000-9,999
12	Alpine School District	Public Education	7,000-9,999
13	Jordan School District	Public Education	7,000-9,999
14	Salt Lake County	Local Government	5,000-6,999
15	Utah Valley University	Higher Education	5,000-6,999
16	U.S. Department of Treasury	Federal Government	5,000-6,999
17	U.S. Postal Service	Federal Government	5,000-6,999
18	The Canyons School District	Public Education	5,000-6,999
19	Delta Air Lines	Air Transportation	4,000-4,999
20	The Home Depot	Home Centers	4,000-4,999
21	United Parcel Service	Courier/Express Delivery Service	4,000-4,999
22	Weber County School District	Public Education	4,000-4,999
23	Zions Bancorporation	Banking	4,000-4,999
24	Autoliv	Motor Vehicle Equipment Manufacturing	3,000-3,999
25	ARUP Laboratories, Inc.	Medical Laboratory	3,000-3,999
26	ATK Launch/Space Systems	Aerospace	3,000-3,999
27	Vivint	Electrical Contractors	3,000-3,999
28	Wells Fargo Bank	Banking	3,000-3,999
29	VA Hospital	Health Care	3,000-3,999
30	Macy’s	Department Stores	3,000-3,999

Table 2-4 Top Employers in Utah (2019) Continued

Rank	Company Name	Industry	Employment Range
31	Discover Products, Inc.	Consumer Loans	3,000-3,999
32	Costco	Warehouse Clubs/Supercenters	3,000-3,999
31	Nebo School District	Public Education	3,000-3,999
32	Salt Lake City School District	Public Education	3,000-3,999
33	Washington County School District	Public Education	3,000-3,999
34	Weber State University	Higher Education	3,000-3,999
35	Salt Lake City Corporation	Local Government	3,000-3,999
36	Harmons	Grocery Stores	3,000-3,999
37	L3 Technologies	Electronics Manufacturing	3,000-3,999
38	SkyWest Airlines	Air Transportation	3,000-3,999
39	America First Credit Union	Banking	3,000-3,999
40	Salt Lake Community College	Higher Education	2,000-2,999
41	Maverick Country Stores	Convenience Stores	2,000-2,999
42	Deseret Industries	Vocational Rehabilitation Services	2,000-2,999
43	DoTERRA International	Direct Selling	2,000-2,999
44	Utah Transit Authority	Public Transportation	2,000-2,999
45	Goldman Sachs	Banking/Investments	2,000-2,999
46	Cache County School District	Public Education	2,000-2,999
47	Target Corporation	Supercenters	2,000-2,999
48	Sizzling Platter, LLC	Restaurants	2,000-2,999
49	Lowe's Home Center	Home Centers	2,000-2,999
50	C.R. England Trucking	Truck Transportation	2,000-2,999
51	Merit Medical Systems	Medical Manufacturing	2,000-2,999
52	Mountain America Credit Union	Banking	2,000-2,999
53	R1 RMC	Financial Services	2,000-2,999
54	JetBlue Airways Corporation	Air Transportation	2,000-2,999

Source: Utah Department of Workforce Services, Major Employers 2019: State of Utah.

Annually, Fortune magazine publishes a listing of the largest companies in the U.S. based on revenue. There are three Fortune 1000® companies headquartered in the Air Service Area: Zions Bancorp (#740), SkyWest (#788), and Nu Skin Enterprises (#884). The three Fortune 1000® companies headquartered in the Air Service Area, had a combined revenue of $1.3 billion and employed nearly 49,000 people worldwide in 2019.

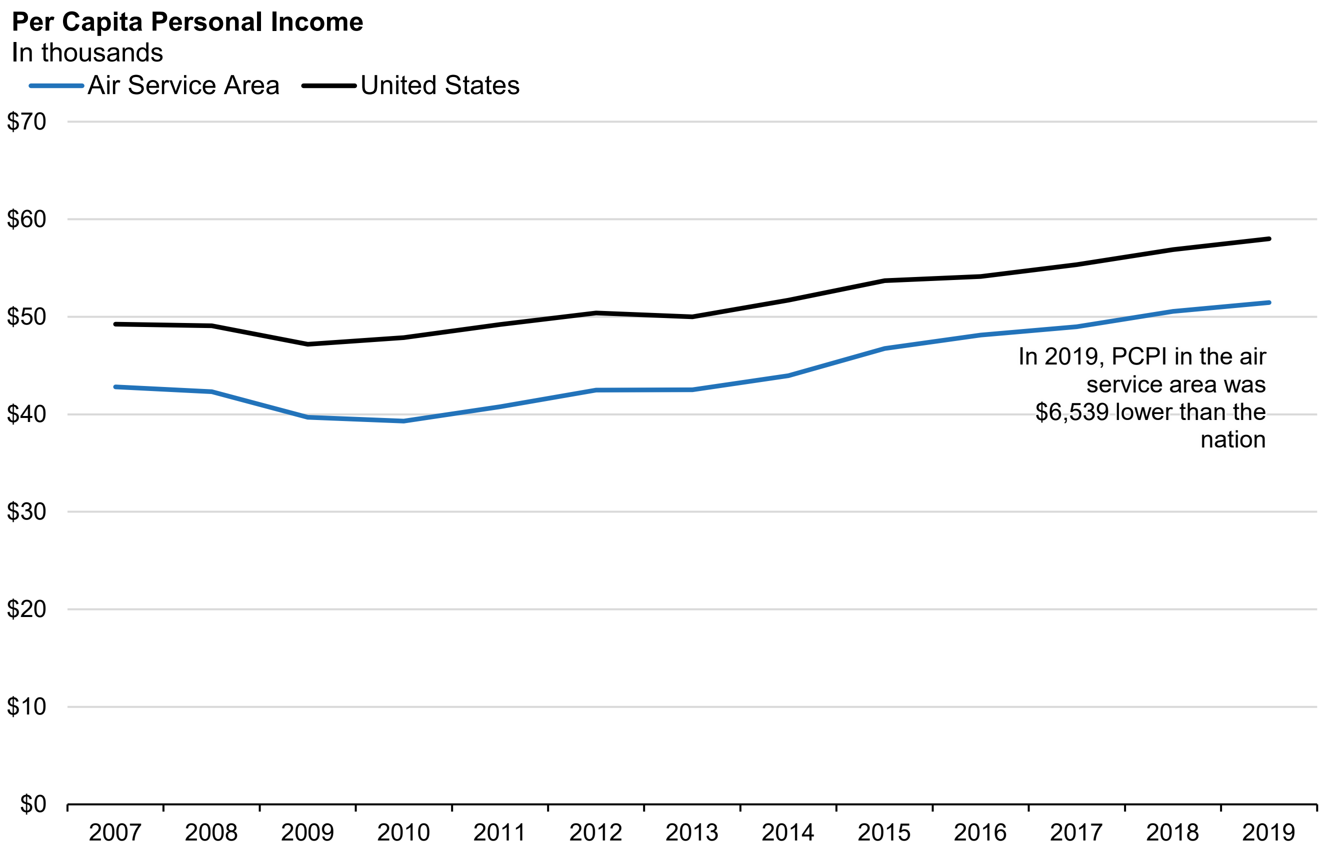
2.2.3 Income

Income statistics are broad indicators of the relative earning power and wealth of an area and provide a measure of the relative affluence of a region's residents and, consequently, of their ability to afford air travel. Income data presented herein provides a general indication of historical trends prior to the impacts associated with the COVID-19 pandemic. Income data since the COVID-19 pandemic is not available at the time of this Report.

2.2.3.1 Per Capita Personal Income

Per capita personal income (PCPI) corresponds to the income per resident (total income divided by total population). **Figure 2-13** provides the historical PCPI for the Air Service Area and the U.S. from 2007 through 2019 before the impacts of the COVID-19 pandemic. In 2007, PCPI in the Air Service Area was $42,819, which was lower than the national average of $49,240. PCPI for the nation, including the Air Service Area, declined during the Great Recession, recovered between 2010 and 2012, and then decreased slightly in 2013. Since 2013, PCPI in the Air Service Area has increased at a CAGR of 3.2% as compared to a 2.5% CAGR for the U.S. However, the PCPI in the Air Service Area reached an estimated $51,456 in 2019 which was $6,539 lower than the national average. It is generally assumed that the Air Service Area's lower share of working age population as compared to the U.S. contributes to PCPI being lower.

Figure 2-13 Historical Per Capita Personal Income Trends (2007 – 2019)



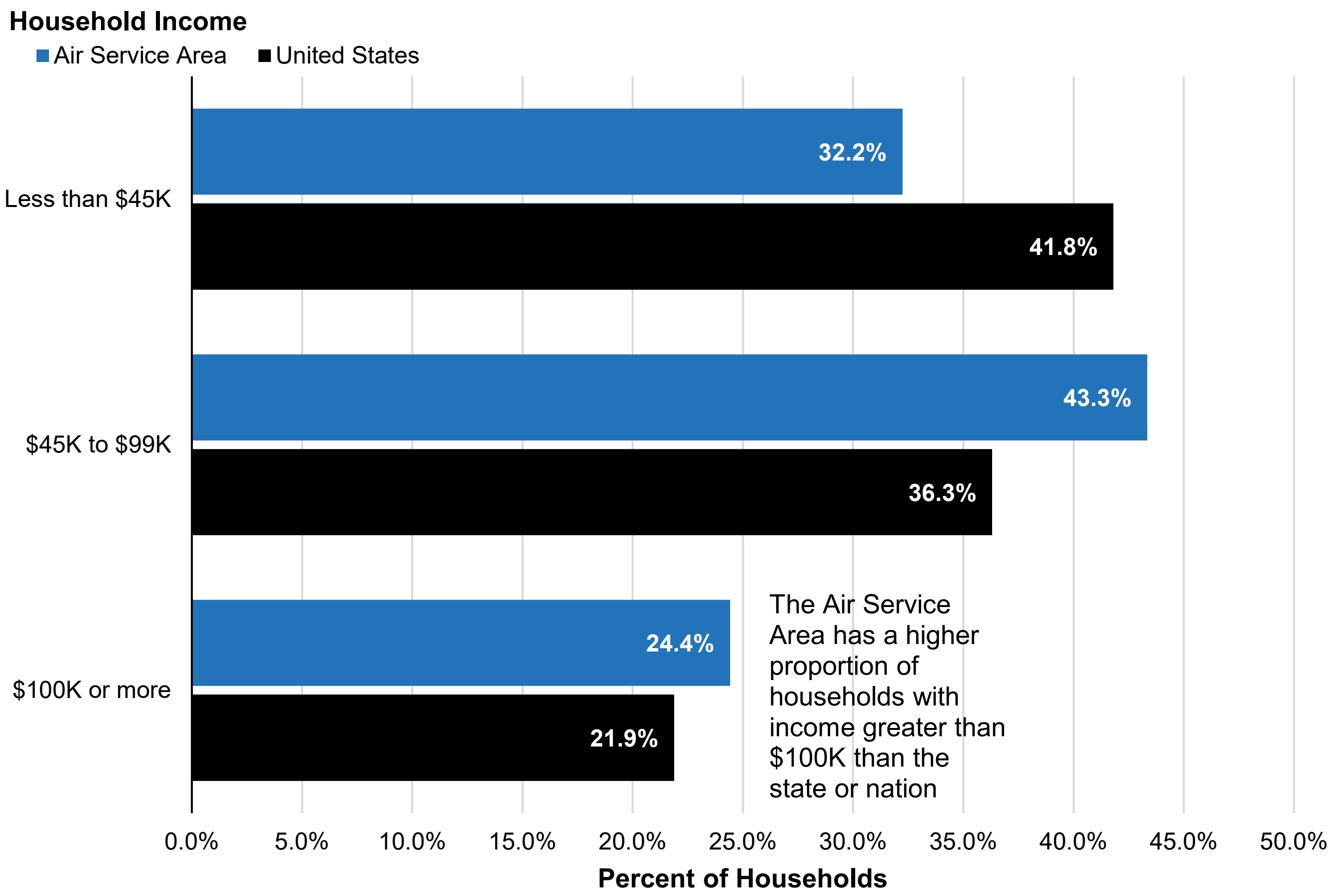
Source: Woods & Poole Economics, Inc., 2020 Complete Economic and Demographic Data Source, April 2020.

2.2.3.2 Household Income

While PCPI may be lower for the Air Service Area than the U.S., household income compares more favorably. To understand the distribution of income within the region, households within the Air Service Area were segmented into three categories: higher income households (those earning $100,000 or more per year), middle-income households (those earning $45,000 or more but less than $100,000 per year), and lower-income households (those earning less than $45,000 per year). Households in the middle and higher-income brackets typically have individuals whose jobs require travel when compared to lower-income households. Additionally, higher-income households generally have more disposable income and can therefore afford more leisure travel than households in other income brackets.

Figure 2-14 presents the percentage of households within each income bracket for the Air Service Area as compared to the U.S. for 2019. As shown, 24.4% of households in the Air Service Area were considered higher income, which is above the national average of 21.9%.

Figure 2-14 Distribution of Household Income (2019)

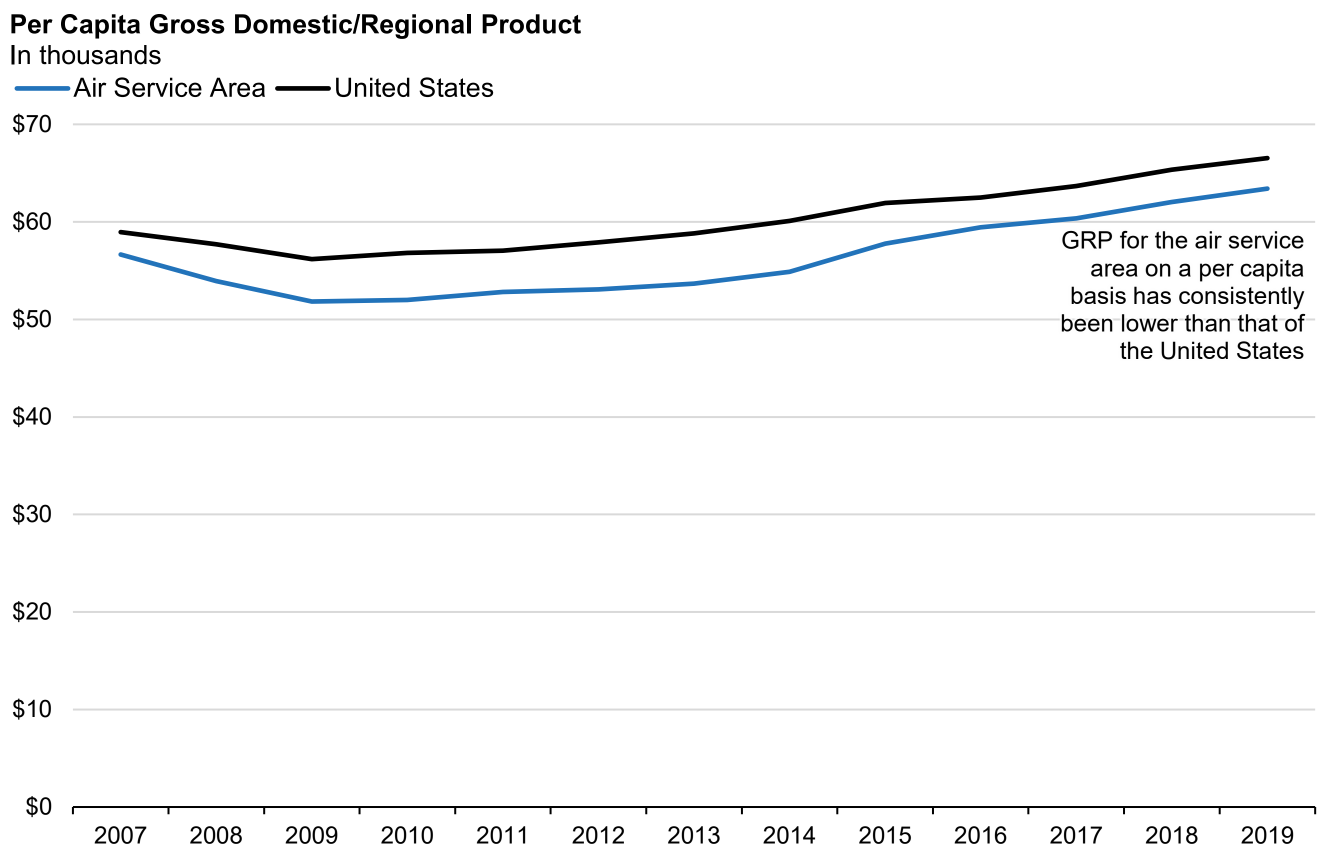


Source: Woods & Poole Economics, Inc., 2020 Complete Economic and Demographic Data Source, April 2020.

2.2.4 Gross Domestic/Regional Product

Gross domestic product (GDP) and gross regional product (GRP) are measures of the value of all final goods and services produced within a geographic area. These measures are general indicators of the economic health of a geographic area and, consequently, of the area's potential demand for air transportation services. **Figure 2-15** presents the historical GDP for the U.S. and the GRP for the Air Service Area on a per capita basis from 2007 through 2019 (the latest data available). During the Great Recession, the national economy contracted for three consecutive years. Over the period shown, GRP for the Air Service Area on a per capita basis has consistently been lower than that of the U.S. As with PCPI, it is generally assumed that the Air Service Area's lower share of working age population as compared to the U.S. contributes to GRP per capita being lower; however, it generally trends with that of the U.S.

Figure 2-15 Historical Per Capita Gross Domestic/Regional Product Trends (2007 – 2019)

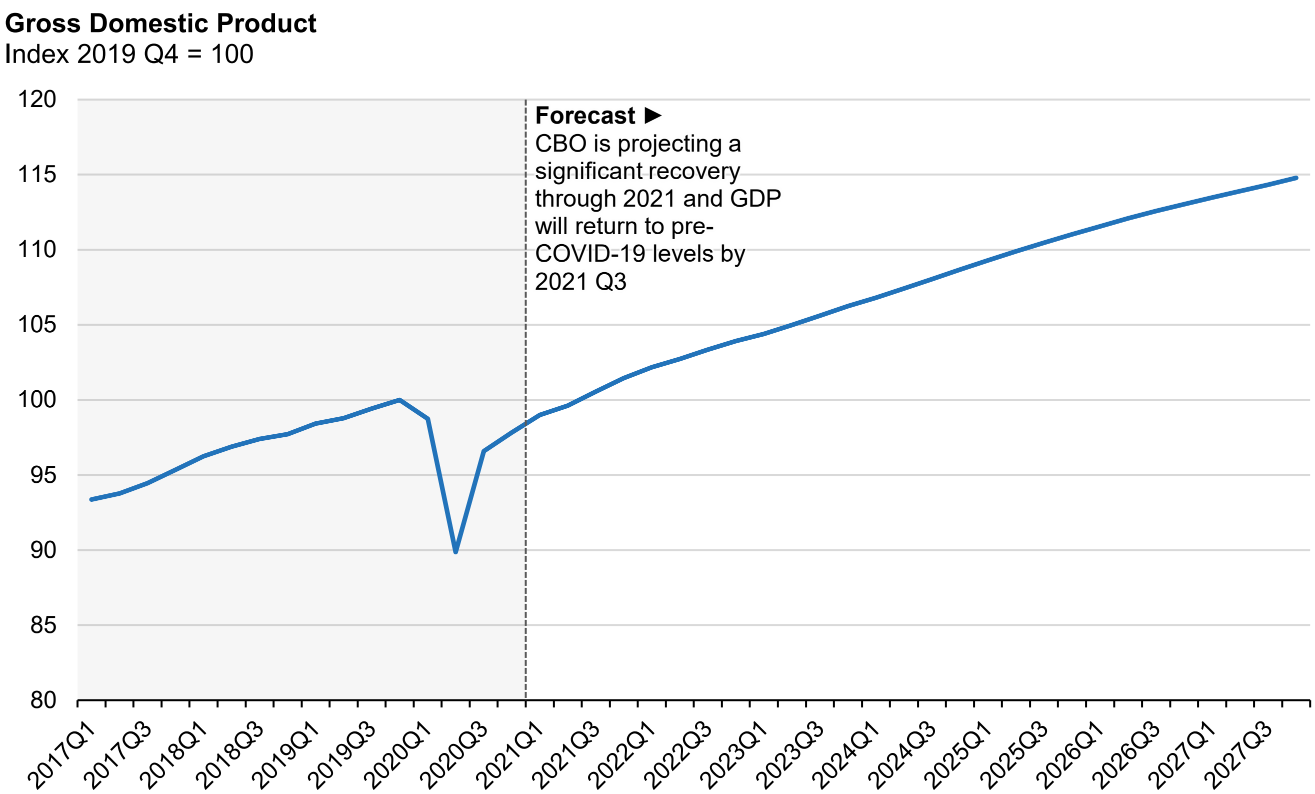


Source: Woods & Poole Economics, Inc., 2020 Complete Economic and Demographic Data Source, April 2020.

Biannually, the CBO provides 10-year economic projections which includes output, prices, labor market measures, interest rates, and income. Part of this work includes projections of potential GDP. In July 2020, the CBO released the first update to these projections since the beginning of the pandemic. At the time, the CBO forecast that real U.S. GDP contracted by 10.1% in the second quarter of 2020, which is equivalent to a decline of 34.6%, followed by a 17.0% recovery in the third quarter. The CBO projected that GDP would recover to fourth quarter of 2019 levels by the third quarter of 2022, making the recession the second longest U.S. recession since 1947.

However, when actual results became available, the real U.S. GDP contracted by 8.9% in the second quarter of 2020, which is equivalent to an annual decline of 31.4%, before rebounding by 6.7% in the third quarter of 2020. According to the most recent release of 10-year projections released early February 2021, the U.S. GDP is estimated to continue rebounding during the fourth quarter of 2020 as concerns about the pandemic diminish and as state and local governments ease stay-at-home orders, bans on public gatherings, and other measures to limit the spread of COVID-19. On an annual basis, the CBO estimates that the U.S. GDP decreased by 3.4% in 2020 and forecasts that GDP will increase by 4.6% in 2021. The February release projects that GDP would recover to fourth quarter of 2019 levels by the third quarter of 2021. **Figure 2-16** presents the latest CBO's forecast of the U.S. GDP.

Figure 2-16 Congressional Budget Office Forecast of Gross Domestic Product (through 2027 Q4)



Source: Congressional Budget Office, An Overview of the Budget and Economic Outlook: 2021 to 2031, February 2021.

2.2.5 Regional Tourism and Visitors

In 2019, travelers directly spent $10.1 billion in Utah, supporting approximately 141,500 total jobs. Nonresident visitors spent 85.6% of the total spending with a majority of those visitors traveling for leisure purposes.[37] However, impacts associated with the COVID-19 pandemic have caused a significant decline in travel in Utah. According to a recent study, it is estimated that total 2020 travel and tourism jobs was down around 15% from 2019.[38]

Outdoor tourism is a major industry in the Air Service Area and for the State and surrounding region. In general, the outdoor tourism consists of two main seasons: summer and winter. However, it is not uncommon to find outdoor tourists in all months. In the summer season, the main driver for outdoor tourism are the national and State parks. In the winter, it is primarily the numerous ski resorts throughout the region. It is important to point out that while tourism in general has been negatively impacted by the COVID-19 pandemic, outdoor activities that offer access to open spaces and that is more conducive to physical distancing (e.g., parks, ski areas, beaches, etc.) has been more popular as described below.

2.2.5.1 National and State Parks

Utah is home to five national parks, nicknamed 'The Mighty 5', which combined for 10.7 million recreation visits in 2019. All five of the parks provide miles of trails for hiking, backpacking, snowshoeing, cross country skiing, and horseback riding with backdrops of sweeping vistas and to gaze at some of the highest concentrations of hoodoos (irregular columns of rock) found anywhere in the world. There are also 11 national places including the Glen Canyon National Recreation Area and the Golden Spike National Monument. The COVID-19 pandemic initially caused the temporary closure of all the national parks in Utah by early April. According to data from the National Park Service, the Mighty 5 had 7.8 million recreation visits in 2020, a decline of 27.4%. The parks began to reopen in May 2020. **Figure 2-17** presents the monthly visits to the Mighty 5 from January 2019 through December 2020. As shown, there was a significant drop in visitors beginning in March 2020. However, visitor traffic was relatively robust in the late summer and early fall of 2020 considering much of the tourism in the U.S. was still severely impacted as a result of the pandemic. In fact, October, November, and December visitors in 2020 exceeded those of the same months in 2019.

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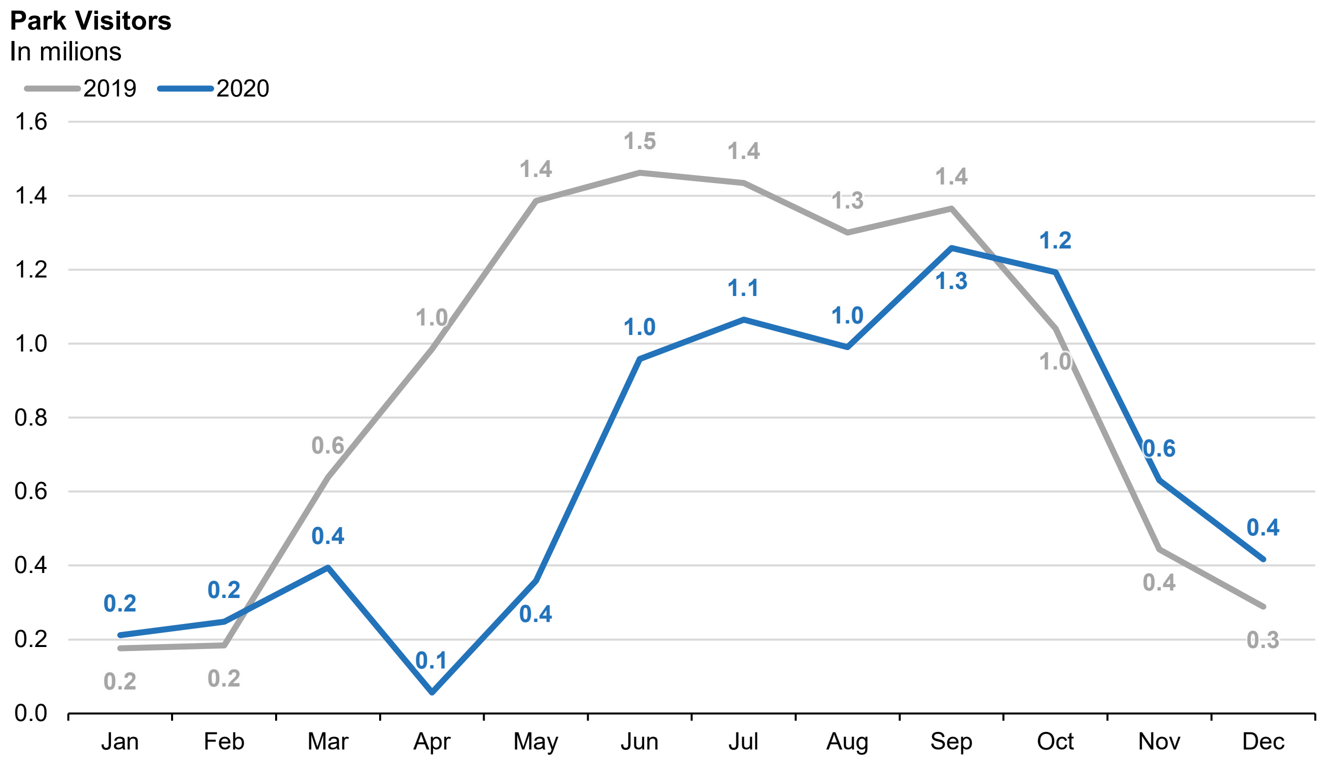
[37] Kem C. Gardner Policy Institute, The State of Utah's Travel and Tourism Industry 2019, September 2020.
[38] Kem C. Gardner Policy Institute, A "Tourism Trifold", January 2021.

Figure 2-17 Park Visitors to the Mighty 5 (January 2019 – December 2020)



Source: National Parks Service, National Reports, April 2021.

In addition to the Mighty 5 national parks, Utah has 44 state parks. In 2019, state park visits increased 10.6% from 6.7 million to 7.4 million people. Unlike the national parks, Utah's state parks saw significant growth in 2020 receiving over 10 million visits. This increase in visitors is likely because of other tourist destinations not being open during the COVID-19 pandemic. As mentioned, both the national parks and the state parks offer visitors open spaces and outdoor activities that are more conducive to activity restrictions during a health pandemic.

2.2.5.2 Ski Resorts

The ski industry is another major driver for tourism in Utah. For the 2018-19 season which runs from mid-November through to April, there were 5.1 million skier days[39] in Utah, the most on record. However, the 2019-20 season was shut down early because of the COVID-19 pandemic. However, despite the shortened season, Utah's ski resorts still saw its 4th best season on record.[40] All 15 of Utah's ski areas were open for the 2020-21 season with safety protocols in place. [data for 20-21 season?]

39 A skier day is defined as one person visiting a ski area for all or part of a day or night for skiing or snowboarding.
40 Ski Utah, Utah Skier Numbers Remain Promising Despite an Abrupt End to the 2019-20 Season, accessed online at https://www.skiutah.com/news/authors/pr/utah-skier-numbers-remain

2.2.5.3 Other

The Air Service Area is home to a rich variety of cultural, educational, and entertainment attractions including: the Utah Museum of Fine Arts; Utah Museum of Contemporary Art; Phillips Gallery; Natural History Museum of Utah; Hogle Zoo; Tracy Aviary; Fort Douglas Military Museum; Red Butte Garden; Wheeler Historic Farm; Living Planet Aquarium; The Leonardo science museum; Clark Planetarium and IMAX Theater; Discovery Gateway Children's Museum; Utah Opera; Utah Symphony; Ballet West; Repertory Dance Theatre; Pioneer Theatre Company, and others.

In 2020, 116,800 people attended the annual Sundance Film Festival, held in January in Park City, Utah. Approximately 44,000 of the attendees were visitors from out of State.[41] In 2021, the Sundance Film Festival took place both online and in-person. Other festivals and events in the Air Service Area and around the state include the Utah Shakespeare Festival, Moab Music Festival, Utah Festival Opera, Tuacahn theater series, and the Utah Arts Festival.

Major professional sports teams based in the Air Service Area include the National Basketball Association's Utah Jazz, Major League Soccer's Real Salt Lake, and Major League Rugby's Utah Warriors. There are also six minor professional teams.

In 2019, there were approximately 655,000 attendees accounting for more than $330 million at meetings/conventions/events in Salt Lake City.[42] However, the meeting industry has been one of the hardest hit sectors because of restrictions implemented during the COVID-19 pandemic. Visit Salt Lake, through its "Meet In Utah" program, offered financial incentives to groups that contracted events by December 30, 2020 that are planned to be held in 2021. Through this effort, 30 events have been scheduled that are forecast to generate 28,000 room nights for 2021.[43]

2.2.6 Summary

The Air Service Area has, historically, exceeded the overall U.S. in key factors such as employment and household income which generally indicate the capacity of the Air Service Area to generate demand for air travel services. As described, the COVID-19 pandemic and resulting restrictions have severely disrupted and continues to disrupt economic activity in the Air Service Area, the U.S., and other countries around the world. At this time, due to emerging data and information, it is not possible to fully assess the overall economic impact of and timing for recovery from the ongoing COVID-19 pandemic; however, L&B has evaluated such based on available information, including relevant projections.

41 Y2 Analytics, 2020 Sundance Film Festival: Economic Impact, access online at https://www.sundance.org/pdf/2020%20Sundance%20Film%20Festival%20Economic%20Impact%20Report.pdf
42 Visit Salt Lake, 2019 Annual Report, accessed online at https://www.visitsaltlake.com/members/member-tools/
43 Visit Salt Lake, Meet In Utah Program Initiates Recovery of Salt Lake's Meeting Industry, https://www.visitsaltlake.com/articles/post/meet-in-utah-program-initiates-recovery-of-salt-lakes-meeting-industry/

A summary of our key findings of our assessment of the Air Service Area's economic base for air traffic are as follows:

- The Air Service Area has a lower proportion of working age residents (25 to 64 years old) than the U.S. (48.9% versus 52.1%). However, it does have a higher proportion of population in the younger working age range or ages 24 to 46. This provides an opportunity for the Air Service Area to maintain a robust working age population for years to come as the population ages. Additionally, the Air Service Area has a higher population with college degrees as compared to the U.S. (45.9% versus 41.7%). Both demographics have historically accounted for a higher demand for air travel.
- The Air Service Area has historically exhibited more favorable employment trends than the nation; however, both the Air Service Area and U.S. have experienced significant unemployment increases since March 2020 related to the COVID-19 pandemic. State unemployment claims have decreased significantly since the peak in April 2020. While unemployment rates are still relatively high on a national level, the Air Service Area's unemployment rate for March 2021 was 2.8%. The CBO forecasts that the national unemployment rate will continue to decrease as the economic recovery continues. It is expected that the Air Service Area would continue to follow the national trend while continuing to be at a more favorable rate.
- The Air Service Area has historically exhibited strong income indicators. It has a higher proportion of household income greater than $100,000 than the nation, which is indicative of a higher demand for air travel.
- On a per capita basis, the Air Service Area's GRP has consistently been lower than that of the GDP for the U.S. It is generally assumed that the Air Service Area's lower share of working age population as compared to the U.S. contributes to GRP per capita being lower. The CBO has forecast GDP recovery for the nation and is currently estimating that GDP will return to 2019 levels in the third quarter of 2021. It is expected that the GRP for the Air Service Area would continue to generally trend with that of the U.S.

As described previously, the economy in the Air Service Area is also connected to visitors to the region, including both leisure and business travelers. The Air Service Area is in relatively close proximity to many national parks (including the Mighty 5), state parks, and ski resorts that offer visitors unique and exceptional activities in an open and outdoor natural setting more conducive to restrictions in place during health pandemics. Many of these activities have been as popular as ever during the COVID-19 pandemic.

While, overall, the associated impacts and restrictions resulting from the COVID-19 pandemic have negatively affected the regional economy, tourism, conventions, and events over the past year, it is anticipated these will recover as the spread of COVID-19 is controlled and the U.S. economy continues to recovery and again stimulate demand for air travel.

3 Air Service and Air Traffic Analysis

This chapter describes and evaluates the state of air service at the Airport, analyzes historical trends in air traffic, identifies key factors that generally affect demand for air travel, and provides projections of air traffic activity. **This chapter also addresses the impacts on air traffic associated with the COVID-19 pandemic using data and information available to date. It should be noted however, that impacts are still emerging, and at this time L&B is unable to fully quantify the effect that the COVID-19 pandemic will have on air service and air traffic and the length of time over which this effect will occur. No assurance can be given that the future results discussed herein will be achieved, and actual results may differ materially from the projections described herein. In this respect, the words "estimate," "forecast," "project," "anticipate," "expect," "intend," "believe" and similar expressions are intended to identify forward-looking statements. The forward-looking statements in this Report are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by such statements. All estimates, projections, forecasts, assumptions and other forward-looking statements are expressly qualified in their entirety by the cautionary statements set forth in this Report and the Official Statement.**

3.1 Air Service at the Airport

The following sections evaluate current air service capacity and operating performance for the primary passenger airlines serving the Airport. The Airport's overall O&D market is also assessed at the market level, comparing performance with prior years. Additionally, the Airport's role as a connecting hub for Delta when compared to other U.S. hubs is examined. To the extent airline market data and related information is available, impacts associated with the COVID-19 pandemic are also identified. Due to Delta's significant presence at the Airport, it was evaluated in greater detail.

3.1.1 Airlines Operating at the Airport

The Airport has historically been served by the largest U.S. airlines in the industry. The current U.S. passenger airline industry generally consists of three primary business models: network carriers, low-cost carriers (LCCs), and ultra-low-cost carriers (ULCCs). Network carriers are generally considered the major airline brands that have existed, in one form or another, since the deregulation of the airline industry in the late 1970s. Network airlines have extensive route networks and can operate with a "hub and spoke" system or maintain significant market share at focus cities. These airlines served all categories of travelers but have historically catered more toward the business traveler segment. LCCs are generally defined as passenger airlines that focus on lower operating costs to be able to provide customers with lower fares while still providing some amenities within the cost of the ticket. LCCs typically focus upon carrying point-to-point traffic while offering some connections. However, as compared to network airlines, LCCs typically do not have as extensive route networks. LCCs have historically catered to a mix of business and leisure traffic depending on the destination. ULCCs are somewhat similar to LCCs but typically offer lower air fares as they do not provide any amenities within the cost of the ticket. ULCCs typically 'unbundle' extra services and charge for everything outside of the ticket cost such as checked baggage, carry-on baggage, and seat selection among other things. Most of the traffic handled by ULCCs has historically been leisure travelers. It should also be noted that network carriers and certain LCCs also charge separately for some of these items; however, these carriers also operate customer loyalty programs that offer frequent travelers various benefits.

As of March 2021, the Airport had scheduled passenger service by four U.S. network airlines,[44] two LCCs,[45] one ULCC,[46] and no foreign flag airlines. All domestic carriers have maintained service, albeit at lower levels, since the onset of the COVID-19 pandemic. Aeroméxico[47] and KLM Royal Dutch Airlines, which have historically operated at the Airport, have not resumed service at the Airport as of March 2021. Currently, there is no information on when these airlines will resume service at the Airport. **Table 3-1** provides a list of the scheduled passenger and all-cargo airlines that served the Airport as of March 2021.

Table 3-1 Airlines Serving the Airport (As of March 2021)

Passenger Airlines			All-Cargo Airlines (9)
Mainline Carriers (7)	Regional/Commuter Airlines (4)	Foreign Flag Airlines[1](0)	
Alaska Airlines	Horizon Air[5]		Alpine Aviation
American Airlines	Mesa Airlines[2,4]		Ameriflight
Delta Air Lines	Republic Airlines[4]		Corporate Air
Frontier Airlines	SkyWest Airlines[2,3,4,5]		Empire Airlines
JetBlue Airlines			FedEx
Southwest Airlines			Gem Air
United Airlines			Southern Air[6]
			United Parcel Service
			Western Air Express

Notes: [1] Aeroméxico and KLM Royal Dutch Airlines have suspended service at the Airport.
[2] Doing business as American Eagle
[3] Doing business as Delta Connection
[4] Doing business as United Express
[5] Doing business as Alaska Airlines
[6] Operates DHL Express service

Source: Diio Mi, Schedule – Dynamic Table, accessed April 2021 (passenger airlines). Department (all-cargo airlines)

44 For the purposes of this Report, Alaska Airlines, American Airlines, Delta Air Lines and United Airlines are considered network airlines.
45 For the purposes of this Report, Southwest Airlines and JetBlue Airways are considered low-cost carriers.
46 For the purposes of this Report, Frontier Airlines is considered an ultra-low-cost-carrier.
47 In July 2020, Aeroméxico filed for voluntary Chapter 11 protection. The airline continues to operate but a significantly reduced capacity.

In FY 2017, Delta accounted for 69.9% of the total enplaned passengers at the Airport. From FY 2018 through FY 2019, Delta continued to increase its passenger market share at the Airport while the passenger market share of the majority of the other domestic airlines remained relatively constant through this period. Although Delta's enplaned passengers declined in FY 2020 primarily because of the impacts related to the COVID-19 pandemic during the last several months of FY 2020, its passenger market share at the Airport did increase. Delta accounted for 73.0% of the total enplaned passengers in FY 2020. Through February 2021, Delta's enplaned passenger market share at the Airport has decreased slightly to 72.6%. For FY 2021 through February 2021, Frontier has been able to maintain 67.4% of its enplaned passengers at the Airport as compared to the same period in FY 2020 and American has been able to maintain 59.9% of its enplaned passengers at the Airport for this same period. These are the only two airlines that were able to maintain at least 50% of their enplaned passengers over this period. **Table 3-2** presents enplaned passengers by airline along with the associated market share at the Airport from FY 2017 through FY 2021 year-to-date (through February 2021).

In order to provide context as to the recovery of the airlines at the Airport since the beginning of the COVID-19 pandemic, **Table 3-3** compares key air service metrics at the Airport for May 2020 versus May 2021 by airline. Because of the restrictions put in place because of the COVID-19 pandemic, all foreign flag airlines suspended service at the Airport by May 2020. As of March 2021, none of the foreign flag airlines have published schedules that indicate a resumption of service at the Airport by May 2021. Total departures are essentially flat and departing seats are up in May 2021 by approximately 4.3% as compared to May 2019. While passengers are still recovering back to levels experienced in 2019, May is the first month where scheduled departing seats are above 2019 levels. This is an encouraging sign for air traffic recovery at the Airport.

Table 3-2 Airport Enplaned Passengers and Airline Market Share (FY 2016 – FY 2021 YTD)

Airline	Enplaned Passengers (In Thousands)					Market Share				
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021 YTD	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021 YTD
Delta Air Lines	8,281	8,729	9,432	7,365	2,966	69.9%	70.3%	72.0%	73.0%	72.6%
Southwest Airlines	1,216	1,310	1,300	982	395	10.3%	10.5%	9.9%	9.7%	9.7%
American Airlines	747	775	740	555	285	6.3%	6.2%	5.7%	5.5%	7.0%
United Airlines	596	608	663	475	189	5.0%	4.9%	5.1%	4.7%	4.6%
Alaska Airlines	421	379	333	253	85	3.6%	3.1%	2.5%	2.5%	2.1%
JetBlue Airways	296	363	358	274	49	2.5%	2.9%	2.7%	2.7%	1.2%
Frontier Airlines	246	243	263	191	114	2.1%	2.0%	2.0%	1.9%	2.8%
Other	47	13	2	1	0	0.4%	0.1%	0.0%	0.0%	0.0%
Total	**11,850**	**12,420**	**13,090**	**10,096**	**4,083**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Note: FY 2021 year-to-date (YTD) is the period of July 2020 through February 2021.
Source: Salt Lake City Department of Airports, Air Traffic Statistics, accessed at https://slcairport.com/about-the-airport/airport-overview/air-traffic-statistics/
Compiled by Landrum & Brown, Inc.

Table 3-3 Key Air Service Metrics at the Airport by Airline (May 2019 vs May 2021)

Airline	Departures			Scheduled Departing Seats			Nonstop Markets Served		
	May 2019	May 2021	Percent Change	May 2019	May 2021	Percent Change	May 2019	May 2021	Change
Delta Air Lines	7,784	7,927	1.8%	910,097	976,146	7.3%	95	90	-5
Southwest Airlines	899	750	-16.6%	134,317	123,122	-8.3%	12	14	2
United Airlines	605	572	-5.5%	48,234	47,782	-0.9%	6	6	0
American Airlines	520	577	11.0%	69,154	79,681	15.2%	5	6	1
Alaska Airlines	273	341	24.9%	29,585	31,412	6.2%	5	5	0
JetBlue Airways	238	141	-40.8%	35,952	22,644	-37.0%	5	5	0
Frontier Airlines	109	157	44.0%	21,014	29,160	38.8%	4	4	0
Aeroméxico	31	0	-100.0%	3,060	0	-100.0%	1	0	-1
KLM	14	0	-100.0%	4,116	0	-100.0%	1	0	-1
Total (see note)	**10,473**	**10,465**	**-0.1%**	**1,255,529**	**1,309,947**	**4.3%**			

Notes: Data includes regional affiliates, as applicable.
As of April 2021, Aeroméxico and KLM are not scheduled to resume service at the Airport.
Nonstop markets served total do not sum as there is overlap in markets by carriers.

Source: Diio Mi, Schedule – Dynamic Table, accessed April 2021.

3.1.2 Delta's Operations at the Airport

Delta is the dominant airline at the Airport, historically accounting for around 70% of the Airport's enplaned passengers. The Airport is important in serving O&D traffic and is also one Delta's primary connecting hubs along with Hartsfield-Jackson Atlanta International Airport (ATL), Minneapolis-St. Paul International Airport (MSP), and Detroit Metropolitan Wayne County Airport (DTW). **Table 3-4** provides the scheduled departing seats for Delta's top ten airports in the U.S for FY 2021 versus FY 2020. As shown, the Airport had approximately 9.4 million scheduled departing seats during FY 2020, which ranked it as Delta's 4th largest airport in the U.S. In FY 2021, the Airport maintains its number four ranking; however, it has moved closer to the top three airports. Departing seats at the Airport are scheduled to reach almost 10.1 million in FY 2021, resulting in an increase of 7.2% over FY 2020. The Airport is the only U.S. airport in Delta's top 10 for departing seats with positive growth in FY 2021, and only one of five U.S. airports ranked in Delta's top 30 with positive growth in FY 2021.

Table 3-4 Delta's Top Ten Airports Based on Scheduled Departing Seats (FY 2020 vs FY 2021)

Rank	Airport	Code	Departing Seats		Year-Over-Year Percent Change
			FY 2020	FY 2021	
1	Atlanta	ATL	39,841,093	33,727,290	-15.3%
2	Minneapolis	MSP	13,246,811	10,819,068	-18.3%
3	Detroit	DTW	13,560,175	10,705,191	-21.1%
4	**Salt Lake City**	**SLC**	**9,354,801**	**10,026,526**	**7.2%**
5	Los Angeles	LAX	6,710,041	5,794,301	-13.6%
6	New York-JFK	JFK	8,261,986	5,464,329	-33.9%
7	Seattle	SEA	6,087,947	5,145,818	-15.5%
8	New York-LGA	LGA	6,336,910	3,066,756	-51.6%
9	Orlando	MCO	2,889,151	2,666,352	-7.7%
10	Boston	BOS	4,078,316	2,339,968	-42.6%

Source: Diio Mi Innovate Schedules, Accessed March 2021

The next two sections discuss the Airport's importance in serving both O&D and connecting traffic within Delta's route network.

3.1.2.1 Delta's O&D Traffic at the Airport

The size of the Airport's O&D market is a key consideration in being a hub for Delta. As shown in **Table 3-5**, Delta achieved approximately $1.4 billion in estimated revenue on a roundtrip basis at the Airport in FY 2020. The Airport was the 7th largest domestic market in Delta's network based upon both O&D passengers and revenue in FY 2020, this was the same ranking for the Airport as in FY 2019.

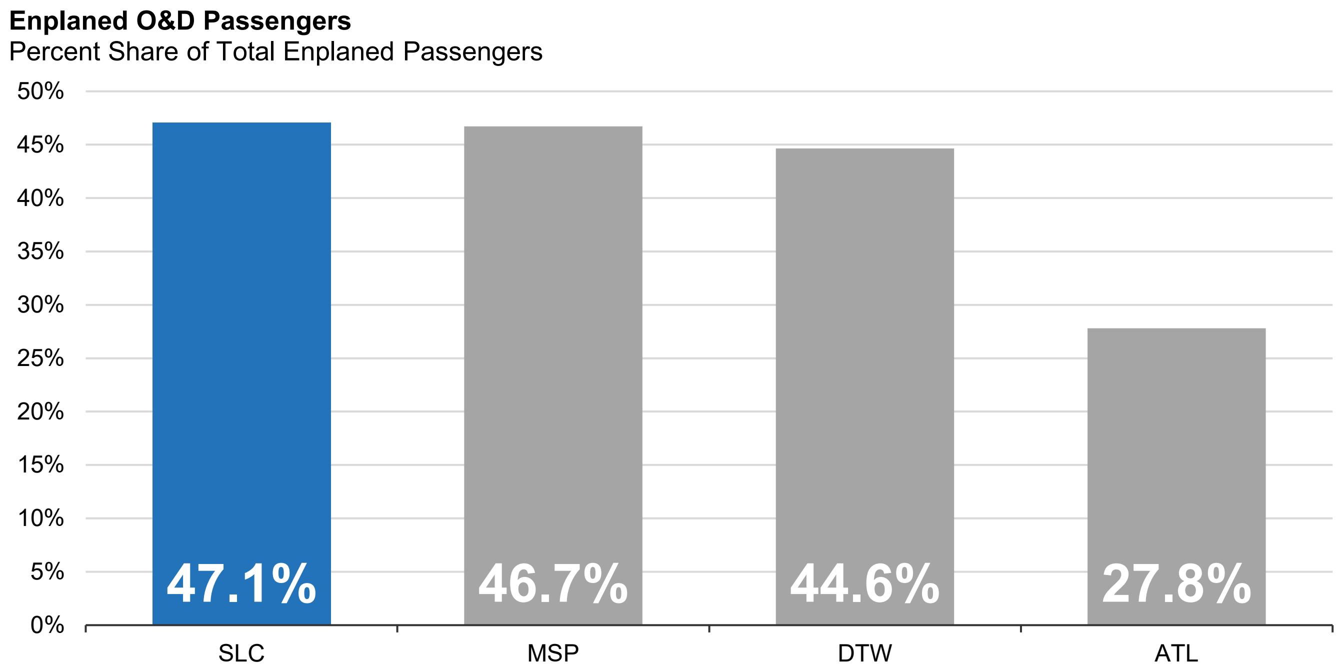
Table 3-5 Delta's Top Ten Domestic O&D Markets Based on Estimated Revenue (FY 2020)

Rank	Airport	Code	O&D Passenger (in millions)	Average One-Way Fare	Roundtrip Revenue (in billions)
1	Atlanta	ATL	8.5	$224	$3.8
2	Minneapolis	MSP	4.6	$228	$2.1
3	New York-JFK	JFK	4.5	$273	$2.5
4	Detroit	DTW	4.4	$245	$2.1
5	New York-LGA	LGA	3.8	$182	$1.4
6	Los Angeles	LAX	3.7	$243	$1.8
7	**Salt Lake City**	**SLC**	**3.3**	**$220**	**$1.4**
8	Boston	BOS	2.7	$210	$1.1
9	Seattle	SEA	2.7	$228	$1.2
10	Orlando	MCO	2.2	$192	$0.8

Source: U.S. Department of Transportation via Diio, accessed January 2021; fare is net of taxes and fees.

Figure 3-1 presents the percentage of O&D enplaned passengers at Delta's key "interior" connecting hub airports including ATL, MSP, DTW, and the Airport. Interior hubs are considered to be those hub airports that are geographically located within the interior of the U.S. and not on either the east or the west coast. As shown, 47.1% of Delta's enplaned passengers at the Airport were O&D passengers in FY 2020, the most of any of Delta's primary hubs. This percentage of O&D traffic is in-line with its other major connecting hubs at MSP and DTW. Delta's share of O&D traffic at the Airport was also well above that for Delta's ATL hub. However, given ATL's role as Delta's largest global connecting hub airport, comparisons to ATL are not as relevant as the other hub comparisons. Per discussions with Delta staff, serving large O&D markets and maintaining a ratio of approximately 40% to 50% of O&D traffic at its primary connecting hubs, with the exception of ATL, is considered to be a sustainable balance for its network. Over the past two decades, other Delta connecting hubs that served much smaller local O&D markets that were unable to sustain a similar share of O&D passenger traffic were either significantly downsized or discontinued as connecting hubs within Delta's network such as Cincinnati and Memphis.

Figure 3-1 Delta's Percent of O&D Enplaned Passengers at Interior Connecting Hubs (FY 2020)



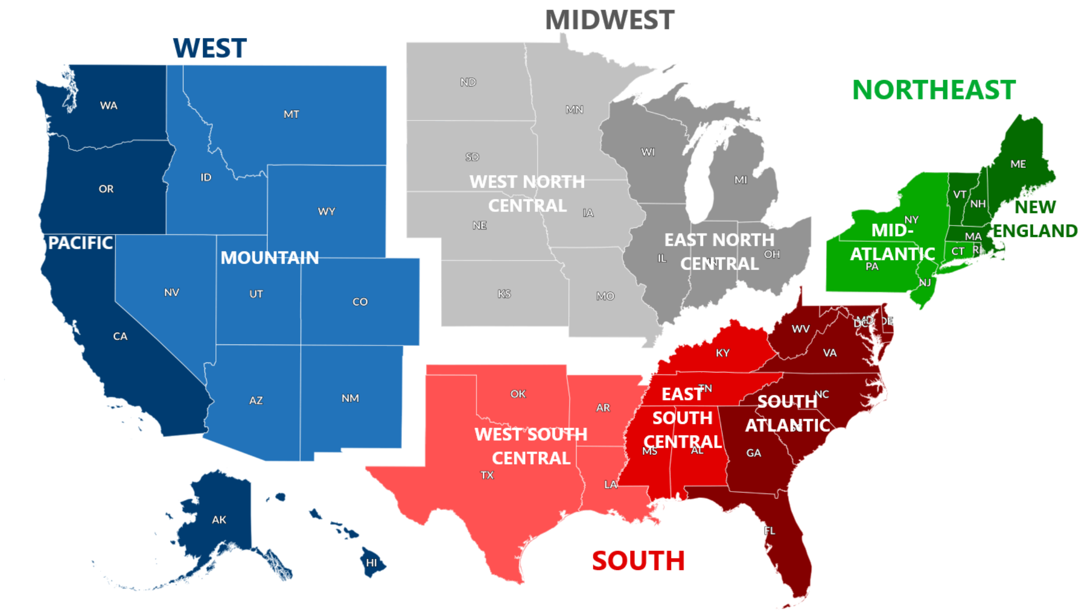
Source: U.S. Department of Transportation (T100) via Diio, accessed March 2020.

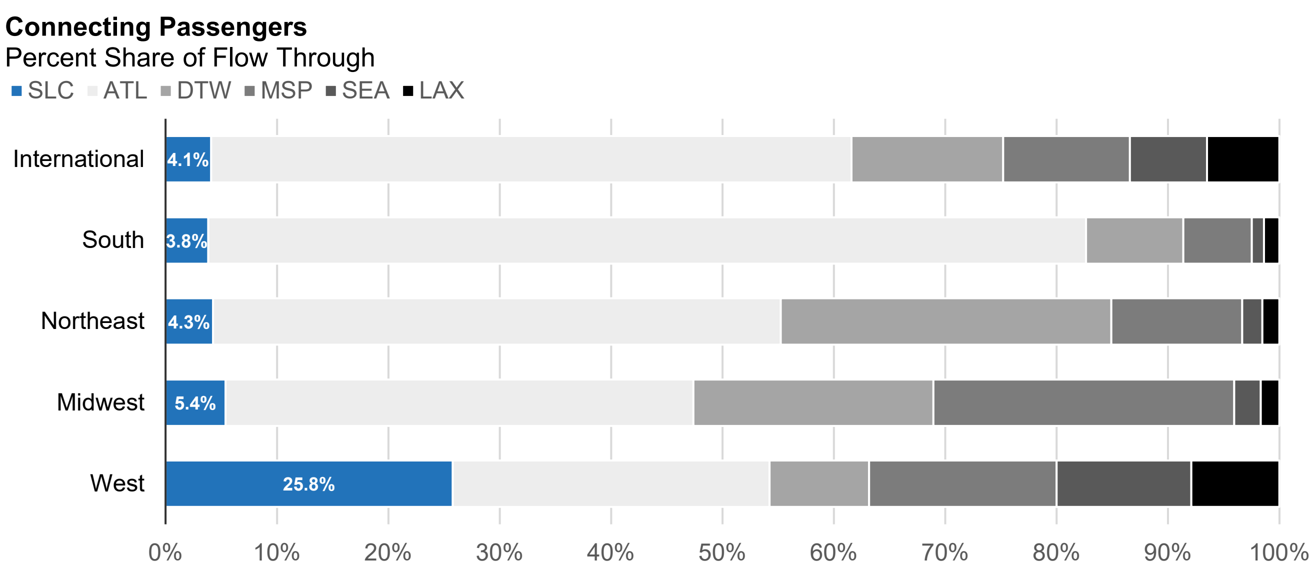
3.1.2.2 Delta's Connecting Traffic at the Airport

The Airport provides Delta a strategic presence in the western U.S. allowing for connectivity to and from the U.S. mountain-west and Pacific regions. **Figure 3-2** presents a summary by U.S. region and internationally where passengers either began or ended their trips while connecting through major Delta U.S. hub airports in FY 2020. As shown on Figure 3-2, for Delta's passengers traveling to and from the west region (as depicted) the Airport served as the connecting point for 25.8% of passengers in FY 2020. This was only second to Delta's largest airport of ATL which served 28.4% of west region connections.

Indicative of its connecting share, the Airport provides Delta a strategic presence in the western half of the U.S., and allows Delta to provide more efficient traffic flows than it could otherwise offer from its other hub airports to and from connecting markets in the western U.S. The Airport serves a unique purpose in Delta's network, as both a north-south and east-west connecting point. The absence of the Airport hub would create a noticeable void in Delta's network, as it could not otherwise connect passenger traffic efficiently to key markets throughout the western U.S. **Table 3-6** also presents this data in tabular form in terms of total passengers.

Figure 3-2 Delta Hub Connecting Passengers by Region (FY 2020)





Source: U.S. Department of Transportation via Diio, accessed March 2020.

Table 3-6 Delta Connecting Passengers by Hub by Region (in thousands; FY 2020)

US Region	SLC	ATL	DTW	MSP	SEA	LAX
West	**2,317**	**2,554**	**802**	**1,512**	**1,086**	**711**
Pacific	1,131	1,518	493	877	857	513
Mountain	1,186	1,036	309	635	229	199
Midwest	**358**	**2,794**	**1,433**	**1,795**	**160**	**111**
West North Central	179	1,032	311	969	63	59
East North Central	179	1,762	1,121	827	96	52
Northeast	**154**	**1,845**	**1,074**	**425**	**66**	**55**
Middle Atlantic	119	1,451	818	327	47	42
New England	35	393	256	97	19	13
South	**568**	**11,690**	**1,295**	**911**	**160**	**209**
West South Central	193	1,930	197	179	18	73
East South Central	81	2,354	289	176	32	33
South Atlantic	294	7,407	809	557	110	102
International	**169**	**2,380**	**564**	**470**	**286**	**269**
Grand Total	**3,566**	**21,263**	**5,167**	**5,114**	**1,758**	**1,355**

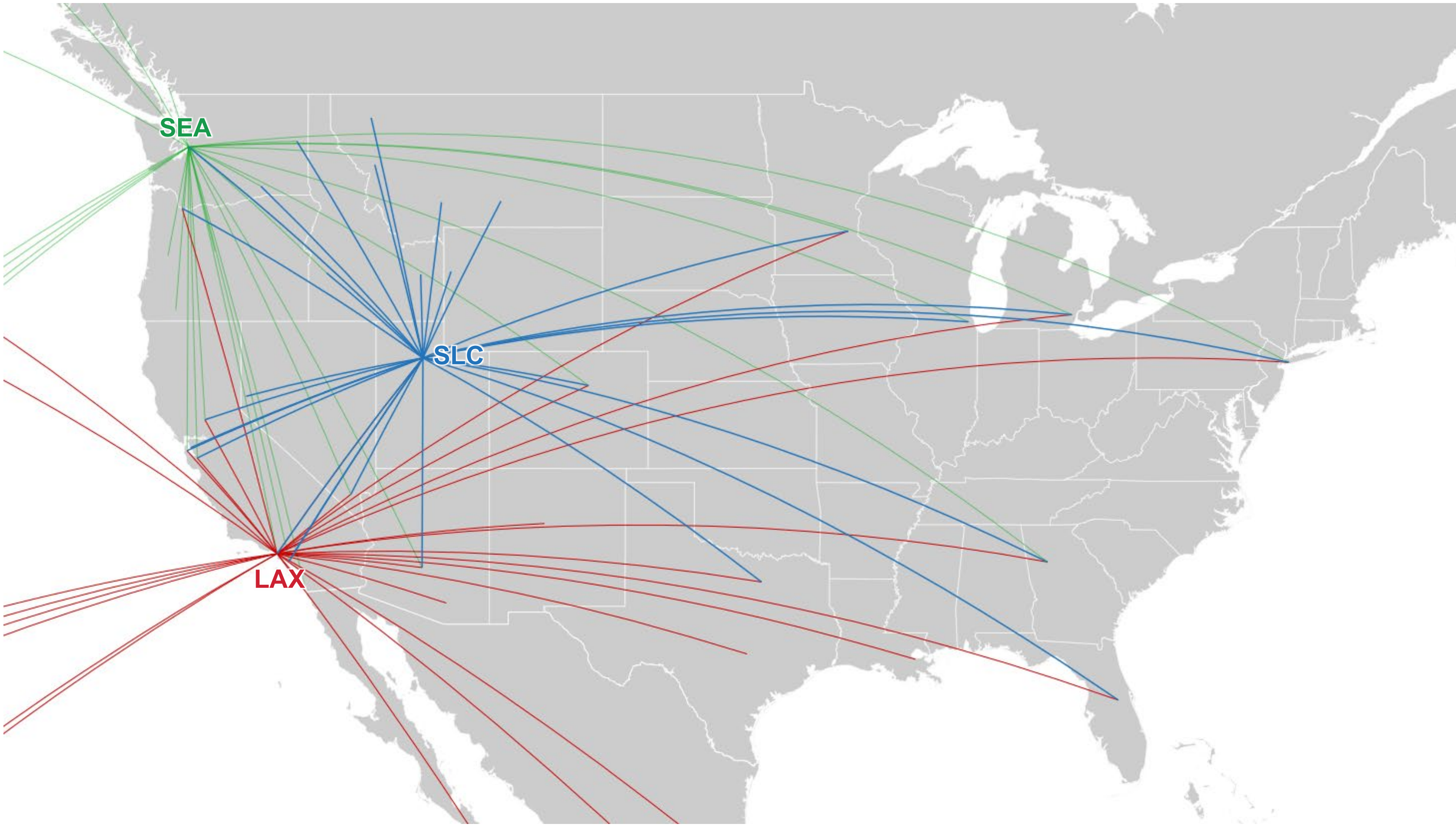
Note: Totals may not equal due to rounding.
Source: U.S. Department of Transportation via Diio, accessed March 2020

Delta's other major airport operations in the western U.S. are on the west coast at Seattle-Tacoma International Airport (SEA) and Los Angeles International Airport (LAX). Both airports are considered key Delta gateways to Asia. Other than the major U.S. west coast corridor markets, unlike the Airport, the geographic locations of SEA and LAX on the U.S. west coast are considered a disadvantage in operating efficient domestic connecting traffic flows throughout the western region of the U.S. While there is some overlap in Delta's service provided to larger west coast markets from the Airport, SEA, and LAX, the airports generally do not compete with one another as each airport serves distinct markets and regions not served by the others. Additionally, with the Airport's central location within the western U.S., it serves as an efficient connecting point for Delta passengers to or from both SEA and LAX to the eastern U.S. Both LAX and SEA are considered primarily O&D airports for Delta, although their geographic locations also offer the opportunity to provide connections to trans-Pacific international markets, Mexican and Canadian markets, and larger markets along the U.S. west coast. LAX and SEA also serve as a connecting point for traffic to and from the Airport to Alaska and Hawaii; although, Honolulu and Anchorage have been seasonally served nonstop markets from the Airport as well.

Figure 3-3 depicts the top 30 markets with passengers connecting through the Airport, SEA, and LAX. As shown, the top airport destinations for passengers that connect through SLC consist of major markets along the west coast, smaller airports within the U.S. mountain west, other Delta connecting hubs, and larger O&D markets in the eastern U.S. In particular, the Airport provides Delta primary access to several smaller mountain west and western markets such as Boise, Reno, Bozeman, Glacier Park, Idaho Falls, and Billings, among others. These are markets that, for the most part, Delta could not efficiently serve via any of its other hub airports. In general, the only other viable option for efficient connectivity in the U.S. mountain west is Denver International Airport (DEN). However, Denver, appears to be an unlikely alternative for Delta given that three other airlines (United Airlines, Southwest, and Frontier Airlines) already operate hubs and/or focus city operations there.

To further illustrate this point, **Table 3-7** presents the top 20 airports where passengers either began or ended their trips while connecting through these U.S. west coast hubs on Delta in FY 2020. As shown, Delta's top 20 connecting markets through the Airport account for less than half (43.7%) of Delta's total connecting passengers, with most of the markets being located in the mountain west or western portion of the U.S. By comparison, the top airport where most passenger either begin or end their trips on Delta while connecting through either SEA or LAX are Anchorage (ANC) and Honolulu (HNL), respectively. The majority of other passenger connections at SEA or LAX are generally to airports that are relatively near SEA and LAX. For example, 22.8% of passengers connecting at SEA on Delta either begin or end their trip in Anchorage, Portland, Vancouver, or Spokane. Similarly, for LAX, 23.2% of passengers begin or end their trips in Honolulu, Las Vegas, or an airport in the San Francisco Bay area. Overall, Delta's top 20 connecting markets through SEA or LAX account for nearly 60% of Delta's total connecting passengers indicating that the top connecting markets at SEA and LAX are more concentrated than the top connecting markets at the Airport, thus indicating that Delta's connecting traffic at the Airport is more diverse than its connecting traffic in SEA and LAX.

Figure 3-3 Delta's Top 30 Connecting Markets at the Airport, LAX, and SEA (FY 2020)



Source: U.S. Department of Transportation via Diio, accessed March 2020

Table 3-7 Delta Top 20 Airports with Passengers Connecting at West Coast Hubs (FY 2020)

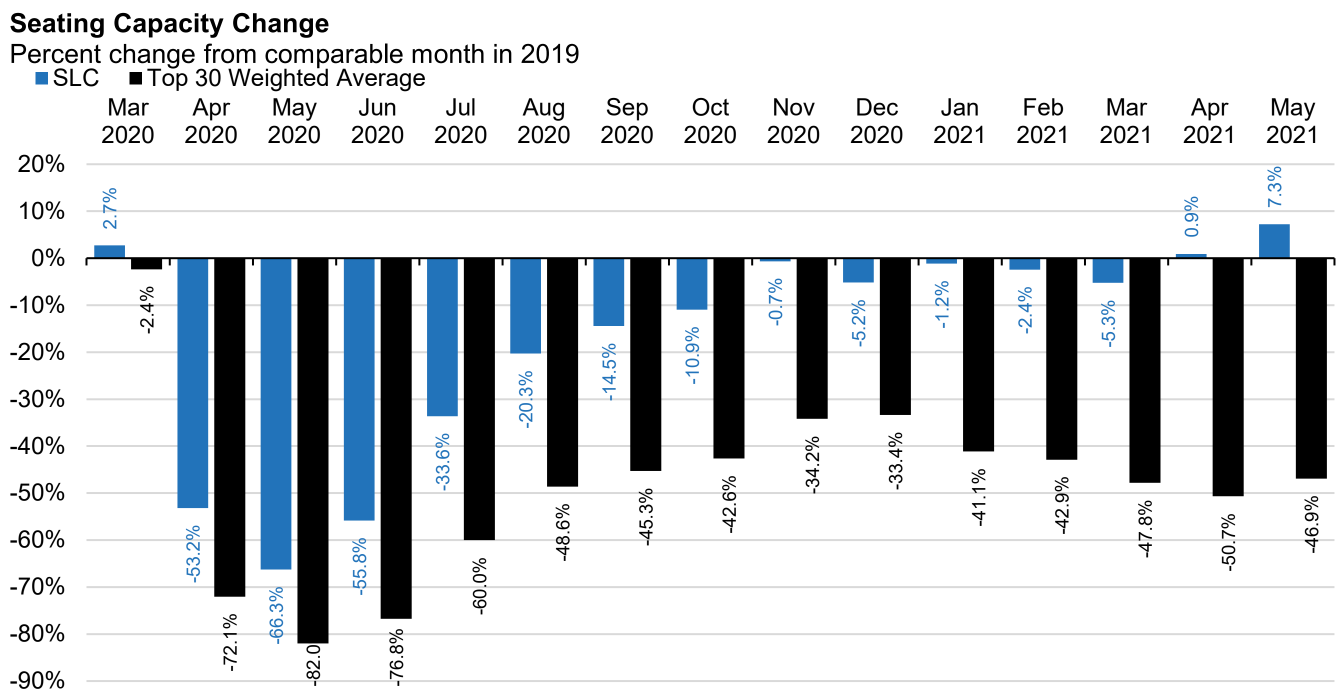
Salt Lake City International Airport		Seattle-Tacoma International Airport		Los Angeles International Airport	
Airport Code	Share of Passengers	Airport Code	Share of Passengers	Airport Code	Share of Passengers
PDX	3.4%	ANC	6.9%	HNL	8.3%
SEA	3.4%	PDX	5.8%	SFO	4.9%
BOI	2.9%	GEG	5.3%	SLC	3.8%
LAS	2.6%	YVR	4.7%	OGG	3.7%
RNO	2.3%	LAX	3.0%	LAS	3.6%
GEG	2.3%	HNL	2.7%	SAN	3.4%
LAX	2.3%	LAS	2.7%	SEA	3.2%
PHX	2.2%	SLC	2.6%	SYD	2.9%
JAC	2.2%	BOI	2.6%	SMF	2.9%
SMF	2.2%	PSC	2.6%	MSP	2.7%
SAN	2.1%	MSP	2.4%	SJC	2.7%
BZN	2.1%	SFO	2.2%	PDX	2.7%
ATL	2.0%	DEN	2.1%	ATL	2.7%
DEN	1.9%	FAI	2.1%	KOA	2.5%
OAK	1.7%	SAN	2.1%	JFK	2.4%
MSP	1.7%	EUG	2.0%	LIH	2.0%
SFO	1.6%	PHX	2.0%	PHX	2.0%
FCA	1.6%	DTW	1.9%	DTW	1.8%
IDA	1.6%	OGG	1.9%	DFW	1.7%
SNA	1.6%	SMF	1.8%	DEN	1.4%
Other	*56.3%*	*Other*	*40.5%*	*Other*	*38.5%*
Total	**100.0%**	**Total**	**100.0%**	**Total**	**100.0%**

Source: U.S. Department of Transportation via Diio, accessed March 2020

3.1.2.3 COVID-19 Impact on Delta

As discussed earlier, the various actions taken associated with the COVID-19 pandemic have impacted airlines worldwide. For the twelve months ended February 2021 as compared to the prior same twelve-month period, Delta's scheduled seat capacity declined 50.6% year-over-year throughout its system network. But at the Airport, comparing the same time periods, Delta's scheduled seat capacity only declined 24.6%, or less than half as much as it did over Delta's system. Of the 30 largest airports in the U.S., the Airport's overall seat capacity declined less than any other airport. **Figure 3-4** presents the change in seating capacity at the Airport versus the weighted average for the top 30 airports in Delta's network. Furthermore, the Airport's return to pre-pandemic levels has been much faster as compared to most of the U.S. Delta's seat capacity at the Airport essentially returned to pre-pandemic levels in November 2020, as scheduled seat capacity was down less than 1% as compared to November 2019. Delta's May seat capacity at the Airport is up 7.3% versus May 2019. For all airlines, the Airport is up 4.3% in seat capacity when comparing May 2021 to May 2019. The Airport appears to be positioned well for recovery from the impacts associated with the pandemic as compared to other airports.

Figure 3-4 Delta Air Lines Seating Capacity Change



Source: Innovata (via Diio), Schedule files, accessed March 2021.

3.1.3 Origin and Destination Markets

O&D passengers on all airlines combined accounted for approximately 58.1% of passenger traffic at the Airport in FY 2020, which has remained relatively consistent over the past several years.[48] **Table 3-8** provides information regarding the Airport's top O&D markets, including the number of daily O&D enplaned passengers for FY 2020. The table also presents daily departures, daily departing seats, and the airlines offering nonstop service for each market.

Table 3-9 presents the change in air service at the Airport's top 25 O&D markets for May 2021 compared to May 2019. While O&D data is not currently available for this period, this analysis helps to illustrate how the Airport's air travel demand has changed since the start of the COVID-19 pandemic. In total, the number of nonstop flights from the Airport increased from 10,901 in May 2019 to 10,465 in May 2021, a 0.1% decrease. The number of departing seats increased by 54,418 seats or 4.3%.

48 Data used to estimate an airport's share of O&D passengers is from the USDOT. These data are a random 10% sample of tickets either ticketed by a U.S. carrier or where a U.S. carrier operated at least one flight in the ticket's itinerary.

Table 3-8 Top 25 Origin and Destination Markets at the Airport (FY 2020)

Rank	Region	Annual O&D Enplaned Passengers	Annual Departures	Annual Departing Seats	Airports Served Nonstop	Airlines Operated Nonstop
1	Los Angeles Basin	636,492	11,046	1,259,265	LAX, LGB, SNA, BUR, ONT	DL, AA, AS, B6, UA, WN
2	San Francisco Bay Area	345,993	7,477	876,923	SFO, OAK, SJC	DL, AS, UA, WN
3	New York / Newark	268,638	2,780	469,403	JFK, EWR	DL, B6, UA
4	Denver	263,006	6,349	783,813	DEN	DL, F9, UA, WN
5	Phoenix	257,997	4,505	657,654	PHX	DL, AA, F9, WN
6	San Diego	198,282	2,392	349,878	SAN	DL, AS, WN
7	Seattle	194,748	3,853	579,143	SEA	DL, AS
8	Las Vegas	186,166	3,099	508,230	LAD	DL, F9, WN
9	Central Florida	184,716	1,241	227,737	MCO, TPA	DL, B6
10	Dallas / Ft. Worth	175,724	3,601	507,417	DFW, DAL	DL, AA, WN
11	Washington / Baltimore	172,072	1,306	226,630	BWI, DCA, IAD	DL, WN
12	Chicago	141,419	3,588	422,994	ORD, MDW	DL, AA, UA, WN
13	Atlanta	132,640	2,858	590,382	ATL	DL, F9
14	Hawaii	125,753	323	83,570	HNL, OGG	DL
15	Portland	125,409	2,452	348,797	PDX	DL, AS
16	Boston	114,197	876	154,178	BOS	DL, B6
17	Houston	107,700	2,158	212,265	IAH, HOU	DL, UA, WN
18	Austin	84,286	987	139,686	AUS	DL, F9
19	Sacramento	76,994	1,862	226,587	SAC	DL, WN
20	Minneapolis / St. Paul	75,013	1,765	310,751	MSP	DL
21	Detroit	60,442	1,412	261,203	DTW	DL
22	Philadelphia	55,313	322	55,707	PHL	DL, AA
23	Boise	31,185	1,822	184,338	BOI	DL
24	Spokane	29,555	1,246	157,062	GEG	DL
25	Anchorage[1]	25,401	54	9,640	ANC	DL
	Top 25 Total	**4,069,141**	**11,148**	**9,603,253**		
	Others	1,792,625	4,911	3,396,014		
	Total	**5,861,766**	**107,890**	**12,999,267**		

Notes: DL = Delta Air Lines; AA = American Airlines; UA = United Airlines; WN = Southwest Airlines; F9 = Frontier Airlines; AS = Alaska Airlines; B6 = JetBlue
[1] Anchorage is seasonal service.

Source: Diio, US DOT Reports DB1A; Diio Mi, Schedule – Dynamic Table, accessed January 2020.

Table 3-9 Air Service Changes at Top 25 O&D Markets (May 2019 vs May 2021)

Rank	Region	Monthly Departures			Monthly Departing Seats		
		May 2019	May 2021	Percent Change	May 2019	May 2021	Percent Change
1	Los Angeles Basin	1,074	1,028	-4.3%	123,036	123,777	0.6%
2	San Francisco Bay Area	721	617	-14.4%	84,478	62,897	-25.5%
3	New York / Newark	266	208	-21.8%	44,530	38,565	-13.4%
4	Denver	610	615	0.8%	70,816	86,222	21.8%
5	Phoenix	426	453	6.3%	61,377	70,912	15.5%
6	San Diego	210	208	-1.0%	32,581	33,545	3.0%
7	Seattle	364	367	0.8%	55,673	54,593	-1.9%
8	Las Vegas	341	270	-20.8%	50,338	43,419	-13.7%
9	Central Florida	136	184	35.3%	24,879	34,654	39.3%
10	Dallas / Ft. Worth	374	412	10.2%	52,541	70,188	33.6%
11	Washington / Baltimore	140	120	-14.3%	24,598	19,648	-20.1%
12	Chicago	355	337	-5.1%	40,356	37,985	-5.9%
13	Atlanta	245	292	19.2%	50,716	64,599	27.4%
14	Hawaii	31	62	100.0%	6,031	14,976	148.3%
15	Portland	237	210	-11.4%	35,092	30,632	-12.7%
16	Boston	105	90	-14.3%	19,948	16,241	-18.6%
17	Houston	211	279	32.2%	18,002	29,831	65.7%
18	Austin	103	93	-9.7%	13,088	12,276	-6.2%
19	Sacramento	176	148	-15.9%	20,351	23,013	13.1%
20	Minneapolis / St. Paul	177	141	-20.3%	30,315	25,467	-16.0%
21	Detroit	120	141	17.5%	21,753	27,946	28.5%
22	Philadelphia	28	55	96.4%	5,040	8,612	70.9%
23	Boise	171	124	-27.5%	19,230	15,292	-20.5%
24	Spokane	115	124	7.8%	14,177	14,244	0.5%
25	Anchorage[1]	0	27	n.a.	0	4,860	n.a.
	Top 25 Total	**6,736**	**6,605**	**-1.9%**	**918,946**	**964,394**	**4.9%**
	Others	3,737	3,860	3.3%	336,583	345,553	2.7%
	Total	**10,473**	**10,465**	**-0.1%**	**1,255,529**	**1,309,947**	**4.3%**

Note: [1] Anchorage is a seasonal service.
Source: Diio, US DOT Reports DB1A; Diio Mi, Schedule – Dynamic Table, accessed January 2020.

3.1.4 Current Nonstop Service

Prior to the COVID-19 pandemic, there was scheduled service to 91 domestic destinations and 11 international destinations from the Airport in February 2020. Since February 2020, service to 25 airports (19 domestic and six international) was suspended as a primary result of the COVID-19 pandemic but has resumed as of May 2021. As of May 2021, service to eight nonstop domestic destinations and five international destinations was still suspended. Six new nonstop markets at the Airport (Miami, Florida; Fairbanks, Alaska; Anchorage, Alaska; Durango, Colorado; Moab, Utah; and Memphis, Tennessee) have been added since February 2020. **Figure 3-5** provides a map of the scheduled nonstop domestic destinations for the Airport since February 2020 as of May 2021. **Figure 3-6** provides a map of the scheduled nonstop international destinations since February 2020 as of May 2021. In these maps, the blue lines indicate service without interruption, black lines indicate service that has been resumed after a temporary suspension, red lines indicate the service has been suspended and yet to resume, and the green lines indicate new service.

3.2 Air Traffic Activity and Trends

This section analyzes historical trends in air traffic activity at the Airport including enplaned passengers, aircraft operations, and landed weight. It also discusses the primary factors affecting these trends. This section identifies, to the extent data is available, air traffic trends at the Airport that have been impacted by the COVID-19 pandemic. ***Certain historical information about the Airport's air traffic activity predates the ongoing COVID-19 pandemic and should be considered in light of possible or probable negative effects the COVID-19 pandemic has had and may have on current and future Airport air traffic activity***.

3.2.1 Enplaned Passengers

Passenger activity at an airport drives numerous revenues and financial measures including such items as non-airline revenues (e.g., parking, rental cars, terminal concessions, etc.) Passenger Facility Charge (PFC) revenues, and FAA Airport Improvement Program (AIP) entitlement grant distributions. Enplaned passengers are also the denominator for airline cost per enplaned passenger (CPE). The relationship of the enplaned passengers to the financial analysis is discussed in more detail in Chapter 5 of this Report.

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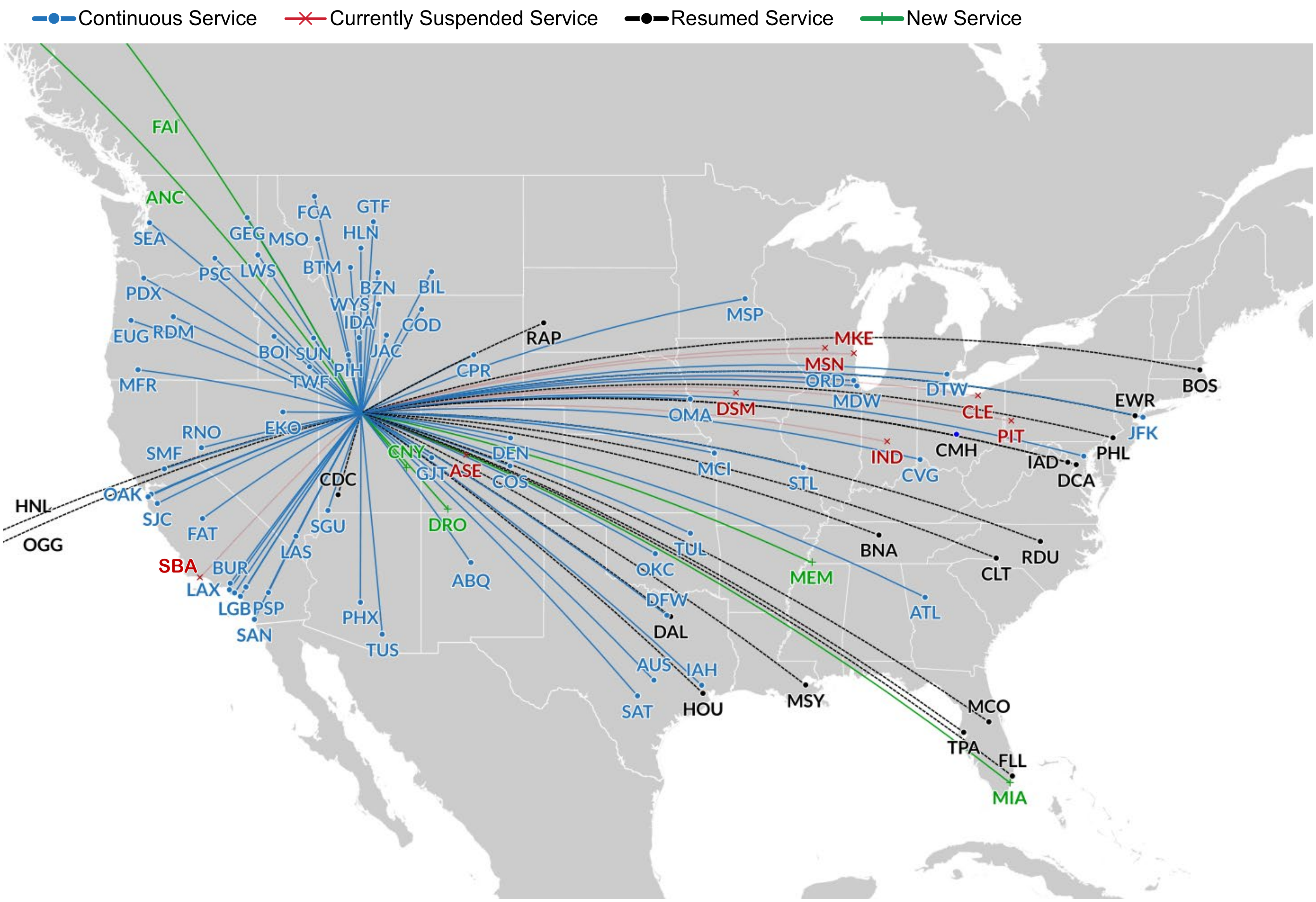
Figure 3-5 Domestic Nonstop Destinations at the Airport since February 2020 (As of May 2021)



Source: Diio Mi, Schedule – Dynamic Table, accessed April 2021.

Figure 3-6 International Nonstop Destinations at the Airport since February 2020 (As of May 2021)

Note: Delta's flight to Amsterdam (AMS) is currently scheduled to resume less than daily service beginning May 27, 2021.
Source: Diio Mi, Schedule – Dynamic Table, accessed May 2021.

3.2.1.1 FY 2012 – FY 2020

From FY 2012 through FY 2019, enplaned passenger traffic at the Airport experienced a generally consistent upward trend as demonstrated in **Table 3-10**, which presents the total enplaned passengers by domestic and international segments. Enplaned passengers at the Airport increased from approximately 10.1 million in FY 2012 to approximately 13.1 million in FY 2019, representing a CAGR of 3.7%. Since the Airport predominantly serves domestic traffic, the majority of the increase in passenger levels was domestic. However, international enplaned passengers have increased at a significantly faster rate from FY 2012 to FY 2019 as compared to domestic enplaned passengers (a CAGR of 14.4% versus 3.4%, respectively).

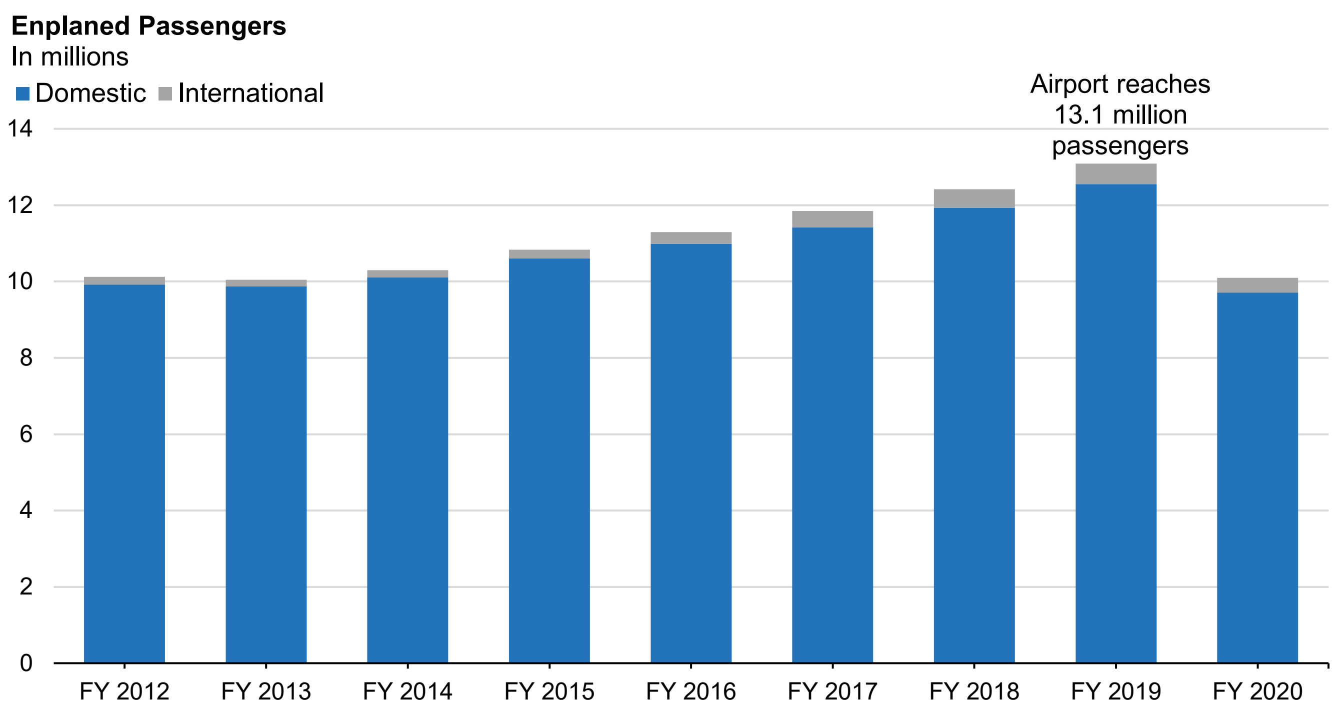
From FY 2012 through FY 2019, Delta enplaned passengers increased from 7.4 million to 9.4 million, resulting in a CAGR of 3.4%, slightly higher than the airline's increase in seating capacity during that time which increased at a CAGR of 3.1%. Existing markets accounted for the majority of this increase in seating capacity with LAX, PDX, DEN, and SEA having the most seats added. However, there were some notable new markets added since FY 2012 including Raleigh-Durham International Airport (RDU), Fort Lauderdale-Hollywood International Airport (FLL), and Amsterdam Airport Schiphol (AMS). The remainder of the growth in enplaned passengers was primarily from American, United Airlines (United), and JetBlue Airways (JetBlue) as well as the start of service by Alaska Airlines (Alaska) during this period.

3.2.1.2 COVID-19 Pandemic Impact: FY 2020 – FY 2021

In March 2020, the enplaned passengers at the Airport decreased dramatically primarily as a result of the impacts associated with the COVID-19 pandemic. These impacts included international travel restrictions and stay-at-home orders throughout the U.S. Overall, enplaned passengers decreased by 61.7% in CY 2020 as compared to CY 2019 levels with most, if not all, of the impact occurring after mid-March 2020 when the impacts from the COVID-19 pandemic generally took hold in the U.S. **Table 3-11** presents the monthly enplaned passengers for FY 2020 and FY 2021 compared to FY 2019. As shown, in March 2020, enplaned passengers decreased by approximately 49.2% from March 2019. The decline continued into April when enplaned passengers were 91.9% lower than April 2019. Since April 2020, enplaned passengers at the Airport have started to recover on a monthly basis. The recovery in enplaned passengers at the Airport plateaued somewhat in November 2020 through January 2021 with monthly totals being down around 50% as compared to the same months in the prior year. In February 2021, enplaned passengers recovered to be about 48.9% down from February 2020. In March 2021, enplaned passengers were up 22.9% when compared to March 2020, but are still down 37.6% as compared to March 2019.

Table 3-10 Historical Enplaned Passengers (In Thousands; FY 2012 – FY 2020)

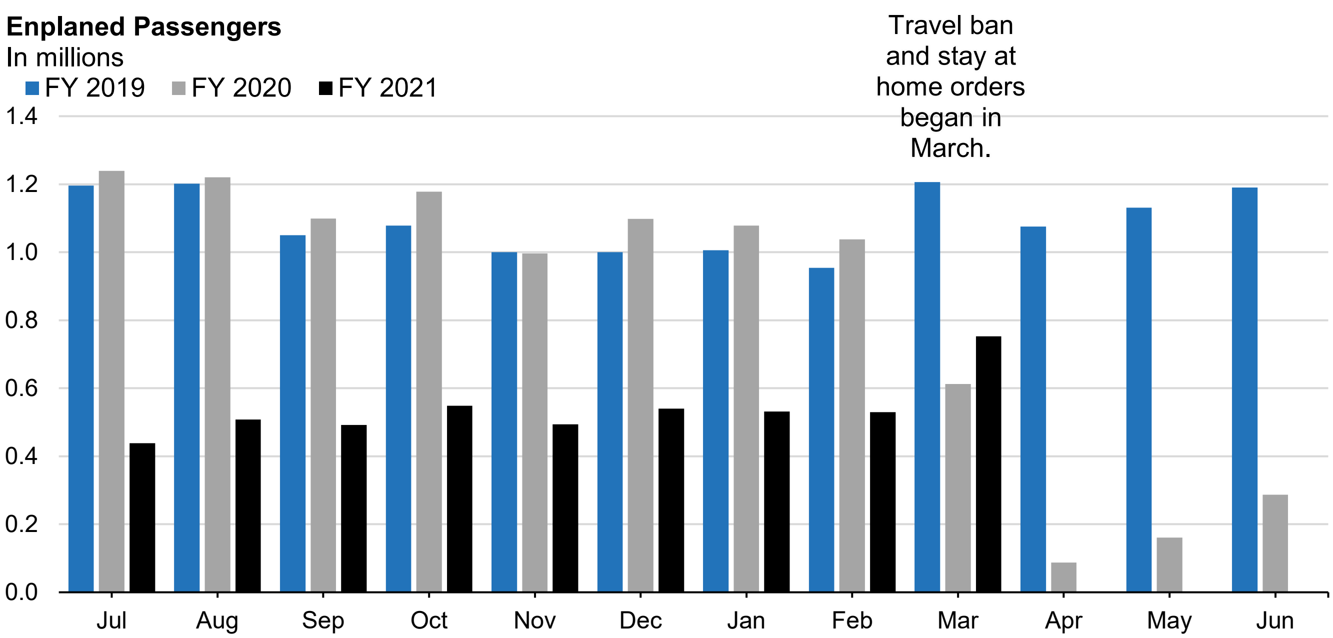
Fiscal Year	Domestic	International	Total	Year-Over-Year Growth Rate
2012	9,917	208	10,125	-2.9%
2013	9,874	170	10,044	-0.8%
2014	10,115	180	10,295	2.5%
2015	10,610	224	10,834	5.2%
2016	10,988	305	11,293	4.2%
2017	11,417	433	11,850	4.9%
2018	11,946	474	12,420	4.8%
2019	12,556	534	13,090	5.4%
2020	9,713	382	10,096	-22.9%
Compound Annual Growth Rate				
2012-19	3.4%	14.4%	3.7%	
2019-20	-22.6%	-28.5%	-22.9%	



Source: Salt Lake City Department of Airports, Air Traffic Statistics.

Table 3-11 Enplaned Passengers at the Airport (FY 2019 – FY 2021 YTD)

Month	Enplaned Passengers			Percent Change from Prior Year	
	FY 2019	FY 2020	FY 2021	FY 2020	FY 2021
July	1,196,325	1,239,067	438,268	3.6%	-64.6%
August	1,201,689	1,220,698	507,906	1.6%	-58.4%
September	1,050,274	1,098,626	491,647	4.6%	-55.2%
October	1,077,840	1,177,796	548,370	9.3%	-53.4%
November	1,000,320	996,598	494,175	-0.4%	-50.4%
December	1,000,259	1,098,032	540,171	9.8%	-50.8%
January	1,005,577	1,078,161	531,994	7.2%	-50.7%
February	954,196	1,037,793	530,106	8.8%	-48.9%
March	1,206,454	612,882	752,949	-49.2%	22.9%
April	1,075,360	87,557		-91.9%	
May	1,131,368	161,192		-85.8%	
June	1,190,471	287,330		-75.9%	
Total	**13,090,133**	**10,095,732**	**4,835,586**	**-22.9%**	



Source: Salt Lake City Department of Airports, Air Traffic Statistics.

3.2.2 Aircraft Operations

Although aircraft operations have a minimal impact on airport revenues and financial performance, aircraft operations impact decisions regarding airport capital programs. Airlines' decisions on aircraft type and the number of operations to accommodate passenger demand ultimately determine overall aircraft landed weight. Airlines are constantly evaluating how to best serve passenger demand with their available aircraft fleet. In markets that exhibit strong business travel, an airline may decide to operate smaller aircraft on the route several times per day to offer customers more choice and redundancy. In other cases, an airline may choose to offer larger aircraft and less frequency. Airlines also make decisions to change aircraft capacity on particular routes in reaction to load factors and profitability. Aircraft fleet mix and operations are important considerations for airport operators when planning for the appropriately size airport facilities and to ensure the airport has sufficient capacity to accommodate operations in the future.

3.2.2.1 FY 2012 – FY 2020

Aircraft operations at the Airport declined from FY 2012 through FY 2016 as network carriers shifted from smaller regional jets to narrow-body aircraft. However, from FY 2016 to FY 2019, aircraft operations at the Airport have increased consistently. **Table 3-12** presents the aircraft operations at the Airport from FY 2012 through FY 2020. As shown, total aircraft operations in FY 2019 were slightly lower than such levels in FY 2012; however, air carrier aircraft operations in FY 2019 were about 1.9% higher than such levels in FY 2021. The main category that decreased over this period was general aviation aircraft operations.

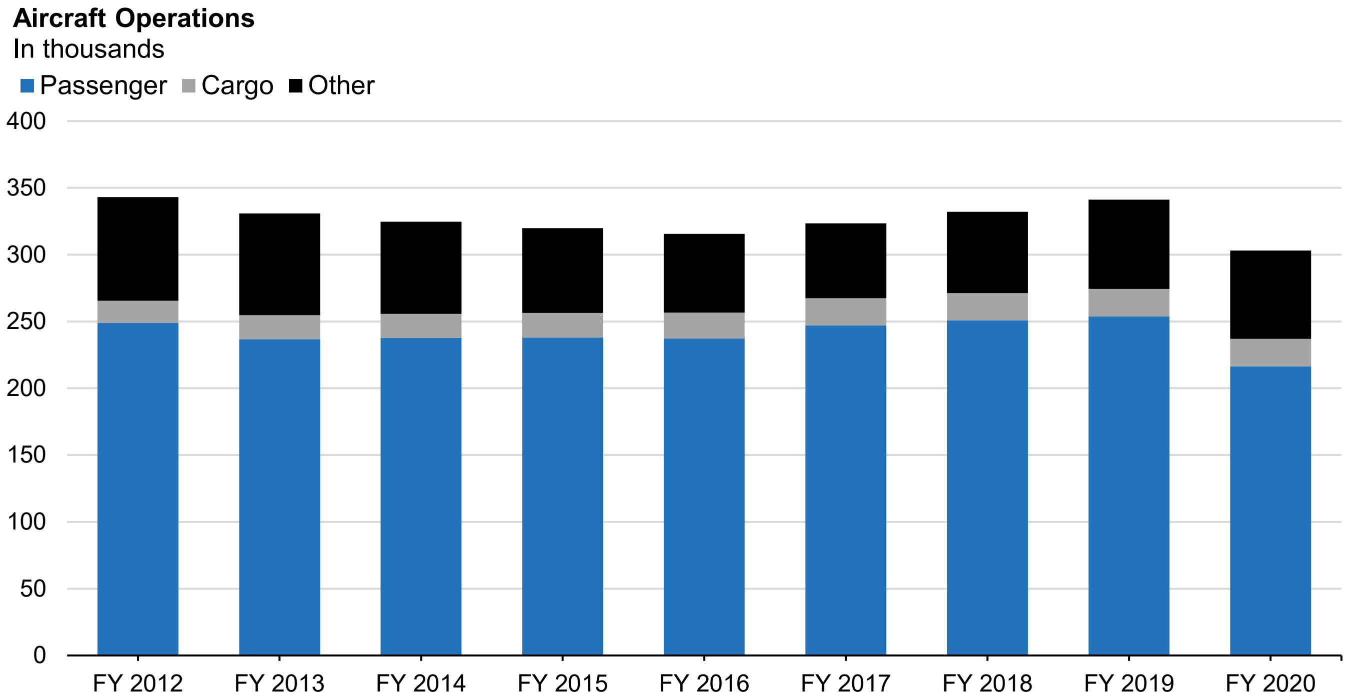
3.2.2.2 COVID-19 Pandemic Impact: FY 2020 – FY 2021

In response to the significant decline in enplaned passenger in the U.S. and at the Airport during the ongoing COVID-19 pandemic, the airlines reduced the number of daily flights and air service in kind. There were 1,689 flight cancellations at the Airport in March 2020 and 1,197 cancellations in April 2020 before tailing off in May and June.[49] **Figure 3-7** illustrates the high concentration of flight cancellations early in the pandemic, followed by a reduction in flights, and a gradual increase in flights in the summer before remaining flat though January.

[49] Federal Aviation Administration, Airline Service Quality Performance System: Airport View: Causal Report, accessed online at https://aspm.faa.gov/asqp/sys/Airport.asp

Table 3-12 Historical Aircraft Operations (FY 2012 – FY 2020)

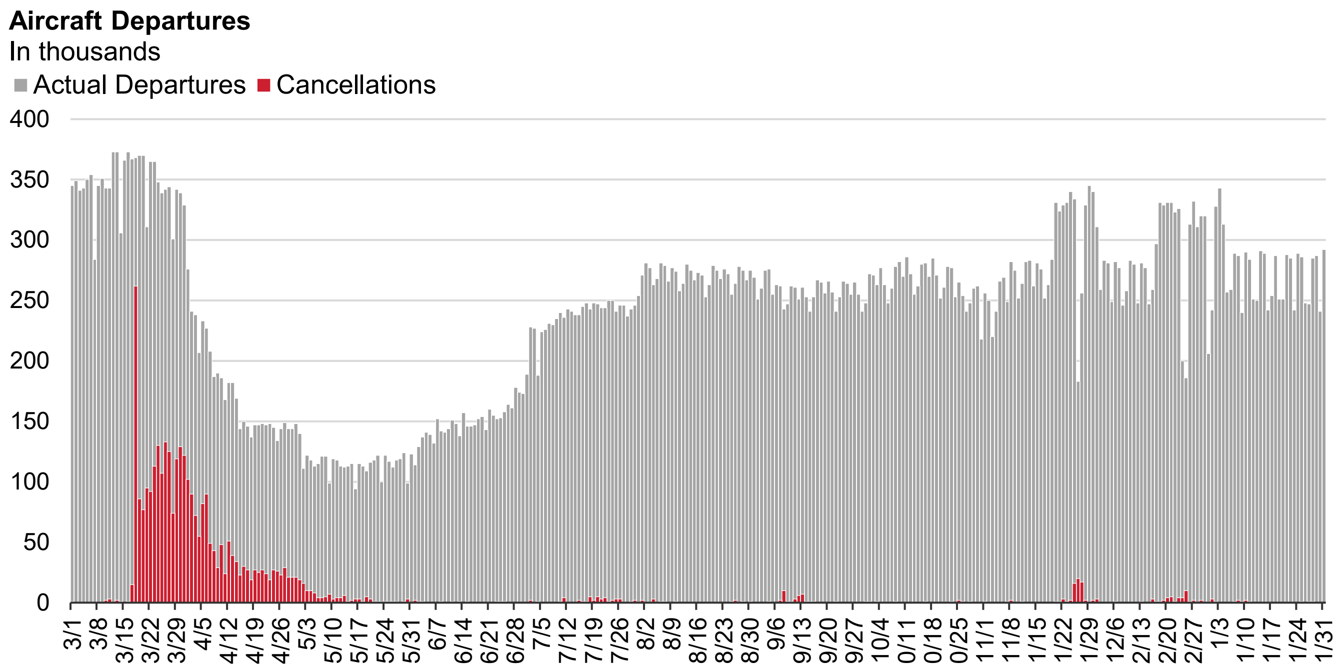
Fiscal Year	Air Carrier	Air Taxi	General Aviation	Military	Total	Year-Over-Year Growth
2012	249,038	16,520	73,389	4,170	343,117	-5.0%
2013	236,790	17,942	74,215	2,044	330,991	-3.5%
2014	237,700	18,098	66,620	2,190	324,608	-1.9%
2015	237,960	18,484	60,806	2,738	319,988	-1.4%
2016	237,294	19,434	50,879	7,978	315,585	-1.4%
2017	247,158	20,240	48,843	7,202	323,443	2.5%
2018	250,904	20,382	53,695	7,037	332,018	2.7%
2019	253,666	20,618	61,117	5,751	341,152	2.8%
2020	216,320	20,604	63,326	2,792	303,042	-11.2%
Compound Annual Growth Rate						
2012-19	0.3%	3.2%	-2.6%	4.7%	-0.1%	
2019-20	-14.7%	-0.1%	3.6%	-51.5%	-11.2%	



Note: Commercial operations refers to commercial passenger and all-cargo aircraft operations.
Non-commercial operations refer to general aviation and military aircraft operations.

Source: Salt Lake City Department of Airports, Air Traffic Statistics.

Figure 3-7 Flight Departures and Cancellations at the Airport (March 2020 – January 2021)

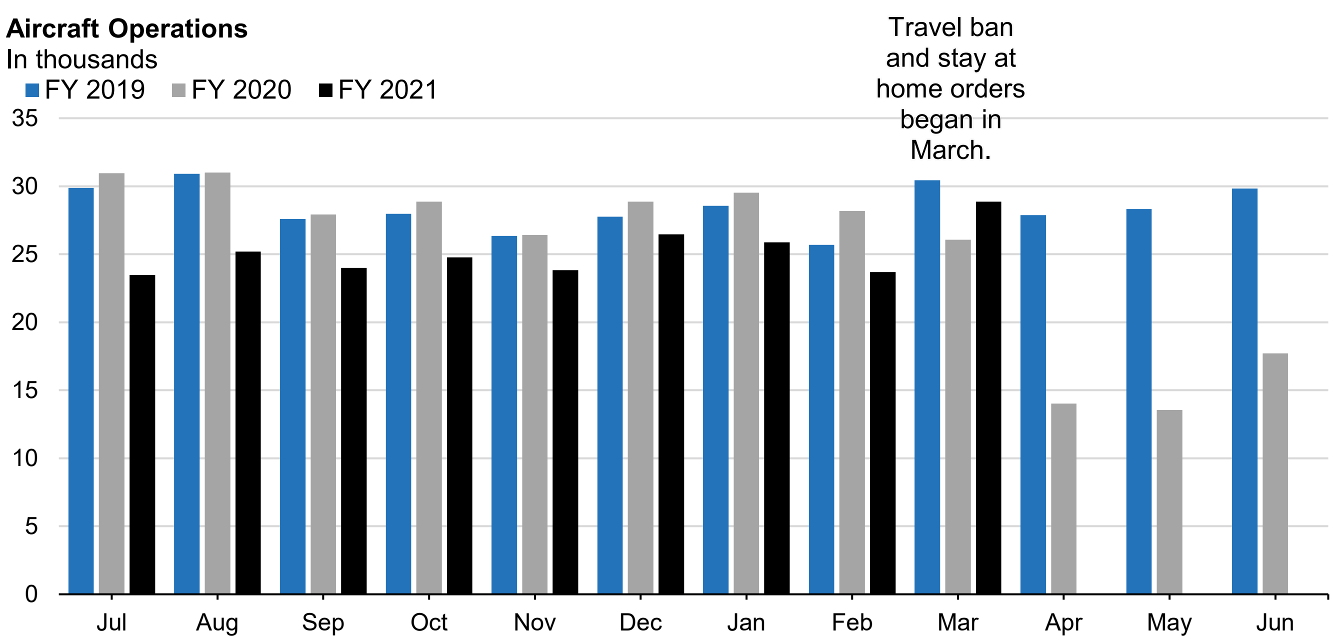


Source: Federal Aviation Administration, Airline Service Quality Performance System: Airport View: Causal Report, accessed online at https://aspm.faa.gov/asqp/sys/Airport.asp

Overall, air carrier aircraft operations decreased by 11.2% in FY 2020 as compared to FY 2019 levels with the primary impacts occurring after mid-March 2020. **Table 3-13** depicts the monthly aircraft operations for FY 2020 and FY 2021 compared to the prior year. As shown, starting in March 2020, aircraft operations decreased by approximately 14.4% from March 2019, compared to 49.2% for enplaned passengers. Normally, aircraft operations would be more directly related to enplaned passengers. However, there was an initial reluctance to remove flights because of the implementation of social distancing practices (i.e. restricting the use of middle seats) and to a smaller degree the continued operations of all-cargo airlines that were impacted to a lesser degree by the pandemic. The decline continued into April 2020 and May 2020 when aircraft operations were 49.7% and 52.2% lower than the same months in the prior year, respectively. Since May 2020, aircraft operations at the Airport have started to recover with aircraft operations being down 9.8% in November 2020. The recovery in aircraft operations stalled somewhat beginning in December 2020 and continued through February 2021 but strong growth in March 2021 when operations increased 10.8% when compared to March 2020.

Table 3-13 Aircraft Operations at the Airport (FY 2019 – FY 2021 YTD)

Month	Aircraft Operations			Percent Change from Prior Year	
	FY 2019	FY 2020	FY 2021	FY 2020	FY 2021
July	29,878	30,961	23,469	3.6%	-24.2%
August	30,921	30,997	25,185	0.2%	-18.8%
September	27,595	27,916	23,998	1.2%	-14.0%
October	27,960	28,864	24,768	3.2%	-14.2%
November	26,340	26,422	23,835	0.3%	-9.8%
December	27,762	28,859	26,452	4.0%	-8.3%
January	28,546	29,512	25,873	3.4%	-12.3%
February	25,698	28,175	23,690	9.6%	-15.9%
March	30,431	26,063	28,865	-14.4%	10.8%
April	27,882	14,022		-49.7%	
May	28,317	13,542		-52.2%	
June	29,822	17,709		-40.6%	
Total	**341,152**	**303,042**	**226,135**	**-11.2%**	



Source: Salt Lake City Department of Airports, Air Traffic Statistics.

3.2.3 Aircraft Landing Weight

Aircraft landed weight, expressed in 1,000-pound units, is the sum of the maximum gross certificated landing weight as certified by the FAA for passenger and all-cargo aircraft landing at the Airport. Per the Airport Use and Lease Agreement with the Signatory Airlines that operate at the Airport, aircraft landed weight is used as the denominator in the calculation of activity fees (landing fees) that are used to recover the net cost of the Airport. Therefore, landed weight is an important measure for the Authority as it provides a method to recover costs from each airline based on its share of landed weight.

3.2.3.1 FY 2012 – FY 2020

Aircraft landed weight at the Airport increased from 12.6 billion pounds in FY 2012 to 15.5 billion pounds in FY 2019, resulting in a CAGR of 3.0%. Both passenger airlines and all-cargo airlines contributed to landed weight growth, increasing at a CAGR of 2.8% and 4.7%, respectively. A significant portion of the all-cargo airlines landed weight growth can be attributed to increased e-commerce traffic at the Airport during this period. **Table 3-14** provides the landed weight at the Airport by category for the period of FY 2012 through FY 2020.

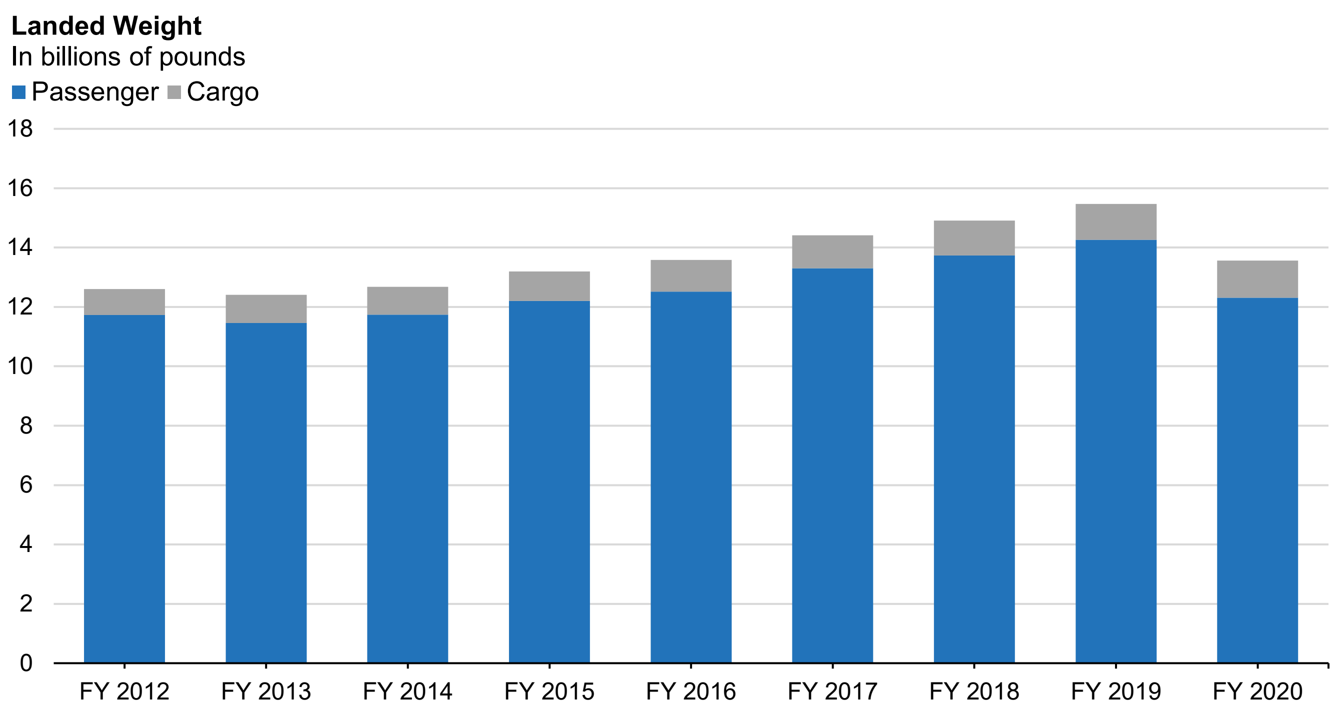
3.2.3.2 COVID-19 Pandemic Impact: FY 2020 – FY 2021

Overall, aircraft landed weight decreased by 12.3% in FY 2020 as compared to FY 2019 levels with the primary impacts occurring after mid-March 2020. Passenger airlines accounted for the decrease in landed weight over this period as they were down by 13.7%. However, all-cargo airlines landed weight increased in FY 2020 as compared to FY 2019 by 3.7%, which mitigated the overall decrease in landed weight at the Airport. This trend was generally experienced throughout the U.S. as all-cargo carriers have experienced some growth since the COVID-19 pandemic as the demand for cargo services has remained strong.

Table 3-15 depicts the monthly aircraft landed weight for FY 2020 and FY 2021 as compared to FY 2019. As shown, starting in March 2020, aircraft landed weight decreased by approximately 11.7% from March 2019, compared to 49.2% for enplaned passengers and 14.8% for aircraft operations. The decline continued into May when aircraft landed weight was 63.2% lower than May 2019. Since May 2020, aircraft landed weight at the Airport has started to recover with aircraft landed weight being down 9.7% in November 2020. The recovery in aircraft landed weight stalled somewhat in December 2020 through February 2021 as those months were down 11.4%, 16.1%, and 20.5%, respectively, as compared to the same months in prior years. In March 2021, landed weight increased 5.4% compared to March 2020 but were still down 7.0% from March 2019.

Table 3-14 Historical Landed Weight (in thousand-pound units; FY 2012 – FY 2020)

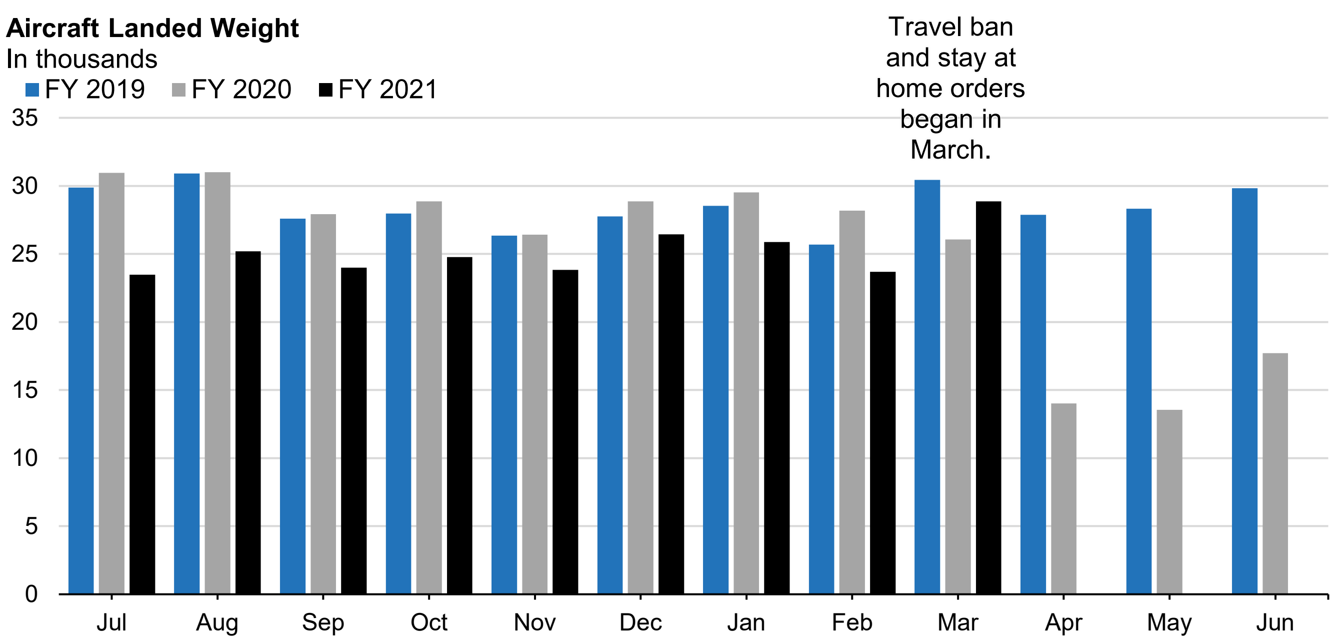
Fiscal Year	Passenger	Cargo	Total	Year-Over-Year Growth
2012	11,731,536	873,214	12,604,750	-4.7%
2013	11,463,695	942,557	12,406,252	-1.6%
2014	11,740,729	938,309	12,679,038	2.2%
2015	12,202,986	997,992	13,200,978	4.1%
2016	12,511,833	1,069,830	13,581,663	2.9%
2017	13,303,497	1,106,147	14,409,644	6.1%
2018	13,737,381	1,171,564	14,908,945	3.5%
2019	14,263,691	1,201,369	15,465,060	3.7%
2020	12,315,209	1,246,304	13,561,514	-12.3%
Compound Annual Growth Rate				
2012-19	2.8%	4.7%	3.0%	
2019-20	-13.7%	3.7%	-12.3%	



Source: Salt Lake City Department of Airports, Air Traffic Statistics.

Table 3-15 Change in Monthly Aircraft Landed Weight at the Airport (in thousand-pound units; 2019 vs 2020)

Month	Aircraft Landed Weight			Percent Change from Prior Year	
	FY 2019	FY 2020	FY 2021	FY 2020	FY 2021
July	1,364,737	1,399,023	965,376	2.5%	-31.0%
August	1,400,144	1,399,919	1,072,236	0.0%	-23.4%
September	1,231,361	1,261,826	1,005,503	2.5%	-20.3%
October	1,280,069	1,378,709	1,093,378	7.7%	-20.7%
November	1,212,561	1,218,459	1,100,005	0.5%	-9.7%
December	1,281,642	1,376,801	1,220,036	7.4%	-11.4%
January	1,266,469	1,364,027	1,144,361	7.7%	-16.1%
February	1,155,433	1,273,154	1,011,562	10.2%	-20.5%
March	1,372,801	1,212,091	1,277,168	-11.7%	5.4%
April	1,265,828	557,884		-55.9%	
May	1,298,766	478,447		-63.2%	
June	1,335,252	641,173		-52.0%	
Total	**15,465,060**	**13,561,514**	**9,889,626**	**-12.3%**	



Source: Salt Lake City Department of Airports, Air Traffic Statistics.

3.3 Key Factors Affecting Air Traffic Demand

The following section addresses certain key factors that could impact air traffic activity, both nationwide and at the Airport.

3.3.1 The COVID-19 Pandemic

While passenger traffic, and to a lesser extent aircraft operations and landed weight, was dramatically affected by the impacts associated with the COVID-19 pandemic initially, it started to recover through the summer of 2020. However, during the fall of 2020, the recovery seemed to stall before more recovery in the winter of 2020 and into the Spring of 2021.

Figure 3-8 depicts the impacts associated with the COVID-19 pandemic to passenger checkpoint throughput at both the Airport and for the overall U.S per data from the TSA. This figure presents the recovery trend for passenger checkpoint throughput indexed to 2019 levels (i.e., 2019 levels equal 100). As shown during the early days of the pandemic, the impact to the Airport's checkpoint passengers tracked closely with the general nationwide trend, however, was slightly better, decreasing to an unprecedented trough of around -91% of the prior year's levels during April 2020. Starting in May 2020, TSA checkpoint passenger throughput for the Airport and the U.S. started to recover. The recovery at the Airport has been more pronounced than the nation, especially, as we have moved on from the early days of the pandemic. For the weekly average in early March 2021, the Airport was around 58% of the 2019 throughput compared to about 46% for the U.S.

Two factors are assumed to be necessary for air traffic to recover back to levels experienced prior to the COVID-19 pandemic. First, confidence needs to be restored such that passengers feel that traveling on aircraft and using airport facilities, both at the Airport and at their final destinations, is safe from a health standpoint. Second, the U.S. public health response must constrain the spread of the virus sufficiently to demonstrate that our travel origins and destinations are deemed safe.

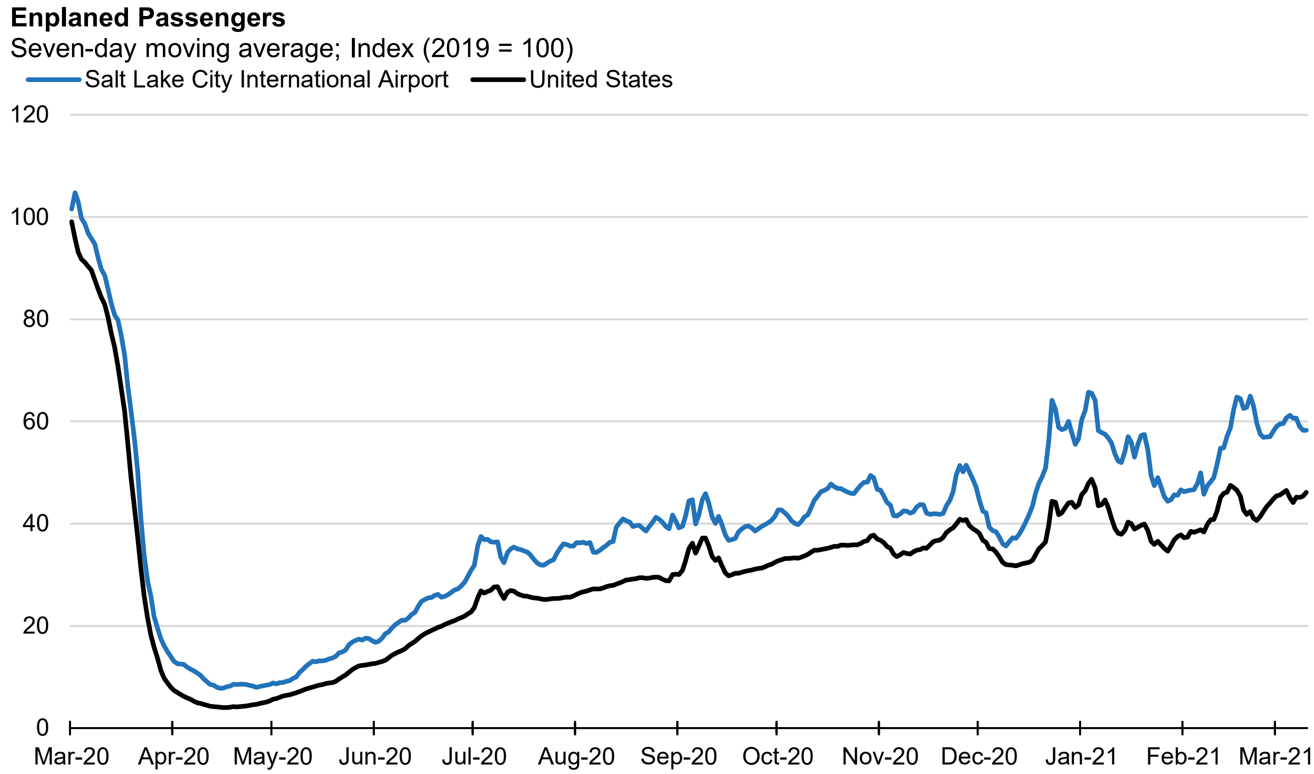
Airlines and airports appear to have generally shown that air transportation is safe during this pandemic. Despite the CDC concluding "that the risk for on-board transmission of SARS-CoV-2 during long flights is real and has the potential to cause COVID-19 clusters of substantial size",[50] another study suggests that on-board transmission is a rare event.[51] Airlines and airports, including the Airport, have taken further steps to reduce risks through enhanced cleaning, contactless boarding, use of physical barriers, physical distancing, temperature screening of employees, and requiring use of face coverings. According to a report from the Harvard's Aviation Public Health Initiative, airports have made "consistent and impressive commitments to reduce the risks of disease transmission in their facilities" between passengers, employees, concessionaires, contractors and visitors through layered, interlinked, risk-mitigation strategies that, when used together, effectively can control the risk of exposure. The report concluded that, overall, the probability of being infected in an airport is very low.[52]

[50] Transmission of SARS-CoV 2 During Long-Haul Flight, Nguygen Cong Khanh et al, EID Journal Volume 26, Number 11, accessed via CDC website https://wwwnc.cdc.gov/eid/article/26/11/20-3299_article accessed February 10, 2021

[51] Risk of COVID-19 During Air Travel, Rui Pombal, MD et al, Journal of the American Medical Association, October 1, 2020, accessed via https://jamanetwork.com/journals/jama/fullarticle/2771435, accessed on February 10, 2021

[52] AAAE, Top Stories for Thursday, February 11, 2021: Harvard: Risk of Virus Infection 'Low' In Airports.

Figure 3-8 Comparison of Airport and U.S. TSA Checkpoint Passengers (March - March 2021)



Sources: Salt Lake City Department of Airports, accessed March 2021.
Transportation Security Administration, accessed March 2021.

It is generally considered that in order to return to life prior to the pandemic, we must achieve some level of population immunity on a national and global scale. Population immunity, also known as herd immunity, is the indirect protection from an infectious disease that happens when a population is immune either through vaccination or immunity developed through previous infection. To reach herd immunity it is estimated that a significant percent of the population must be immune to a virus to interrupt the chain of transmission. At this time, the exact share of the population needed to achieve herd immunity from COVID-19 is uncertain. The U.S. government has been focused on the development of an effective vaccine since the start of the pandemic. To-date, three vaccines have been approved for full use, Pfizer's Comirnaty, Moderna's mRNA-1273, and Johnson & Johnson's Ad26.COV2.S. The Pfizer and Moderna vaccines require two doses to be effective, while the Johnson & Johnson vaccine requires a single dose. On April 13, 2021, use of the Johnson & Johnson vaccine was halted as federal health agencies called for a pause in the vaccine's use to examine cases of a rare blood-clotting disorder. The pause was lifted in April 2021. The first COVID-19 vaccination in the U.S. administered to the public occurred on December 14, 2020. As of April 1, 2021, more than 200.5 million doses have been distributed with nearly 99.6 million people receiving the first dose and nearly 56.1 million people fully vaccinated.[53] It is estimated that herd immunity in the U.S. could be reached in mid-fall[54] but that could change depending on a number of

[53] CDC COVID Data Tracker accessed at https://covid.cdc.gov/covid-data-tracker/#vaccinations

[54] NPR, Fauci Predicts U.S. Could See Signs Of Herd Immunity By Late March Or Early April, December 15, 2020 access via https://www.npr.org/sections/coronavirus-live-updates/2020/12/15/946714505/fauci-predicts-u-s-could-see-signs-of-herd-immunity-by-late-march-or-early-april

factors. However, global herd immunity may not occur until 2022 or later which will effect international traffic recovery.[55]

3.3.2 Economic Conditions and Events

Historically, the U.S. economy, as measured by GDP, grew at a relatively steady rate, averaging 3.1% per annum between CY 1960 and CY 2019. The rate of growth had been remarkably stable reflecting both the size and maturity of the U.S. economy. Individual years have fluctuated around the long-term trend for a variety of reasons including macroeconomic factors, fuel shocks, war, and terrorist attacks.

Prior to 2020, there were two official economic recessions in the U.S. in the 21st century. The first occurred between March 2001 and November of 2001 and was compounded by the September 11, 2001, terrorist attacks. The negative impact of these events on the airline industry is well documented. The recession itself was short-lived by historical standards and the economy returned to positive growth rates quickly, fueled by a gradual but prolonged reduction in interest rates. The Great Recession occurred between December 2007 and June 2009.[56] As a result of the Great Recession, the nation's unemployment rate rose from 5.0% in December 2007 to a previous high of 10.0% in October 2009.[57]

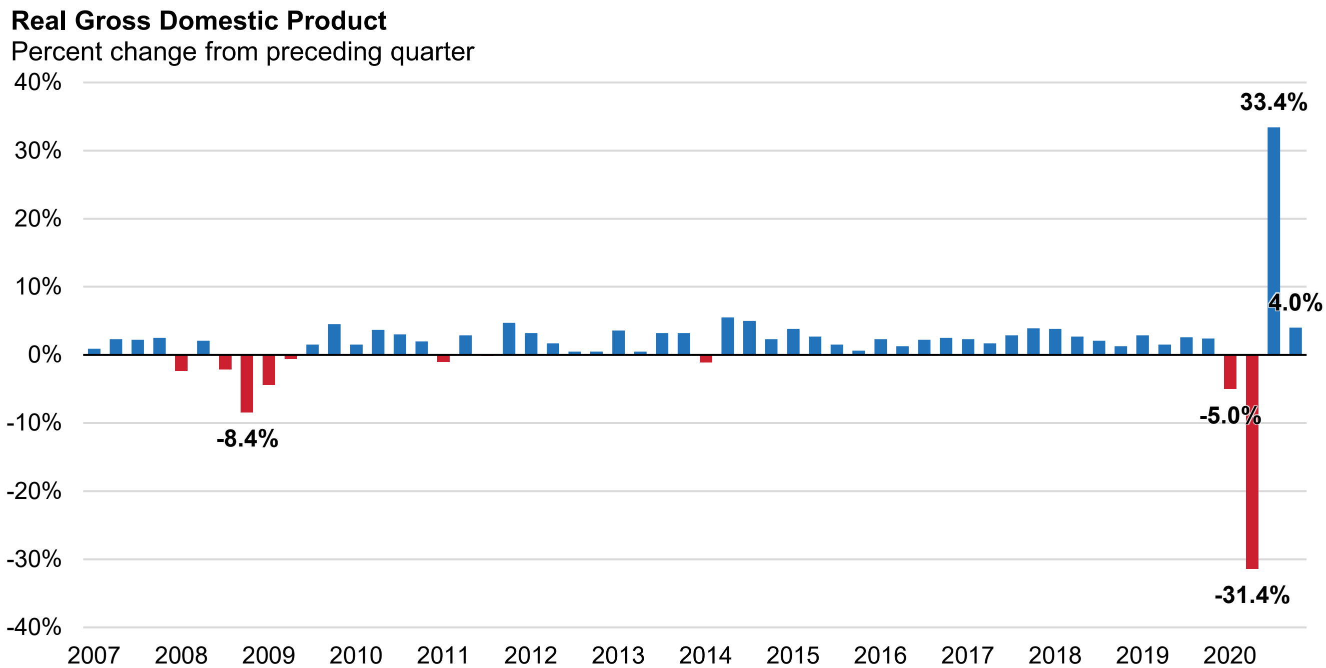
The outbreak of COVID-19 in early 2020 and the declaration of a pandemic by the WHO on March 11, 2020 coupled with the subsequent travel restrictions have led to disruptions of economies around the world, resulting in dramatic increases in unemployment and significant decreases in air traffic. Business failures, worker layoffs, and consumer business bankruptcies are occurring and are expected to continue into the near future as the COVID-19 global pandemic continues. According to the Bureau of Economic Analysis (BEA), real GDP decreased at an annual rate of 31.4% in the second quarter of 2020 after decreasing by 5.0% in the first quarter of 2020. In comparison, the worst decline in GDP during the Great Recession was 8.4% in the fourth quarter of 2008. There was significant recovery in GDP in the third quarter, increasing 33.4%. Although the growth was significant, real GDP still remains below first quarter 2020. The updated estimate for fourth quarter of 2020 shows a 4.0% increase. **Figure 3-9** depicts the magnitude of the impact the COVID-19 pandemic has had on the U.S. economy, thus far, when compared to the Great Recession.

55 The Hill, WHO official warns global herd immunity from COVID-19 won't happen until 2022, accessed via https://thehill.com/policy/healthcare/533792-who-official-warns-global-herd-immunity-from-covid-wont-happen-until-2022

56 National Bureau of Economic Research, U.S. Business Cycle Expansions and Contractions, September 20, 2010.

57 National Bureau of Economic Research, U.S. Business Cycle Expansions and Contractions, September 20, 2010.

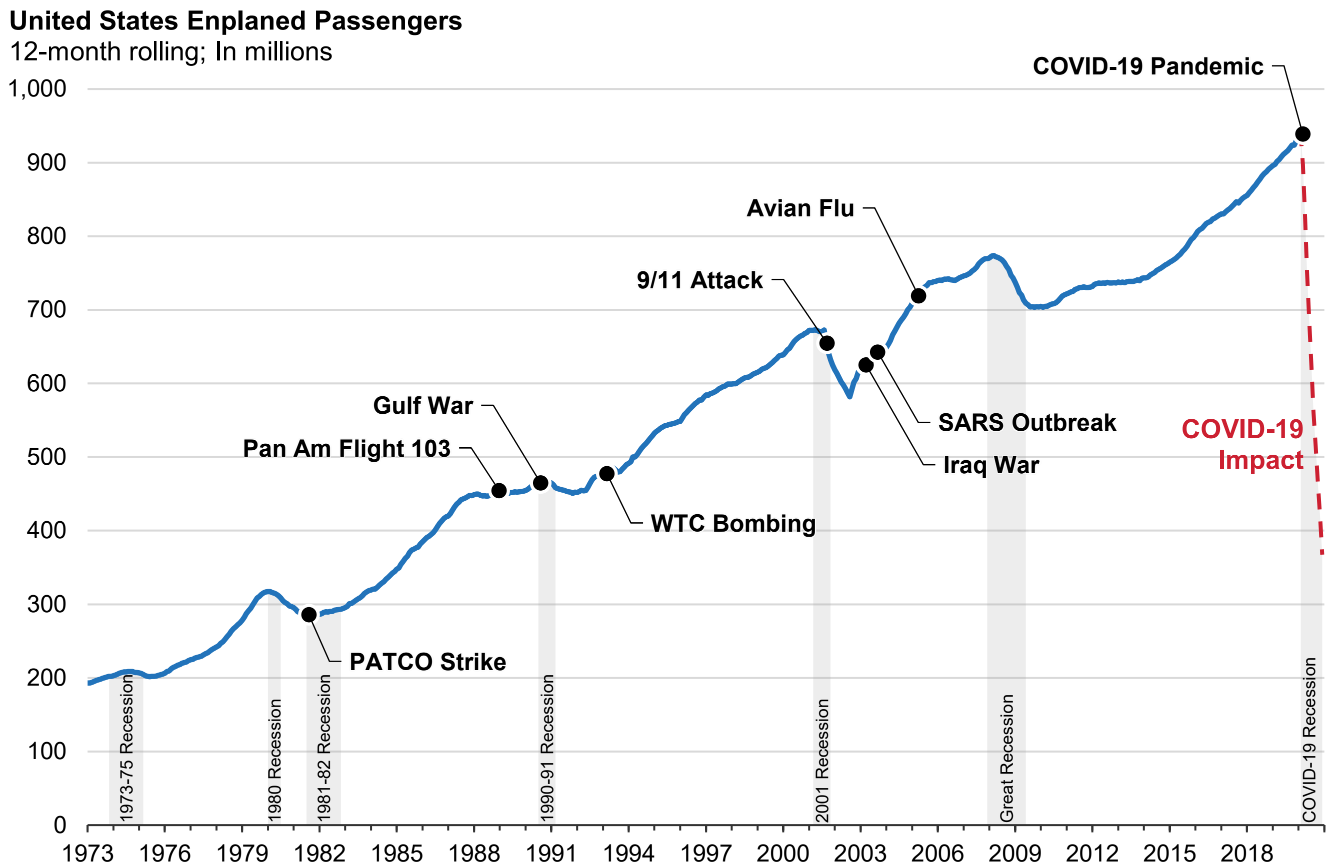
Figure 3-9 U.S. Economic Impact of the COVID-19 Pandemic



Note: Rates are seasonally adjusted at annual rates.
Source: U.S. Bureau of Economic Analysis, National Income and Product Accounts.

Figure 3-10 shows the strong correlation between enplaned passenger traffic in the U.S. and the nation's economy in addition to significant shocks/events. During periods of economic contractions and exogenous events, there is a notable decline in passenger volumes and during the subsequent economic expansions and recovery periods, there is significant growth in passenger volumes. Additionally, exogenous shocks such as terrorist attacks have generally had a short but significant impact on passenger volumes. As presented on this figure, the COVID-19 pandemic has been the most disruptive event to negatively impact aviation in history. There is still much uncertainty on when air traffic will recover to "pre-COVID-19" levels. However, it is assumed that the ultimate ability to control the spread of COVID-19 throughout the world and/or the mass distribution of an effective vaccine or treatment will play a significant role in restoring passenger confidence in air travel and airlines being able to return to pre-COVID-19 load factors. Future waves and/or threats of future waves of COVID-19 or another pandemic including associated travel restrictions and stay-at-home orders, could have a further negative impact on air travel in the future.

Figure 3-10 U.S. Aviation System Shocks and Recoveries



Note: Excludes non-revenue enplaned passengers.
Source: U.S. Bureau of Transportation Statistics, U.S. Air Carrier Traffic Statistics; National Bureau of Economic Research, U.S. Business Cycle Expansions and Contractions.

3.3.3 The U.S. Airline Industry

3.3.3.1 Airline Profitability

Since 2008, the U.S. airline industry has decreased capacity, particularly in short-haul markets with smaller, short range aircraft types. The result has been significant improvement in yields, revenue per available seat mile (RASM), and subsequently profitability prior to outbreak of the COVID-19 pandemic. In recent years, the U.S. airline industry had been at its most stable, profitable point in history. According to the Bureau of Transportation Statistics (BTS), the 23 U.S. scheduled passenger airlines reported a pre-tax net operating profit of $15.8 billion in CY 2019, which was a 19.7% increase from 2018 and marked the eleventh consecutive year of pre-tax operating profits. The scheduled passenger airlines reported an operating profit margin of 7.5% in 2019, which was up from 6.3% in 2018.[58] Profitability during this period can also be attributed to airlines unbundling services and increasing the use of ancillary fees such as charges for checked baggage.

58 Bureau of Transportation Statistics, 2019 Annual and 4th Quarter U.S. Airline Financial Data.

As a result of the impacts of the COVID-19 pandemic, U.S. airlines incurred record losses in 2020 and likely into 2021. Delta reported $12.4 billion in losses for all of 2020[59]. The U.S. DOT has reported that U.S. scheduled passenger airlines reported a second straight quarter after-tax net loss. Through the third quarter of 2020, airlines experienced an after-tax net loss of $28.0 billion.[60] The International Air Transport Association (IATA) projects that, globally the airlines are expected to lose $118.5 billion in 2020. In 2021, IATA projects losses to be cut to $38.7 billion as revenues rise to $459 billion.[61] To help support U.S. air carriers through this crisis, on March 25, 2020 the U.S. Senate passed by unanimous vote the CARES Act. Under Title IV of the CARES Act, Congress approved $500 billion in federal assistance to severely distressed sectors of the economy as part of the larger $2 trillion stimulus package. The approved programs include $61 billion to the airline sector as follows:

- $29 billion in loans and loan guarantees for air carriers,
  FAA Part 145 aircraft repair stations and ticket agents;
- $32 billion in payroll protection grants for air carriers and their contractors; and
- Relief to air carriers from federal excise taxes that apply to transporting passengers and cargo and the purchase of aviation jet fuel.

As of January 31, 2021, 352 passenger carriers, 39 cargo carriers, and 220 contractors have applied for payroll support under CARES Act funds.[62] As a condition of accepting these funds, U.S. airlines were required to (1) refrain from imposing involuntary furloughs on U.S.-based employees or reducing employee pay or benefits through September 30, 2020; (2) maintain certain limitations on executive compensation through March 24, 2022; (3) suspend the payment of dividends or other distributions and cease stock buybacks through September 30, 2021; and (4) continue service as is reasonable and practicable under DOT regulations. [info on American Rescue Plan]

As discussed above, it is expected that the airlines will continue to experience financial distress for the foreseeable future until air traffic is able to recover to reasonable levels. It is generally assumed that the airlines will continue to right-size capacity to meet suppressed demand and evolve business models in the near-term to limit the spread of COVID-19.

3.3.3.2 Airline Bankruptcies and Mergers

Over the past two decades, the U.S. airline industry has undergone a significant transformation. Although it has been profitable in recent years prior to the impacts associated with the COVID-19 pandemic, the U.S. airline industry cumulatively experienced losses of approximately $62 billion from 2000 through 2009 on domestic operations. Many airlines filed for Chapter 11 bankruptcy protection and some ceased operations altogether. During this period, airlines suffered from excess capacity, which drove down yields. Yields adjusted for inflation had dropped by approximately 70%. With oil prices spiking to near $150 per barrel in 2008, industry changes were critical. As a result, all of the major network airlines restructured their route networks and reached agreements with lenders, employees, vendors, and creditors to decrease their cost structure.

59 AP, A $12 billion loss for 2020, Delta is cautious in early 2021, https://apnews.com/article/travel-air-travel-coronavirus-pandemic-e6304e8edfcf83a42a29ce9b5faee542
60 Bureau of Transportation Statistics, U.S. Airlines Report Third Quarter 2020 Losses.
61 International Air Transport Association, Deep Losses Continue Into 2021, https://www.iata.org/en/pressroom/pr/2020-11-24-01/
62 Department of the Treasury, Payroll Support Program Payments, https://home.treasury.gov/policy-issues/cares/preserving-jobs-for-american-industry/payroll-support-program-payments

Currently, airlines are experiencing significant financial difficulty given the significant passenger decreases caused by the impacts associated with the COVID-19 pandemic. As of April 1, 2021, five U.S. airlines including three regional carriers and one charter airline have ceased operations primarily as a result of the COVID-19 pandemic.[63] As of April 1, 2021, no U.S. scheduled mainline passenger airline has filed for Chapter 11 or ceased operations. However, given the ongoing financial struggles and the uncertain recovery of air traffic, it is possible that airlines may file for bankruptcy protection or potentially cease operations in the future primarily as a result of the COVID-19 pandemic.

Industry consolidation has taken place as a result of competitive pressures and economic conditions. Many airlines have merged or been acquired since the turn of the 21st century. **Figure 3-11** provides a graphical representation of the major U.S. airline mergers during this period. These mergers have resulted in significant economic control of passenger ridership. For FY 2020, the four largest U.S. airlines (American, Delta, Southwest, and United) account for 79.6% of the domestic seating capacity. The potential impacts associated with consolidation include limited industry seats, limited capacity growth, and increases in fares.

As of April 1, 2021, there has been no announcement of a U.S. scheduled mainline passenger airline seeking to acquire or merge with another U.S. scheduled mainline passenger airline. However, given the ongoing financial struggles and the uncertain recovery of air traffic, it is possible that airlines may seek further industry consolidation in the future primarily as a result of the financial difficulties experienced during the COVID-19 pandemic. It is expected that airlines will continue to enter into partnerships and code-share agreements in attempts to seek competitive advantages. For example, in early 2021, American has entered into partnerships with both Alaska Airlines for markets in the western U.S. and JetBlue Airways for markets in the eastern U.S.

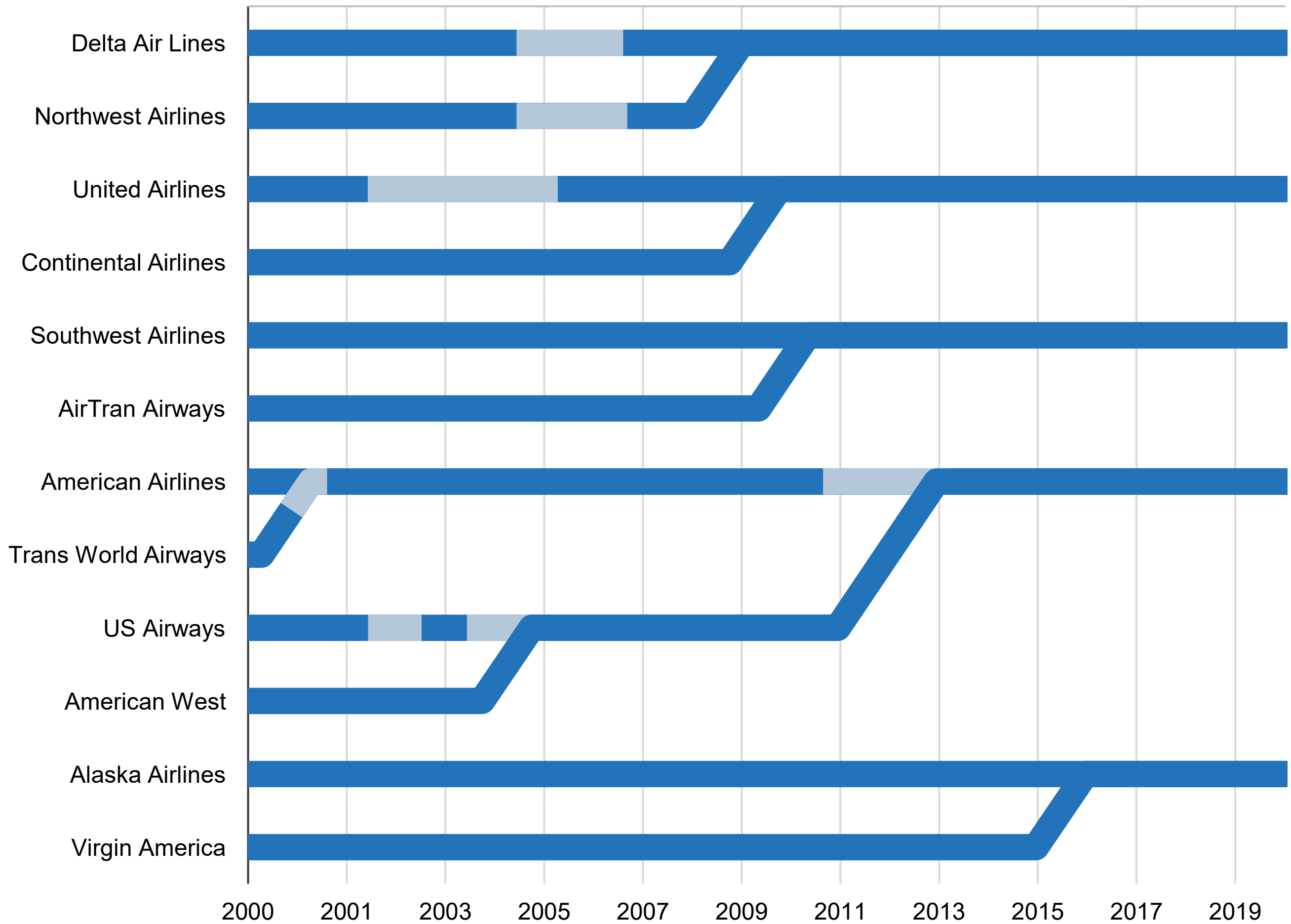
3.3.4 Aviation Fuel

The price of oil and the associated cost of jet fuel has historically been one of the largest operating costs affecting the airline industry. In 2000, jet fuel sold to end users averaged $0.89 per gallon. The average cost of jet fuel climbed steadily through 2007. However, in 2008, crude oil prices and consequently, jet fuel surged in price as a result of strong global demand, a weak U.S. dollar, commodity speculation, political unrest, and a reluctance to materially increase supply. In July 2008, jet fuel reached an average price of $4.01 per gallon, nearly double the price the year prior. Reduced demand in 2009 stemming from the global financial crisis and subsequent economic downturn resulted in a sharp decline in price. However, as the economic climate improved and political unrest continued in the Middle East, oil prices increased in the subsequent three years. The increase in the price of jet fuel put upwards pressure on airline operating costs. As a result, airlines were faced with cutting capacity or increasing fares, and sometimes both. The average price of jet fuel dropped significantly in 2015 and 2016, reaching a low of $1.03 per gallon in February 2016. Since then, jet fuel prices increased steadily to a peak of $2.25 in October 2018 before falling to $1.70 per gallon in December 2019 due to increased oil supplies. In 2019, jet fuel prices remained fairly stable, averaging approximately $1.90 per gallon from February 2019 through January 2020.

As a result of the COVID-19 pandemic, the global demand for crude oil and fuel decreased dramatically starting in January 2020. As a result, the price of crude oil dropped below $20 per barrel in April 2020. Since then, crude oil supply curtailments have caused oil prices to recover. Prices hovered near $40 per barrel from early June 2020 through December but have increased to nearly $60 per barrel in February 2021.

63 The five U.S. airlines that have gone bankruptcy in 2020 are the regional carriers: Expressjet (UA), Trans States Airlines (UA), and Compass Airlines (AA and DL), and the charter carriers: Miami Air International, and Shoreline Aviation. The major carriers served by the regional partner carriers contracted with other carriers to provide regional service.

Figure 3-11 Major U.S. Airline Mergers of the 21st Century



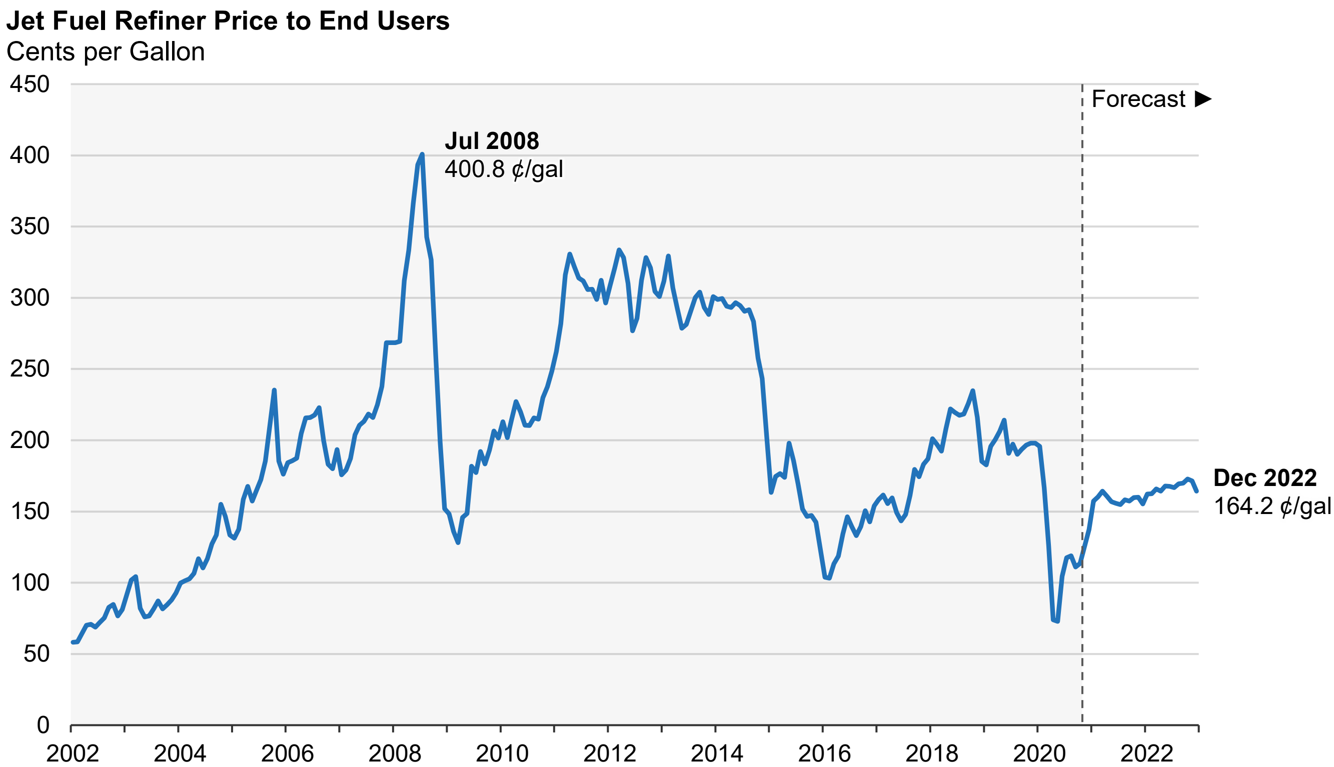
Note: Shading indicates bankruptcy.
Source: Airlines for America, U.S. Airline Mergers and Acquisitions.

The U.S. Energy Information Administration (EIA) provides forecasts of jet fuel refiner price to end users in a report entitled Short-Term Energy Outlook. In the January 2021 release, the EIA projects that jet fuel prices will reach $1.64 per gallon by December 2022. **Figure 3-12** presents the historical price for jet fuel refiner price to end users and the EIA's forecast of that price.

Although fuel cost is of major importance to the airline industry, future prices and availability are uncertain and fluctuate based on numerous factors. These can include supply-and-demand expectations, geopolitical events, fuel inventory levels, monetary policies, and economic growth estimates. Historically, certain airlines have also employed fuel hedging as a practice to provide some protection against future fuel price increases. While fuel hedging has generally not been used by airlines in recent years, it remains as a potential option to mitigate fuel cost risk.

It is expected that aviation fuel costs will continue to impact the airline industry in the future. If aviation fuel costs increase significantly over current levels, air traffic activity could be negatively affected as airlines attempt to pass costs on to consumers through higher airfares and fees in order to remain profitable. At this time, alternative fuels are not yet commercially cost effective.

Figure 3-12 Jet Fuel Prices



Source: U.S. Energy Information Administration, Short-Term Energy Outlook (January 2020).

3.3.5 Aviation Security

Since the September 11, 2001, terrorist attacks (9/11), government agencies, airlines, and airport operators have upgraded security measures to guard against threats and to maintain the public's confidence in the safety of air travel. Security measures have included cargo and baggage screening requirements, deployment of explosive detection devices, strengthening of aircraft cockpit doors, the increased presence of armed air marshals, awareness programs for personnel at airports, and new programs for flight crews. Aviation security is under the control of the federal government through the TSA.

The threat of terrorism poses risks to the continued growth of the aviation industry. Although terrorist events targeting aviation interests would likely have negative and immediate impacts on the demand for air travel, the industry and demand have historically recovered from such events. There have been terrorist attacks at airports internationally including at the Brussels Airport in March 2016, the Istanbul Atatürk Airport in June 2016, and the Orly International Airport in March 2017. So long as government agencies continue to seek processes and procedures to mitigate potential risks and to maintain confidence in the safety of aircraft, without requiring unreasonable levels of costs or inconvenience to the passengers, economic influences are expected to be the primary driver for aviation demand as opposed to security and safety.

3.3.6 National Air Traffic Capacity

The U.S. aviation system has a major impact on the national economy because it provides a means of transporting people and cargo over long distances in a relatively short period. As demand for air travel increases, the national aviation system must maintain sufficient capacity to allow for travel without unacceptable delays or congestion. It is generally assumed that the required infrastructure improvements needed to maintain capacity will keep pace with demand. Although not likely over the projection period evaluated herein, the inability of the national aviation system to keep pace with demand could create congestion and delays on a national level that could adversely affect the passenger experience and impact future demand.

3.4 Air Traffic Activity Projections

This section presents industry research on various forecast recovery scenarios from the impacts of the COVID-19 pandemic as well as a presentation of the air traffic activity projections including the key assumptions used to develop those projections.

This section contains "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. The air traffic activity projections included in this Report represent L&B's opinion, based on information available to L&B as well as estimates, trends and assumptions that are inherently subject to economic, political, regulatory, competitive and other uncertainties, all of which are difficult to predict and many of which will be beyond the control of L&B. Prospective investors should assume that the restrictions and limitations related to the ongoing COVID-19 pandemic, and the current upheaval to the air travel industry and the national and global economies, could increase at least over the near term, recovery may be prolonged, and, therefore, have an adverse impact on Airport revenues. As a result, projected results may not be realized, and actual results could be significantly higher or lower than projected. L&B is not obligated to update, or otherwise revise, the projections or the specific portions presented to reflect circumstances existing after the date when made or to reflect the occurrence of future events, even in the event that any or all of the assumptions are shown to be in error.

3.4.1 Industry Recovery Scenarios

Several industry sources have made predictions as to the length of recovery of air traffic to levels prior to the COVID-19 pandemic. **Table 3-16** presents summaries of various scenarios. As shown, the general consensus of those cited below is that passenger traffic will not recover to CY 2019 levels until sometime around CY 2023 to CY 2024. It is important to note that these forecasts reflect the recovery at a national level and are not necessarily reflective of the recovery at the Airport.

Table 3-16 Industry Recovery Scenario Forecasts

Source Company / Agency	Expected Recovery Period	Citation	Source
International Air Transport Association (IATA)	CY 2024	*"We assume a vaccine(s) is deployed in the second half of 2021, but it looks likely that there will be production and distribution challenges that mean it will only be in late 2021 and in 2022 when air travel rises back substantially. On this basis we don't expect 2019 levels to be regained until around 2024.* *We should also acknowledge the huge amount of uncertainty over virus behavior, vaccine effectiveness and government responses..."*	*"Deep Losses Continue Into 2021"*, November 24, 2020. https://www.iata.org/en/pressroom/pr/2020-11-24-01/
Airports Council International	CY 2023-24	*"Passengers expected to recover to 2019 levels in 2023-2024. Domestic markets by 2023 and international markets by 2024-2025"*	*"State of the Airport Industry – COVID-19 Impact and Outlook,"* December 2020
Fitch Ratings	CY 2024	*"Fitch Ratings expects air traffic recovery in U.S. and Canadian markets to be slower in 1H21 than previous forecasts, given ongoing low levels of passenger demand observed through the early weeks of 2021. Accelerated growth is expected in 2H21 with greater vaccination rates and the release of pent-up leisure and holiday travel demand.* *Airports and airlines are highly sensitive to the pace of recovery from the coronavirus pandemic and new, more contagious variants of the virus may hinder a rapid rebound in the near term. A prolonged rebound for the air travel industry is part of our forecast, with full recovery not expected until 2024 at the earliest."*	*"North American Airport and Airline Pressures to Ease, Accelerating Recovery Later This Year"*, March 11, 2021 https://www.fitchratings.com/research/infrastructure-project-finance/north-american-airport-airline-pressures-to-ease-accelerating-recovery-later-this-year-virus-variants-travel-restrictions-vaccine-rollouts-present-uncertainties-11-03-2021

Table 3-16 Industry Recovery Scenario Forecasts (continued)

Source Company / Agency	Expected Recovery Period	Citation	Source
Moody's Investor Service	CY 2024	*"Enplanement levels have divorced from traditional GDP correlations because of unpredictable consumer behavior and local and international restrictions on travel or onerous quarantine requirements. Enplanement levels depend on the perceived spread of the virus, but we expect enplanements to be 25% to 45% of 2019 volumes in the first half of 2021 before recovering with warmer weather and expected adoption of a vaccine."*	*"2021 outlook negative with high degree of traffic uncertainty, airline financial health"*, December 1, 2020. https://www.moodys.com/research/Moodys-2021-outlook-for-US-airports-remains-negative-amid-ongoing--PBC_1255600?cid=7QFRKQSZE021
Standard & Poor's (S&P)	CY 2024	*"U.S. public transit and airport sectors face the longest recovery relative to other U.S. transportation subsectors, with our current baseline activity estimates for 2021 compared with pre-COVID-19 levels showing annualized declines of approximately 50% for public transit, and 40% for airports; and public transit ridership recovering to approximately 15% below pre-COVID-19 levels by the end of 2023 and enplanements returning to or near pre-pandemic levels in 2024 for most airports.."*	"Updated Activity Estimates for U.S. Transportation Infrastructure Show Public Transit and Airport Operators Still Face A Long Recovery". January 13, 2021 https://www.spglobal.com/ratings/en/research/articles/210113-updated-activity-estimates-for-u-s-transportation-infrastructure-show-public-transit-and-airport-operators-st-11797812

Sources: Cited in table above. Accessed April 2021.

3.4.2 Projection Assumptions

There are two main factors determining the recovery in air travel: safety from COVID-19 and its variants and economic recovery. To determine when it is deemed safe to travel, assumptions regarding the timeframe to achieve population immunity were developed. Once safe travel is available through population immunity, it was assumed recovery of air travel will be predicated on recovery in the economy. This section describes assumptions regarding achieving population immunity, the return of business travel, and economic recovery.

3.4.2.1 Reaching Manageable Infection Rates

Achieving population or "herd" immunity is generally viewed as one of the largest obstacles to returning to normal activities. This immunity is achieved through a combination of natural immunity through infection and vaccination. A survey from PEW Research Center in February 2021 indicated that approximately 69% of Americans intend to get a vaccine or already have.[64] While this presents a gap between the amount required and the number of those likely to be vaccinated, it should be noted that this is an increase of nine percent from those surveyed in November 2020 and 18% from those surveyed in September 2020. However, 31% said they would either probably not or definitely not get the vaccine.[65] As of April 1, 2021, more than 200.5 million doses have been distributed with nearly 99.6 million people receiving the first dose and nearly 56.1 million people fully vaccinated.[66] This equates to 16.9% of Americans being completely vaccinated. Certain experts have indicated that it is becoming more unlikely that population immunity will be reached in the U.S. as people may opt not to take the vaccine and variants of the virus spread. Some experts believe that without reaching immunity the virus will continue to circulate but will become more manageable, but will still result in hospitalizations and deaths by in much smaller numbers.[67]

While developing the enplaned passenger projections, two timelines for reaching managing infection rates were developed. The following presents the timelines based on the assumptions made.

- **Rapid-Adoption:** The rapid-adoption timeline assumes that the general public will continue to quickly adopt to the vaccine. It is assumed that those wanting to be vaccinated will be by the fourth quarter of 2021 resulting in more manageable infection rates.
- **Slow-Adoption:** The slow-adoption timeline assumes that people are slow to adopt the vaccine for various reasons. It is also assumed that those wanting to be vaccinated will be by the third quarter of 2022 resulting in more manageable infection rates.

Due to the initially slow start to the COVID-19 vaccine rollout, it was originally assumed that the rapid-adoption timeline would be an optimistic scenario. However, now that initial supply issues have largely been resolved. The slow-adoption timeline would likely only happen with severe shortages and a large portion of the population opting not to take the vaccine or if other issues occur that impact distribution or increase people. Therefore, it represents a more pessimistic scenario. Therefore, under baseline conditions, it is assumed that the adoption timeline for the vaccine will be between the two timeframes outlined above for domestic travel. It was assumed that for international travel, the adoption timeline will lag behind given the complexities associated with opening borders, varying vaccine distribution, achievement of herd immunity, and other adoption issues.

64 Pew Research Center, *Growing Share of Americans Say They Plan To Get a COVID-19 Vaccine – or Already Have*, accessed online at https://www.pewresearch.org/science/2021/03/05/growing-share-of-americans-say-they-plan-to-get-a-covid-19-vaccine-or-already-have/

65 Ibid.

66 CDC COVID Data Tracker accessed at https://covid.cdc.gov/covid-data-tracker/#vaccinations, accessed April 2021.

67 The New York Times, *Reaching 'Herd Immunity' Is Unlikely in the U.S., Experts Now Believe*, https://www.nytimes.com/2021/05/03/health/covid-herd-immunity-vaccine.html, accessed May 2021.

3.4.2.2 Loss of Business Travelers

Prior to the Great Recession, air fares did not typically have a significant impact on air travel for business travelers. However, the economic climate after the Great Recession prompted businesses to seek measures in order to save cost, part of which included shrinking travel budgets. As such, companies began substituting air travel with telecommunication when the cost to travel becomes too great.

The impacts associated with the COVID-19 pandemic essentially halted all travel in March 2020, which required many business travelers to quickly pivot from in-person meetings to conducting videoconference meetings. Stay-at-home orders required many businesses to shift to work-at-home temporarily with many still operating a hybrid of work at home and in the office. Both of these somewhat acted as an experiment to determine what meetings could be conducted remotely and what jobs can be done effectively from home versus an office setting. The COVID-19 pandemic has been a catalyst for some companies to move to work-at-home on a permanent basis. A survey from July 2020 indicated that 93% of companies believe that their remote working and meeting policies will permanently change.[68]

For business travelers conducting in-person sales or client meetings, air traffic has been recovering quicker and is expected to make a full recovery as face-to-face conversations will continue to be seen as worth the cost of travel. However, internal meetings, training programs, trade shows, and conferences have seen little to no recovery to date. It is possible that if more people work-from-home, in-person internal meetings and training programs previously done in-person will be drastically reduced, with people opting for virtual meetings. There are a number of estimates as to how much business travel will be permanently lost. According to a business travel analyst, the data suggests that between 19% and 36% of all air traffic are likely to be lost.[69]

Historically, there have been a number of events over the past 20 years, such as the terrorist attacks of September 11, 2001 and the Great Recession, that have prompted theories of an ultimate decline in business air travel. However, the industry has continued to prove resilient and business air travel recovered from both of those events. Therefore, given the data above, it was assumed that business air travel would fare better than the estimates above. Subsequently, for the purposes of this Report, it was assumed for the baseline projection that about 8% of business travel would be lost upon recovery during the projection period. For the purposes of the slower recovery sensitivity scenario projection, this loss was assumed to be about 15%.

3.4.2.3 Economic Recovery

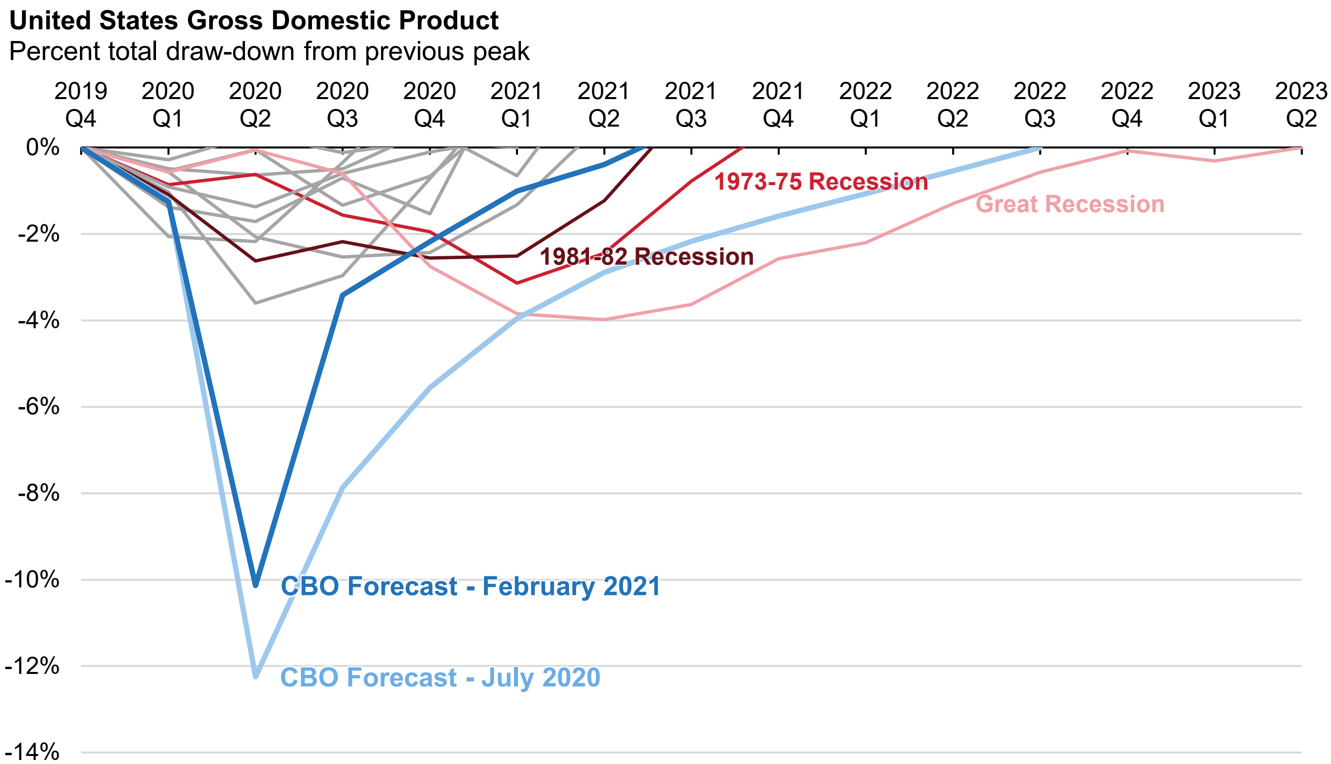
Biannually, the CBO provides 10-year economic projections which includes output, prices, labor market measures, interest rates, and income. Part of this work includes projections of potential GDP. In July 2020, the CBO released the first update to these projections since the beginning of the pandemic. At the time, the CBO forecast that real U.S. GDP contracted by 10.1% in the second quarter of 2020, which is equivalent to an annual decline of 34.6%, followed by a 17.0% recovery in the third quarter. The CBO projected that GDP would recover to fourth quarter of 2019 levels by the third quarter of 2022, making the recession the second longest U.S. recession since 1947.

[68] BCG, COVID-19 Consumer Sentiment Snapshot #11: Getting to the Other Side, June 2, 2020. Accessed online at https://www.bcg.com/publications/2020/covid-consumer-sentiment-survey-snapshot-6-02-20

[69] The Wall Street Journal, The Covid Pandemic Could Cut Business Travel by 36%—Permanently, December 1, 2020. Accessed online at https://www.wsj.com/articles/the-covid-pandemic-could-cut-business-travel-by-36permanently-11606830490

However, when actual results became available, the real U.S. GDP contracted by 8.9% in the second quarter of 2020, which is equivalent to an annual decline of 31.4%, before rebounding by 6.7% in the third quarter of 2020. According to the CBO's most recent -year projections released early February 2021, the U.S. GDP is estimated to continue rebounding during the fourth quarter of 2020 as concerns about the pandemic diminish and as state and local governments ease stay-at-home orders, bans on public gatherings, and other measures to limit the spread of COVID-19. On an annual basis, the CBO estimates that the U.S. GDP decreased by 3.4% in 2020 and forecasts that GDP will increase by 4.6% in 2021. The February release projects that GDP would recover to fourth quarter of 2019 levels by the third quarter of 2021. **Figure 3-13** provides a comparison of GDP declines (as of second quarter 2020) to the current CBO forecast (February 2021), the previous release of the forecast, and other major U.S. recessions since 1947.

Figure 3-13 U.S. GDP Comparison during Recessions



Sources: U.S. Bureau of Economic Analysis, National Income and Product Accounts; Congressional Budget Office, An Overview of the Budget and Economic Outlook: 2021 to 2031, February 2020.

For the purposes of the projections used for this analysis, it is assumed that the February 2021 CBO projections represent more of an optimistic scenario for economic recovery. For the purposes of developing a projection for financial feasibility purposes, the baseline projection assumes that long-term recovery will be somewhat more protracted resembling the tail of the July 2020 CBO projection and that GDP recovery to 2019 levels will occur closer to the first quarter of 2022.

At this time, it is difficult to determine the exact timing and scope of economic recovery. It, however, has been demonstrated that the economy in the Air Service Area has been somewhat less impacted than for the nation as a whole. Therefore, it could be likely that the Air Service Area's economy could recover more rapidly than that of the nation. However, for the purposes of this Report and developing air traffic projections for financial feasibility purposes, it has been assumed that the Air Service Area's economic recovery is generally within the same timeline as that of the nation. Please note that should economic conditions deviate from these assumptions, it is likely that air traffic activity could vary from the projections presented herein, and such variances could be material.

3.4.3 Enplaned Passengers Projection

Based on the assumptions described above, enplaned passengers at the Airport are projected to recover to approximately 2019 levels, or 13.1 million, by FY 2024. Under the baseline projection, total enplaned passengers at the Airport are projected to reach 14.1 million in FY 2028. **Table 3-17** provides a summary of the enplaned passengers projection by segment.

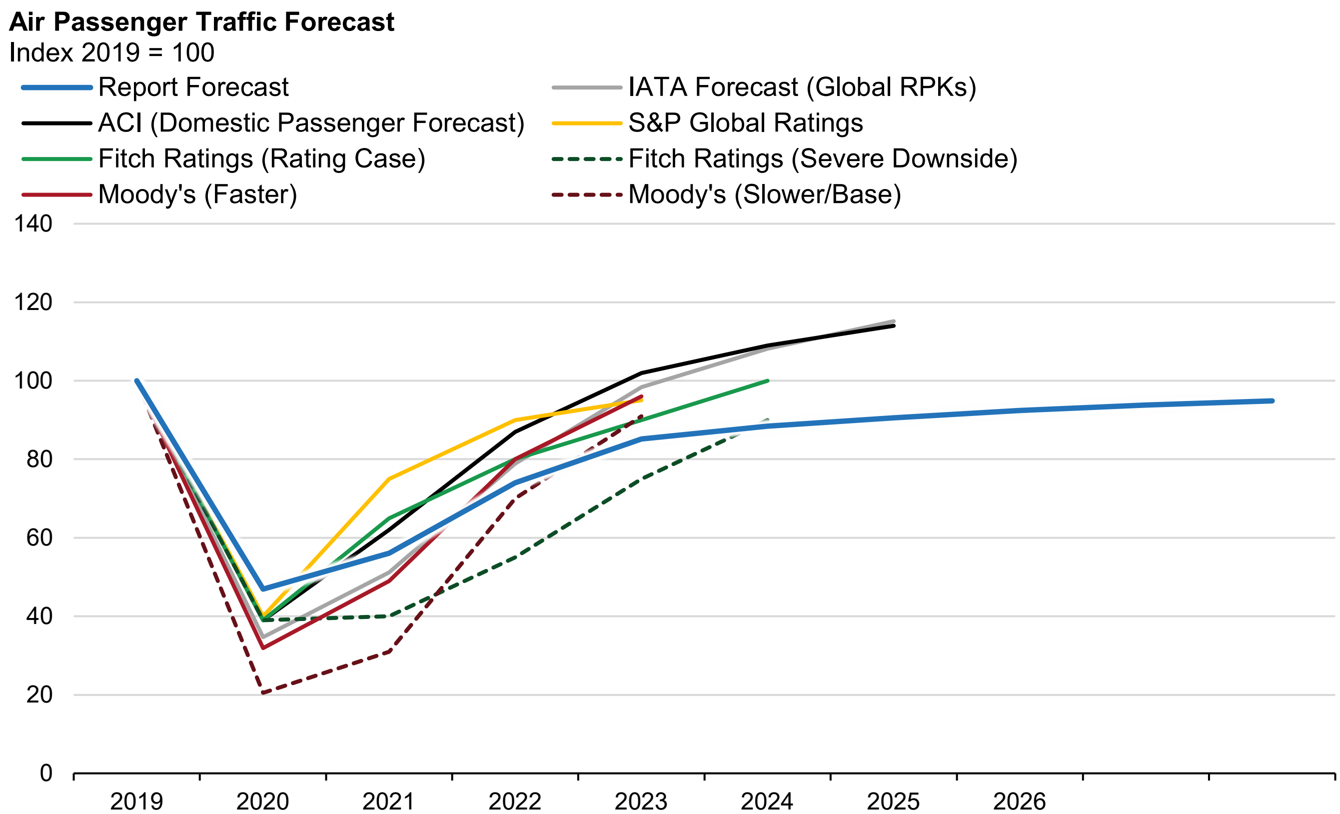
Table 3-17 Enplaned Passengers Projection (FY 2019 – FY 2028)

Fiscal Year		Enplaned Passengers (in thousands)			
		Domestic	International	Total	Percent of 2019
Actual	2019	12,556	534	**13,090**	100.0%
	2020	9,713	382	**10,096**	77.1%
Estimate	2021	6,518	173	**6,692**	51.1%
Projected	2022	11,137	370	**11,507**	87.9%
	2023	12,014	508	**12,522**	95.7%
	2024	12,541	529	**13,070**	99.8%
	2025	12,876	542	**13,418**	102.5%
	2026	13,142	552	**13,695**	104.6%
	2027	13,391	562	**13,953**	106.6%
	2028	13,563	568	**14,132**	108.0%
Range		**Compound Annual Growth Rate**			
2019-20		-22.6%	-28.5%	**-22.9%**	
2020-21		-32.9%	-54.7%	**-33.7%**	
2021-28		11.0%	18.5%	**11.3%**	
2019-28		0.9%	0.7%	**0.9%**	

Note: This projection is based on current expectations and information and is not intended as a representation of facts or guarantee of results.
Source: Salt Lake City Department of Airports, Air Traffic Statistics (actual data).
Landrum & Brown (estimate and projections).

Figure 3-14 compares the enplaned passengers projection with a selection of recovery forecasts from ACI, Fitch Ratings, IATA, Moody's Investor Service, and S&P Global Ratings on a CY basis.[70] As shown, the projection for the Airport is somewhat more favorable in the early years of the recovery as compared to the other industry forecasts, which is indicative of the Airport performing better than the nation as a whole thus far during the recovery. The projection for the Airport is somewhat more conservative in its assumption of a recovery to 2019 levels by 2024 than the ACI and IATA forecasts and similar to the Fitch (Rating Case) and S&P forecasts. This projection is somewhat more favorable than the Fitch Ratings (Severe Downside) and Moody's (Slower/Base) scenarios. However, a slower recovery projection scenario for the Airport is also presented later in this Chapter.

Figure 3-14 Comparison of Enplaned Passenger Projections



Note: This projection is based on current expectations and information and is not intended as a representation of facts or guarantee of results.

Sources: IATA, Deep Losses Continue Into 2021, November 24, 2020. ACI, State of the Airport Industry - COVID-19 Impact and Outlook, December 20, 2020. Fitch Ratings, North American Airport and Airline Pressures to Ease, Accelerating Recovery Later This Year", March 11, 2021. Moody's Analytics, 2021 outlook negative with high degree of traffic uncertainty, airline financial health, December 1, 2020. S&P Global Ratings, Updated Activity Estimates for U.S. Transportation Infrastructure Show Public Transit and Airport Operators Still Face A Long Recovery". January 13, 2021.

[70] The projections for the Airport were converted to CY for comparison purposes.

3.4.4 Aircraft Landed Weight Projection

It was assumed that the passenger airlines' average landed weights will generally follow the enplaned passenger trends described above. As described previously, all-cargo airlines' landed weights actually increased during the COVID-19 pandemic and are projected to remain relatively stable. **Table 3-18** presents a summary of the aircraft landed weight projection by segment.

Table 3-18 Landed Weight Projection (FY 2019 – FY 2028)

Fiscal Year		Landed Weight (in million-pound units)			
		Passenger Airlines	All-Cargo	Total	Percent of 2019
Actual	2019	14,264	1,201	**15,465**	100.0%
	2020	12,315	1,246	**13,562**	87.7%
Estimate	2021	12,778	1,351	**14,129**	91.4%
Projected	2022	13,012	1,375	**14,387**	93.0%
	2023	13,651	1,389	**15,040**	97.3%
	2024	14,249	1,402	**15,651**	101.2%
	2025	14,629	1,416	**16,045**	103.8%
	2026	14,930	1,431	**16,361**	105.8%
	2027	15,211	1,445	**16,656**	107.7%
	2028	15,407	1,459	**16,866**	109.1%
Range		**Compound Annual Growth Rate**			
2019-20		-13.7%	3.7%	**-12.3%**	
2020-21		3.8%	8.4%	**4.2%**	
2021-28		2.7%	1.1%	**2.6%**	
2019-28		0.9%	2.2%	**1.0%**	

Note: This projection is based on current expectations and information and is not intended as a representation of facts or guarantee of results.
Source: Salt Lake City Department of Airports, Air Traffic Statistics (actual data).
Landrum & Brown (estimate and projections).

3.4.5 Slower Recovery Enplaned Passengers Projection

Given the uncertainty with the level and duration of the recovery from the impacts associated with the COVID-19 pandemic, L&B prepared a slower recovery projection for enplaned passengers at the Airport. The financial impacts associated with this enplaned passenger scenario will be analyzed in Chapter 5. The following summarizes the assumptions and presents the results of the slower recovery projection.

- **Slow-Adoption of Vaccine:** The slow-adoption timeline assumes that a portion of the population is hesitant to take the vaccine for various reasons. Under this case, it is assumed that those wanting to be vaccinated will be by the third quarter of 2022.

Long-Term GDP Recovery: In the July release of its GDP forecast, the CBO projected that GDP would recover to fourth quarter of 2019 levels by the third quarter of 2021. It was assumed for the purposes of the slower recovery that it will take until the third quarter of 2022 for the U.S. GDP to recover, and that the Air Service Area's recovery will be generally consistent with this timeline.

- **Loss of Business Travelers:** Under the baseline projection, it was assumed that there would be an 8% loss in business traffic during the projection period. For the purposes of the slower recovery projection, this loss was assumed to be 15% during the projection period.
- **Reduced Connecting Traffic:** In 2019, 40.9% of domestic enplaned passengers at the Airport were connecting. For the purposes of the slower recovery projection, it was assumed that the Airport would experience a loss of approximately 20% of connecting traffic during the projection period. At this time and as presented earlier in this chapter, the loss of connecting traffic does not appear likely; however, it has been assumed for the purposes of preparing a hypothetical slower recovery scenario.

Table 3-19 presents the results of the slower recovery projection as compared to the baseline. As shown, under the baseline, enplaned passengers are projected to reach over 14.1 million in FY 2028. Under the slower recovery scenario, enplaned passengers are projected to reach approximately 12.7 million in FY 2028.

Table 3-19 Enplaned Passengers Slower Recovery Projection (FY 2019 – FY 2028)

Fiscal Year		Enplaned Passengers (in thousands)		
		Baseline	Slower Recovery	Slower Recovery as a Percent of Baseline
Actual	2019	13,090	13,090	100.0%
	2020	10,096	10,096	100.0%
Estimate	2021	6,692	6,692	100.0%
Projected	2022	11,507	8,660	75.3%
	2023	12,522	11,035	88.1%
	2024	13,070	11,686	89.4%
	2025	13,418	12,002	89.4%
	2026	13,695	12,253	89.5%
	2027	13,953	12,487	89.5%
	2028	14,132	12,650	89.5%
Range		**Compound Annual Growth Rate**		
2019-20		-22.9%	-22.9%	
2020-21		-33.7%	-33.7%	
2021-28		11.3%	9.5%	
2019-28		0.9%	-0.4%	

Note: This projection is based on current expectations and information and is not intended as a representation of facts or guarantee of results.
Source: Salt Lake City Department of Airports, Air Traffic Statistics (actual data).
Landrum & Brown (estimate and projections).

4 Airport Facilities and Capital Program

This Chapter provides an overview of existing Airport facilities and describes the New SLC and other planned capital improvements at the Airport, referred to as Other Capital Projects for the purposes of this Report.

4.1 Existing Airport Facilities

The Airport comprises approximately 9,400 acres of land in Salt Lake County, Utah. It is located approximately five miles west of downtown Salt Lake City. The Airport is relatively distant from other comparable airports and is the primary commercial air passenger and cargo service facility for the Salt Lake Valley, the State of Utah, and portions of southwestern Wyoming, southeastern Idaho, northeastern Nevada, and northwestern Colorado. Access to the Airport is primarily provided from Interstate 80 via Terminal Drive. Existing Airport facilities are described in sections below and are graphically illustrated on **Figure 4-1**.

Figure 4-1 Airport Layout (As of November 2020 – see note)

Note: Since November 2020, the former terminal building, airside concourses, and parking garage have been demolished.
Source: Airport management records

4.1.1 Airport History

Originally used for aerobatic flights, the Airport began as a cinder-covered landing strip in a marshy pasture called Basque Flats in 1911. The City purchased 100 acres surrounding the landing strip for $40.00 per acre in 1920, and the resulting airfield was named Woodward Field. The first commercial passenger flight took place in 1926 with two passengers perched atop U.S. mail sacks, and in 1943, the Airport became a training base and replacement depot for the U.S. Army Air Force. A history of the Airport's growth over historical time periods is summarized below.[71]

- **1930s and 1940s**: In 1930, the Airport was renamed Salt Lake City Municipal Airport and consisted of approximately 400 acres, 11 hangars and two gravel runways. In 1933, the City built an airport administration building that housed a passenger waiting room, mail room, airport manager's office, other facilities, and leased office space to the airlines. A third runway was also added in 1933. The Airport became a training base and replacement depot for the U.S. Army Air Force in 1943.
- **1950s and 1960s**: The three runways were upgraded in 1950 to accommodate the largest commercial jet aircraft of that time. The first terminal building, currently Terminal One, was constructed and dedicated in 1961. In 1968, the Airport was renamed the Salt Lake City International Airport.
- **1970s and 1980s**: Airport property expanded to an area of approximately 7,500 acres. In 1978, Terminal Two was completed to accommodate the operations of former Western Airlines, a new executive terminal was opened to serve general aviation needs, and the west runway and taxiway systems were extended. Terminal One was expanded and remodeled in 1981. The Airport became an operational hub for former Western Airlines in 1982, which led to facility upgrades. In 1984, Terminal Two was expanded to accommodate an additional concourse. In 1987, Western Airlines merged with Delta and additional facilities were constructed to accommodate an expansion of the hub.
- **1990s to Present**: A third air carrier runway was added in 1995, in addition to Concourse E and the International Arrivals Building. In 1999, the FAA opened a new airport traffic control tower (ATCT) and terminal radar approach control facility. The City hosted the 2002 Olympic Winter Games. Since 2005, the Airport has upgraded Terminal Two, including bag claim carousel modifications, explosive detection systems (EDS) and international gates, completed the north cargo apron, and completed rehabilitation of Runway 16L-34R pavement. In FY 2015, the Terminal Redevelopment Program (TRP) started construction for the quick turn-around facility (QTA), rental car facility site work, rental car service buildings, infrastructure, and temporary roadway construction and realignments. Construction of the NCP began in January 2018. In September 2020, the terminal and western portion of the South Concourse of the TRP opened. In October 2020, the western portion of the NCP opened.

4.1.2 Airfield Facilities

The existing airfield consists of three air carrier runways and a general aviation runway. The air carrier runways are, generally, in a parallel north/south alignment (Runways 16L-34R, 16R-34L, and 17-35). The general aviation runway is oriented in a northwest/southeast direction (Runway 14-32). Runway 16L-34R is 12,003 feet in length, Runway 16R-34L is 12,000 feet in length, Runway 17-35 is 9,596 feet in length, and Runway 14-32 is 4,900 feet in length. All runways are 150 feet wide. The air carrier runways are equipped with high intensity runway lighting systems, centerline lighting, and touchdown zone lights. Precision instrument landing systems (ILS) were installed on all ends of each air carrier runway for approaches during instrument flight rules (IFR) conditions. The general aviation runway (14-32) is not equipped with an ILS.

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71 Salt Lake City Department of Airports website (https://www.slcairport.com/about-the-airport/airport-overview/airport-history/), accessed June 2016.

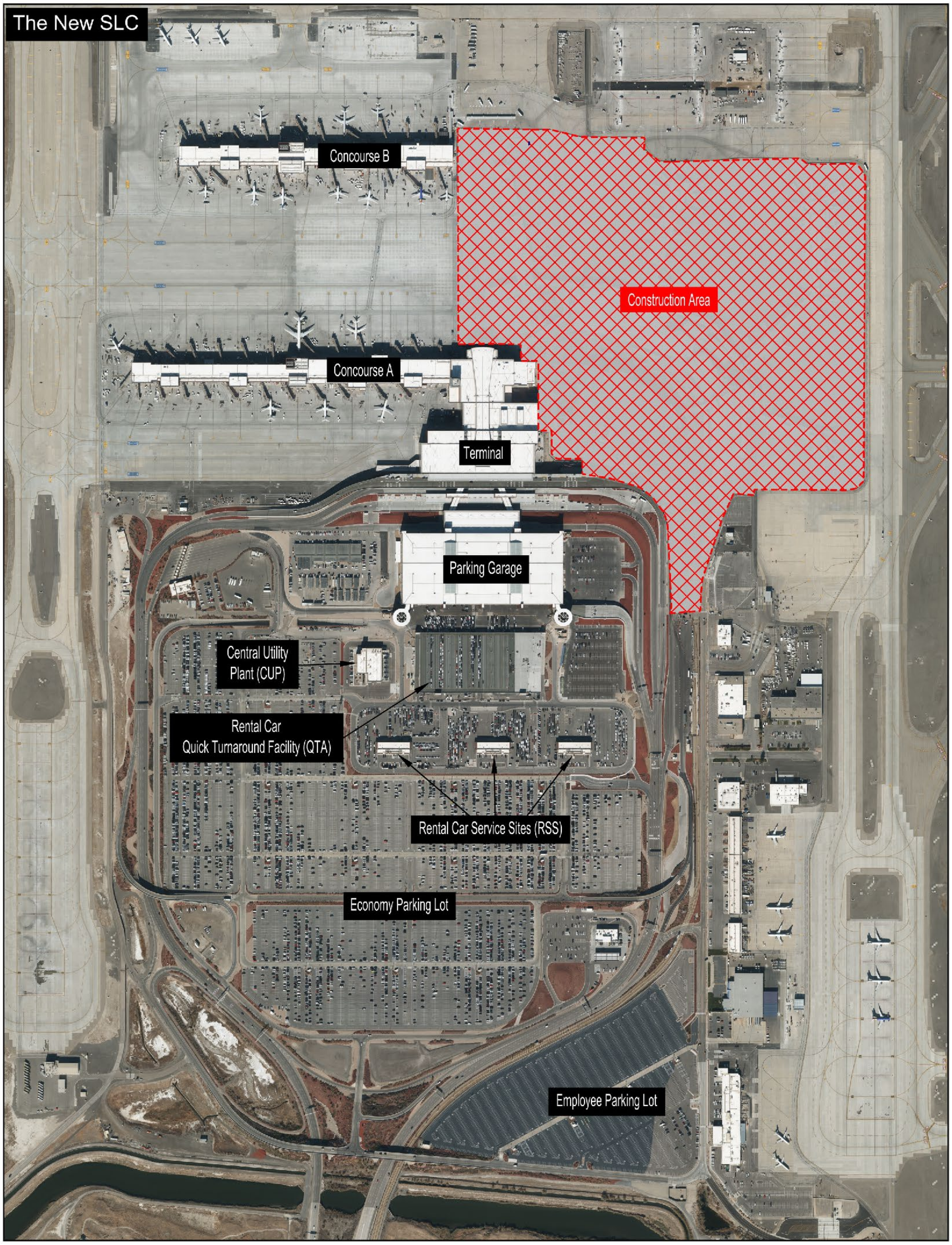
4.1.3 Terminal Facilities

The current terminal and airside concourses were completed as part of the New SLC program and opened in the fall of 2020. The passenger terminal complex consists of a consolidated passenger terminal, one attached airside concourse (Concourse A – formerly referred to as South Concourse), and one remote airside concourse (Concourse B – formerly referred to as North Concourse) comprising over 1.7 million square feet of total space. An underground tunnel connects the western portions of the concourses is approximately 1,000 linear feet. This tunnel area provides pedestrian access to Concourse B from Concourse A. Ultimately, this tunnel will be closed to passenger access when a central tunnel is completed later as part of the new SLC. After its closure, the current tunnel will be primarily used as a utility corridor and for baggage systems. The terminal is also connected to the parking garage via the Gateway Center. **Figure 4-2** illustrates the Airport's terminal complex and shows the area for future facilities that are under construction.

Level 1 of the Terminal contains a federal inspection services area (FIS), international baggage claim and recheck area, tenant administrative offices, a centralized security checkpoint for dedicated employee access, ground transportation counters, and also serves commercial curbs and other ground transportation functions. Level 2 provides passenger circulation areas and connects landside and airside components of the facility. Public areas prior to the security checkpoint provide for baggage claim and airline baggage service offices, an expansive meeter-greeter area, food and beverage and retail concessions, and a centralized security screening checkpoint. Areas beyond security screening include the main terminal plaza area consisting of 79,000 square feet of concessions, seating, and circulation space. Level 3 contains the ticketing area for departing passengers, a 30,000-square foot Delta SkyClub, a conference center and administrative offices for the Department and other tenants at the Airport. Departing passengers being dropped off at the Airport arrive on the Level 3 curb. The Airport is served by the TRAX light rail system owned and operated by the Utah Transit Authority (UTA), which connects the Airport with downtown Salt Lake City.

There is also a remote hardstand facility to serve aircraft in overflow situations where all contact gates are occupied. Delta and its regional affiliate partners operate from both airside concourses, while all other airlines at the Airport operate on Concourse B. As of April 2021, the existing airside concourses and hardstand facilities provide for a total of 66 aircraft parking positions, associated passenger waiting areas and security screening facilities. Of the 66 positions, 46 have passenger loading bridges and the 20 remote hardstand positions are served through a busing operation and have aircraft access directly on the apron without passenger loading bridges. **Table 4-1** presents the current number of aircraft gate positions at the Airport by concourse and used by the Signatory Airlines. Section 4.6 of this Report describes future gate counts planned as part of the New SLC.

Figure 4-2 SLC Terminal Complex



Source: Airport management records, April 2021

Table 4-1 Aircraft Gate Use at the Airport (As of April 2021)

Airline	Concourse A	Concourse B	Hardstand	Total
Alaska	-	1	-	2
American	-	2	-	2
Delta	25	7	15	47
Frontier	-	1	-	1
JetBlue	-	1	-	1
Southwest	-	4	-	6
United	-	2	-	3
Department	-	3	5	2
Total	25	21	20	66

Source: Salt Lake City Department of Airports management records

4.1.4 Public Parking Facilities

Public parking facilities currently located at the Airport consist of the new five level, short-term parking garage near the terminal complex that opened as part of the New SLC in September 2020 and long-term economy surface parking lots. As part of the TRP, the economy lots have also been reconfigured. In total, these facilities comprise about 152 acres, including the five levels of the garage, and have 14,401 public parking spaces. The short-term parking garage has 3,469 public parking spaces on levels two through five and is located adjacent to the passenger terminal. The first floor is dedicated to rental car operations and contains approximately 1,200 ready/return parking spaces. Upper floors are served via two helical ramps. Current pricing for the short-term parking garage is $35 per day or $55 per day for the Premium Reserved Parking service.

In addition to the new Parking Garage, the Airport also has a substantial amount of surface parking available for Airport patrons, including a new surface parking area to be located east of the new parking structure. The surface lot has 384 parking spaces. The South Economy Parking Lot opened in July 2014 and consists of approximately 2,900 additional parking spaces replacing the economy parking that was displaced by the construction of the new rental car facilities. The South Economy Parking Lot is integrated with the remainder of the Economy Parking Lot.

To help reduce vehicle traffic congestion in the terminal area, the Department maintains a 132-space Park and Wait lot and adjacent Touch n' Go service plaza located west of Terminal Drive, just south of Terminal One, where motorists meeting arriving passengers may wait without charge until passengers are ready to be picked up. The Park and Wait lot has large electronic signs displaying flight arrival information. Once a flight has arrived and sufficient time has elapsed for passengers to claim their luggage, the sign indicates "ready for pick up." To reduce congestion at the curb, however, the Department encourages drivers to wait until passengers are at the curb, confirming with their driver via cell phone.

4.1.5 Rental Car Facilities

Rental car operations for passengers at the Airport currently are located on the ground floor of the new parking garage adjacent to the terminal building and include approximately 1,200 ready/return parking spaces Nine rental car brands are currently located at the Airport: Alamo, Avis, Budget, Dollar, Enterprise, Hertz, National, Payless and Thrifty. In addition, six brands are located off-Airport and their customers must use shuttle bus services.

The rental car service facilities were placed in service in March 2016. These facilities consist of a 'quick-turn-around' (QTA) facility for fueling and washing cars and three facilities for performing light vehicle maintenance. The QTA is a two-level building of approximately 468,000 sf with 14 wash and service bays on the first floor and vehicle storage and parking on the second floor. The Rental Car Service Site (RSS) facility consists of three single-story service buildings containing a total of approximately 34,000 sf of building space located south of the QTA. These buildings provide back-of-house maintenance areas for the rental car providers and contain office, support and storage space.

4.1.6 Transportation Network Companies

The Airport is served by several transportation network companies (TNCs), including both Uber and Lyft. The Department has set aside dedicated curb space at the Airport for TNC pick-ups, but TNC drivers are required to wait for customers off-Airport. TNC operations at the Airport have grown substantially since FY 2016, when TNC operations were first permitted at the Airport and 209,800 transactions were reported. During FY 2020, there were approximately 1.26 million TNC transactions reported.

4.1.7 Ancillary Facilities

Ancillary facilities support the aviation-related activities at the Airport. The facilities identified as ancillary are categorized as military, general aviation, FAA, ground support equipment, cargo facilities, aircraft maintenance facilities, and the Boeing facility.

- **Military**: The Utah Air National Guard (UTANG) operates on more than 82 acres on the northeast side of the Airport as the Roland R. Wright Air National Guard Base. The 151st Air Refueling Wing is based at the Airport, which provides personnel to fly, maintain, and support a KC-135R aerial refueling unit.

- **General Aviation**: General aviation (GA) facilities are located on the east side of Airport property. This area includes fixed base operator (FBO) facilities, maintenance hangar facilities, aircraft parking aprons (aircraft tie-down spaces managed by the FBOs), general aviation aircraft storage hangars (total combination of 226 T-hangars and shade hangars managed by the Department), fuel storage facilities and access roadways. The two FBOs on site sell both jet A and 100 low-lead aviation gasoline. FBOs offer a variety of services including rental cars, catering and transportation. Aircraft maintenance facilities are available on the airfield. In April 2018, Atlantic Aviation, one of the Airport's FBOs, opened a new 12,700 square-foot terminal and two new 30,000 square-foot heated hangars. [72]
- **FAA**: The FAA occupies the Airport Traffic Control Tower (ATCT) and handles all flight arrivals and departures as well as ground movement.
- **Ground Support Equipment**: Ground support equipment (GSE) facilities include areas and buildings that house vehicles and equipment necessary to serve aircraft operations such as aircraft tugs, baggage tugs and carts, catering trucks, fuel trucks, 400-hertz power generators, deicers, lavatory service trucks, etc. GSE is stored in a multi-purpose building and covered areas surrounding the terminal area.
- **Cargo Facilities**: Over 1.0 million square feet of cargo space is leased at the Airport. United Parcel Service and DHL each have stand-alone cargo facilities and FedEx has a cargo facility at the Airport constructed in recent years of just under 70,000 square feet.
- **Aircraft Maintenance Facilities**: Delta and its regional partner, SkyWest, currently lease from the Department and maintain aircraft maintenance hangars at the Airport. Routine and heavy aircraft maintenance is performed at these facilities.
- **Boeing Facility**: Boeing leases a 100,000-square foot fabrication and assembly facility on a 16-acre site on the east side of the Airport. At this site, Boeing is assembling the horizontal stabilizer for its 787-9 Dreamliner aircraft. Boeing also has an option to lease an additional 157 acres of adjacent Airport property.

4.2 The Auxiliary Airports

The Department also operates two general aviation airports owned by the City: South Valley Regional Airport and Tooele Valley Airport, referred to collectively as the Auxiliary Airports. These airports support the GA needs of the region and complement the airport services provided at the Airport. A general description of each GA airport is provided below.

South Valley Regional Airport (U42) currently supports business-related flying, law enforcement/fire/rescue flying services, recreational flying, flight training, and air charters. A Utah National Guard Army Aviation Support Facility is also housed on the airfield. South Valley Regional Airport comprises about 880 acres and is located approximately 10 miles south of the Airport in West Jordan, Utah. U42 has a single runway, Runway 16-34, which is 5,862 feet in length and 100 feet in width. The runway is constructed of asphalt and is equipped with pilot-controlled medium intensity runway lights (MIRL) and four light precision approach path indicators (PAPIs). In addition, each end of the runway is also equipped with runway end identifier lights (REILs). The primary landside area at U42 consists of a linear layout, running north to south along the west side. Facilities include the Utah National Guard Army Aviation Support Facility, FBO facilities, maintenance hangar facilities, aircraft parking aprons (100 aircraft tie-down spaces), general aviation aircraft storage hangars (total combination of 155 T-hangars and shade hangars managed by the Department), fuel storage facilities and access roadways. The Department sells both jet A and 100 low-lead aviation gasoline. Aircraft maintenance facilities are available on the airfield. The Department is currently providing fueling, ground handling, aircraft storage and parking and ground

[72] *Atlantic Unveils New Salt Lake City FBO Complex*, AIN Online, April 19, 2018, https://www.ainonline.com/aviation-news/business-aviation/2018-04-19/atlantic-unveils-new-salt-lake-city-fbo-complex, accessed June 2018.

power (GPU) services at South Valley Regional Airport. A third-party maintenance provider and flight school are also available.

Tooele Valley Airport (TVY) currently provides many aviation-related services, including business-related flying, sky diving, law enforcement/fire/rescue flying services, recreational flying, and flight training. Tooele Valley Airport comprises about 600 acres and is located in Erda, Utah, approximately five miles northwest of Tooele, near State Highway 138. It is operated with one primary runway, oriented in a general north-south direction, along with a supporting parallel taxiway system. The single runway at the airport, Runway 17-35, is 6,050 feet in length and 100 feet in width. The runway is constructed of asphalt and is equipped with pilot-controlled MIRLs. Threshold lights are located at each end as well as runway end identifier lights for the Runway 35 approach. Four light PAPIs service the runway. The airport has ILS for Runway 17 in addition to a non-directional beacon. The landside area consists of a linear layout, running north to south along the east side. The facilities include six individual privately-owned hangars, aircraft parking aprons (24 aircraft tie-down spaces), self-service fuel storage and dispensing facilities and access roadways. The Bureau of Land Management maintains a Single Engine Air Tanker base at Tooele Valley Airport. Self-serve 100 low-lead aviation fuel is available 24-hours a day.

The Department operates the Airport and the Auxiliary Airports as an Airport System. This is defined within the Master Trust Indenture (referred to herein as Master Indenture) to include the operation and maintenance costs and revenues of the Auxiliary Airports within the definitions of Operation and Maintenance Expenses of the Airport System and Revenues. Therefore, such costs and revenues are included for the purposes of the Master Indenture, including the Rate Covenant (defined later in Chapter 5 of this Report).

4.3 Summary of Capital Projects

For purposes of this Report, the Department's current capital program is organized into the following categories, each of which is discussed in the sections that follow in this chapter of the Report:

The New SLC: The New SLC consists of both the TRP and NCP as described below:

- **The Terminal Redevelopment Program**: The TRP is the major capital program currently under construction that has completely replaced and rebuilt the Airport's landside and terminal facilities and is currently replacing its airside concourse facilities over the next few years in conjunction with the NCP. The western portion of the airside concourse (Concourse A) was opened in September 2020 and is operational. The TRP has been funded, in part, with proceeds of the Series 2017 Bonds and the Series 2018 Bonds, and is also intended to be funded, in part, with proceeds of the Series 2021 Bonds and additional bonds along with other funding sources to be described later. In addition, the Department has entered into a short-term revolving credit facility with JP Morgan, Chase Bank, National Association, pursuant to which the city can access up to $300 million (Line of Credit). The Line of Credit is currently intended to be used as an interim funding facility. The capital and operating costs associated with the TRP have been included in the financial analysis in this Report and are further described in Chapter 5.

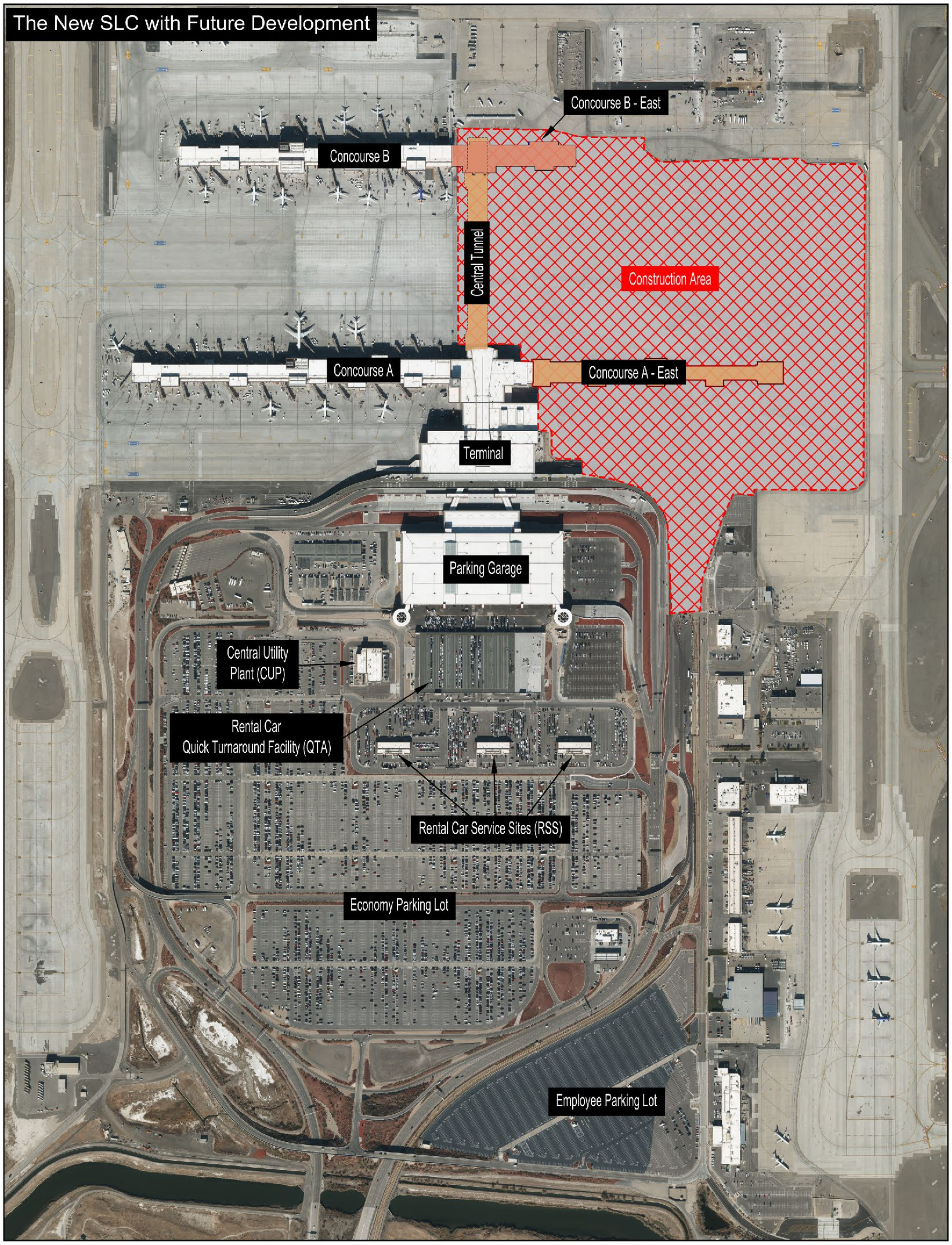
- **The North Concourse Program**: The NCP is also currently under construction and includes the development of a midfield airside concourse (Concourse B) to the north of the new airside concourse to be developed simultaneously with the TRP (i.e., Concourse A). The western portion of Concourse B opened in October 2020 and is currently operational. The eastern portion of Concourse B is anticipated to be opened during the fourth quarter of 2024 with full operation of Concourse B by the fourth quarter of 2025. The NCP has been funded, in part, with proceeds of the Series 2017 Bonds and the Series 2018 Bonds, and is also intended to be funded, in part, with proceeds of the Series 2021 Bonds, the Line of Credit as an interim funding source, and additional bonds along with other funding sources to be described later. The capital and operating costs associated with the NCP have been included in the financial analysis in this Report and are further described in Chapter 5.

Other Capital Projects: These projects are in addition to the elements of the New SLC and are the other Airport System capital projects that currently are anticipated by the Department to be undertaken over the projection period, or from FY 2022 through FY 2028. Such projects are referred to in this Report as the 'Other Capital Projects.' The estimated capital funding and operating costs, if any, and estimated revenue impacts, if any, associated with the Other Capital Projects have also been included as part of the financial analysis in this Report.

4.4 The New SLC

The New SLC is a comprehensive capital program that is currently under construction to completely redevelop and replace the existing landside and terminal complex of the Airport. The New SLC is comprised of two capital programs known as the TRP and the NCP. A significant portion of the New SLC has been completed and is currently operational. Remaining portions of the New SLC currently under construction primarily consist of airside concourse development and associated airside improvements. **Figure 4-3** illustrates the New SLC and shows the facilities that are complete and in operation and the future airside concourse elements currently under construction. The next several sections provide additional details on the TRP and the NCP.

Figure 4-3 The New SLC



Source: Airport management records, April 2021

4.4.1 The Terminal Redevelopment Program

In 2014, the Signatory Airlines operating at the Airport approved the implementation of the TRP through execution of the current AUA that incorporates the TRP and is effective through June 30, 2024. As described later in Chapter 5 of this Report, Delta has executed an extension of the AUA through June 30, 2034. Terms and conditions of the AUA are described later in this Report in Chapter 5.

The TRP is estimated to cost approximately $2.72 billion, including design, engineering, construction, escalation for inflation, and contingency amounts, but excluding financing costs. Sources of funding for the TRP are presented in Exhibit A of this Report. Approximately $2.21 billion of project costs have already been incurred through March 2021. **Table 4-2** presents project costs of the TRP by element in chronological order for when each element is planned to be operational. A description of the major project elements of the TRP is then contained in the next several subsections.

Table 4-2 TRP Project Costs by Element (thousands of dollars)

TRP Element	Current Budget[1]	Planned CY Quarter of Operation
South Economy Parking Lot	$14,344	Operational
Rental Car Facilities: QTA and RSS	95,457	Operational
Central Utility Plant	59,535	Operational
Terminal Facility[2]	915,696	Operational
Gateway Center	126,153	Operational
Concourse A (West)	422,742	Operational
Parking Garage	241,872	Operational
Terminal Roadway System	110,343	Operational
Concourse A (East)	389,078	Q2 2023 (west half) Q4 2023 (east half)
Terminal Apron, Fuel Hydrant System, and Taxilanes	277,360	Various
Miscellaneous Landside/Parking Lot Improvements	9,143	Operational
Owner Reserve	57,378	Ongoing
Total	$2,719,101	

Notes: 1 Approximately $2.21 billion of project costs have been incurred through March 2021. Amounts may not add because of rounding.
2 Includes baggage handling system

Source: Airport records, May 2021

The eastern section of Concourse A is currently under construction and the remaining portion of the TRP to be completed. This facility continues the configuration of Concourse A and is comprised of approximately 376,000 square feet of space that will be contiguous with the terminal facility. Level 1 of the Concourse A will contain non-public areas that accommodate airline operations offices and support areas, outbound and transfer baggage facilities, storage facilities, and house MEP systems. Level 2 of the facility will serve as the main passenger circulation level serving enplaning and deplaning passengers and will include passenger amenities such as moving sidewalks and expanded food and beverage and retail concessions. In total, the eastern portion of Concourse A will ultimately accommodate 22 aircraft gate positions.

The eastern section of Concourse A is currently planned to be completed by the fourth quarter of CY 2023. Because of the substantial decreases in air traffic resulting from the impacts associated with the COVID-19 pandemic that have temporarily reduced the need for aircraft gates, the Department was able to accelerate the demolition of its former airside concourses. The demolition of these former airside concourses has essentially cleared the site for the development of Concourse A and simplified its construction phasing. The demolition of the former facilities has accelerated the planned opening of all the aircraft gates on Concourse A by nearly two years.

4.4.2 The North Concourse Program

The NCP consists of a planned 31-gate midfield concourse on the north side of the drawing of which 21 gates opened in October 2020. There is future capacity for an additional 15-gates (beyond the planned 31 gates) when demand warrants, and the development of underground connecting tunnels from Concourse A. It is currently estimated that the NCP will cost approximately $1.73 billion. **Table 4-3** presents project costs of the NCP by element in chronological order for when each element is planned to be operational. A description of the major project elements of the NCP follows the table.

Table 4-3 NCP Project Costs by Element (thousands of dollars)

TRP Element	Current Budget[1]	Planned CY Quarter of Operation
Concourse B (west)	$398,450	Operational
Concourse B (east)	412,272	Q4 2024
Baggage Handling System	70,820	Phased
Central Tunnel	147,562	Q4 2024
Mid Concourse Tunnel	22,534	Operational
Apron/Taxilanes	355,471	Phased
Hydrant Fueling System	53,175	Phased
Concourse A (east) Modifications	89,363	Q4 2023
Concourse A (east) Hardstand/Rephase	95,306	Q4 2023
RON Airfield Pavement	9,436	Operational
BHS Cold Bag Storage	35,862	Q4 2023
Owners Reserve	42,622	Ongoing
Total	**$1,732,873**	

Notes: [1] Approximately $637.0 million of project costs have been incurred through March 2021.
Amounts may not add because of rounding.
Source: Airport records, May 2021

The first phase of the NCP was opened in October 2020, about one month after the terminal and the Concourse A (west). This initial phase was the west portion of Concourse B and included 21 aircraft gate positions and comprised approximately 361,000 square feet of space.

The second phase of the NCP will add an additional 10 aircraft gate positions. The second phase is planned to be approximately 246,000 square feet of building space. The Central Tunnel connecting Concourse B to Concourse A and terminal will be approximately 1,000 linear feet and will also be constructed during this phase. The Central Tunnel will become the primary pedestrian access and the mid-concourse tunnel will be closed. This final phase of the NCP is currently planned to be initially operational in the fourth quarter of CY 2024 and fully operational by the fourth quarter of CY 2025.

As shown on Figure 4-3, there is additional area east of the NCP available for further buildout of a future extension of Concourse B. It is currently estimated that an additional 15 aircraft gates could be built in this area as future demand warrants.

4.4.3 New SLC Aircraft Gate Positions

Prior to construction of the New SLC, the Airport had 56 aircraft gates with loading bridges and 30 aircraft gates without loading bridges on Concourse E. As described earlier, the Airport currently has 66 aircraft positions with 46 of these having loading bridge access to aircraft, and the remaining 20 positions on the remote aircraft hardstand facility are without loading bridges. The construction phasing plan for the New SLC has been developed to maintain active aircraft gate positions throughout construction. When completed, the New SLC is planned to provide 78 aircraft gate positions at the Airport. Each of these gates will be served by a loading bridge and is planned to accommodate the expected future aircraft fleet mix. As compared to today, the Airport is planned to have 32 more loading bridge capable gates upon completion of the New SLC to accommodate future requirements more efficiently and effectively. **Table 4-4** presents the current plan for aircraft parking positions through various phases of the New SLC construction.

Table 4-4 Planned Aircraft Parking Positions During the New SLC Construction

Date	Conc. C	Conc. D	Conc. E[1]	Conc. F[2]	Conc. G[3]	Conc. A (west)	Conc. A (east)	Conc. B	Hard-Stand[4]	Total with LB[5]	Total
Before Construction of New SLC	13	13	30	22	8	0	0	0	0	56	86
Current	0	0	0	0	0	25	0	21	20	46	66
May 2023	0	0	0	0	0	25	4	21	20	50	70
November 2023	0	0	0	0	0	25	22	16	7	63	70
February 2024	0	0	0	0	0	25	22	21	7	68	75
October 2024	0	0	0	0	0	25	22	26	0	73	73
October 2025	0	0	0	0	0	25	22	31	0	78	78

Notes:
1 Concourse E did not provide loading bridge access to aircraft.
2 Formerly Concourse B
3 Formerly Concourse A
4 The aircraft hardstand does not provide loading bridge access.
5 Loading bridge (LB)

Source: Airport management records, accessed March 2021.

4.4.4 The New SLC Program Management Team

Program management for the New SLC is comprised of a selected staff of professionals chosen from 10 companies of which 41 personnel were engaged as of May 4, 2021. At the peak of construction 59 full-time personnel were engaged. Pursuant to this approach, the Department maintains complete control as opposed to a more typical approach where this responsibility is contracted to a firm or team of firms that provide this function with their staff. The Department's process allows it to select individuals from the pool of firms for each program management position. In addition, the Department outlines key performance requirements for each of these program management positions and has the ability to replace those not meeting appropriate performance requirements. In such circumstances, the Department will request companies from the external pool to provide potential candidates to be interviewed by the Department. The Department will then select the most qualified individual from the pool of candidates. Key external program management staff, which lead the program management team, include a Program Director, a Financial and Program Controls coordinator, and an Airline Technical Representative.

The Program Director reports to the Department's Executive Director and is responsible for the overall implementation of the TRP. The lead architectural firm for the New SLC is HOK (formerly known as Helmuth, Obata & Kassabaum, Inc.), which has multiple sub-consultant firms engaged on various engineering and design efforts. In October 2013, the Department selected Holder-Big-D, A Joint Venture (HDJV) as the Construction Manager at Risk (CMAR) for the TRP. HDJV is a joint venture between Holder Construction Company and Big-D Construction. Big-D Construction is a local Salt Lake City based company and Holder Construction Company is Georgia-based. In April 2017, the Department selected Austin Okland Aviation as the CMAR for the NCP. The

CMAR Contract with AOJV was not extended and AOJV has de-mobilized. HDJV has added the second phase of the NCP to its existing CMAR.

The New SLC has been broken down into CGMP contracts between the Department, on behalf of the City, and the CMAR. Each CGMP constitutes an amendment to the CMAR contract that provides that the CMAR will construct the elements of the New SLC described in the scope of the applicable CGMP for a guaranteed maximum price, within the schedule set forth in the CGMP and in accordance with the CMAR contract. The CMAR contract also requires the CMAR, as applicable, to provide specified pre-construction and general conditions services during its term. As of March 2021, approximately 100% of the TRP project costs and 79.1% of the NCP project costs are subject to an executed CGMP.

Each CGMP is designed and bid separately. All subcontracts must be competitively awarded, and the subcontracts are held by the CMAR, as applicable, and expressly provide that the Department has no contractual relationship with the subcontractors. Before the Department enters into a CGMP, the Department's Financial Oversight Committee must approve the guaranteed maximum price and its Construction Committee must approve the scope of the work of the CGMP and recommend to the Executive Director that the CGMP be approved and executed. The CMAR contract provides for a formal dispute resolution process that must be undertaken in the event of a disagreement between the Department and the CMAR, as applicable, before any legal action may be commenced.

4.5 Other Capital Projects

Other Capital Projects currently anticipated by the Department to be undertaken or completed during the projection period that are not part of the New SLC are shown in Exhibit A. Preliminary cost estimates for the Other Capital Projects total approximately $308 million through FY 2028. Projects expected to be undertaken include rehabilitation of taxiways as well as improvements at Tooele and South Valley Airports. It should be noted that certain capital projects included in Other Capital Projects could be potentially deferred or not otherwise undertaken by the Department during the projection period, depending on circumstances such as aviation demand levels and availability of project funding. For purposes of this analysis, all such projects have been incorporated in this Report and the accompanying financial tables to demonstrate the full financial effect of undertaking all of the Other Capital Projects along with the New SLC.

4.5.1 Financial Impact for Other Capital Projects

Sources of funding for the Other Capital Projects are described below and presented on Exhibit A. The estimated financial impacts of the Other Capital Projects are incorporated in this Report.

It is possible that during the projection period, the Department may consider other potential future Airport improvements not planned at this time. However, it is assumed that the Department will only undertake construction on any other potential future projects when demand warrants, necessary environmental reviews have been completed, necessary approvals have been obtained, and associated project costs can be supported by a reasonable level of Airport user fees or other discrete funding sources such as state and federal grants, PFCs, Department funds, CFCs, and third-party funds.

4.6 Plan of Finance

Exhibit A presents the total project costs along with estimated funding sources for the New SLC and Other Capital Projects discussed previously in Chapter 3. These estimates are based on currently available information regarding the estimated cost and timing of the New SLC and Other Capital Projects, and the estimated receipt of federal, state, and other grants and other funds. As presented in Exhibit A, the TRP is estimated to cost approximately $2.72 billion, the NCP is estimated to cost $1.73 billion, and the Other Capital Projects are estimated to cost $308.1 million. Additional detail regarding the estimated funding sources for the New SLC and Other Capital Projects is presented in this section.

4.6.1 Federal, State and Other Grants

The Department receives federal grants for Airport capital development under the FAA Airport Improvement Program (AIP). The Department received AIP entitlement grants of approximately $3.8 million in FY 2020 based on (1) levels of funding authorized and appropriated by Congress for the program, (2) the number of passengers and amount of cargo at the Airport, and (3) a 75% reduction in entitlement grants associated with the Department's $4.50 PFC level. The Auxiliary Airports receive a total of approximately $150,000 in FAA AIP entitlements per year per airport. The Department also receives AIP discretionary grants for specific projects pursuant to grant applications for such funding, and FAA discretionary grant awards, which are a function of the amounts authorized and appropriated by Congress and the FAA's prioritization of competing projects.

As shown in Exhibit A, the Department expects to be able to fund a portion of its capital development with FAA AIP and TSA grants. Approximately $203.9 million in federal grants are anticipated to fund a portion of the New SLC and the Other Capital Projects.

4.6.2 Passenger Facility Charge Revenues

PFC revenues are used to pay for certain FAA-approved, PFC-eligible projects, either by using certain PFC revenues to pay for approved project costs on a pay-as-you-go basis or by applying certain PFC revenues to pay debt service associated with bonds used to fund approved projects. Pursuant to the Master Indenture, unless otherwise provided in a Supplemental Indenture or a certificate of the City, PFC revenues are excluded from the definition of Revenues, and therefore, are not pledged to the payment of debt service on the Bonds. However, PFC revenues may still be applied to pay debt service on Bonds in two separate ways. First, the City may designate specified PFC revenues as Passenger Facility Charges Available for Debt Service. Passenger Facility Charges Available for Debt Service are transferred to the Trustee and deposited directly into a City designated Debt Service Fund to be used to pay debt service on a specific Series of Bonds. Secondly, the City can designate specified PFC revenues as Pledged Passenger Facility Charges. Pledged Passenger Facility Charges are transferred to the Trustee and deposited directly into a City designated Debt Service Fund to be used to pay debt service on a specific Series of Bonds. For purposes of the Rate Covenant, Annual Debt Service on the Bonds does not include principal or interest paid with PFC revenues that have been designated as Passenger Facility Charges Available for Debt Service and/or Pledged Passenger Facility Charges. For the purposes of the financial analysis for the Series 2018 Bonds, it is assumed that the City will designate certain PFC revenues as Passenger Facility Charges Available for Debt Service and such PFC revenues will be used to pay a portion of the debt service on the Series 2017 Bonds, the Series 2018 Bonds, and additional bonds.

As of March 31, 2021, the Department is authorized by the FAA, to impose and use approximately $2.2 billion of PFC revenues (at the $4.50 level) for various projects. The Department received an approval from the FAA on June 3, 2020 for its amendment request to increase its PFC funding for the TRP by $72.3 million. The FAA's charge-expiration date is April 1, 2037. As of March 31, 2021, the Department had collected approximately $936.8

million of its total approved collection and had disbursed approximately $916.5 million on approved projects. The Department received approval for its PFC Application number 16 in February 2016 for the TRP. The application and subsequent amendment was approved at the PFC collection rate of $4.50 for a total approved use of approximately $1.38 billion.

As presented in Exhibit A, the Department has planned for approximately $323.8 million of PFCs to fund TRP project costs on a pay-as-you-go basis. At this time, the Department does not expect to fund any additional costs of the TRP with PFC revenues on a pay-as-you-go basis. In addition, the Department intends to fund eligible debt service for the TRP with a significant portion of its annual PFC collections into the foreseeable future.

4.6.3 Department Funds

The Department has historically used its internal funds from the operation of the Airport System to fund certain projects in the CIP. Per the Master Indenture, any Revenues remaining in the Surplus Fund, after all obligations have been satisfied, are available for use by the Department for any lawful Airport System purpose. Per the AUA, the Department may include in airline rates and charges a cost for the use of Department funds (net of PFCs, CFCs, grants, and other funding sources), along with imputed interest, that pay for capital development in airline cost and revenue centers. This cost is referred to as Amortization in the AUA. The AUA specifically prohibits Amortization to be included in airline rates and charges for Department funds paying for costs of the TRP. There is no prohibition for the use of Amortization for NCP.

As presented in Exhibit A, the Department is currently planning to apply internally generated Department funds for the New SLC of approximately $421.1 million. The Department intends to use approximately $294.8 million of Department funds for Other Capital Projects.

4.6.4 Outstanding Bonds, Series 2021 Bonds, and Future Bonds

The remaining portions of the New SLC are planned to be funded with proceeds of Bonds. The Department has issued the Series 2017 Bonds, the Series 2018 Bonds, and plans to issue the Series 2021 Bonds to pay the costs of implementing a portion of the New SLC. Currently, the Department also is planning to issue additional Bonds over the next several years to fund remaining portions of the New SLC based on future timing and cash flow needs. As presented on Exhibit A, approximately $925.7 million of Series 2017 Bonds proceeds (including interest earnings) are being used to fund project costs of the New SLC, approximately $798.8 million of Series 2018 Bonds proceeds are planned to fund project costs of the New SLC, approximately $xxx million of Series 2021 Bonds proceeds are planned to fund project costs of the New SLC, and approximately $xxx million of future Bond proceeds are expected to fund future project costs of the New SLC. The Department also uses its $300 million Line of Credit as an interim funding source. Assumptions related to the issuance of the Series 2021 Bonds and future Bonds are provided in Section 5.5.

4.6.5 Customer Facility Charges

On July 1, 2011, the Department began requiring the rental car companies at the Airport to charge a customer facility charge (CFC) to be used to pay, or to reimburse the Department, for capital costs for construction and improvement of rental car facilities at the Airport. The CFC was initially $4.00, with the current rate of $5.00 effective July 1, 2012. The $5.00 CFC is a per transaction daily fee up to a maximum of 12 days and is collected by the on-airport rental car companies from each of their customers and subsequently remitted to the Department.

Although federal law does not restrict the use of CFCs, a City ordinance restricts the use of CFCs to finance capital improvements at the Airport that support rental car services, including a pro rata share of joint use infrastructure such as roadways, the portions of the Parking Garage needed for ready/return facilities, funding debt service associated with rental car facilities or funding the City's costs for such other rental car related purposes as the City may determine. The City currently does not expect to apply proceeds of Bonds to finance rental car facilities or, accordingly, to pay debt service on Bonds with CFCs. CFCs are not included in Revenues. The Department is applying the CFC revenues on a pay-as-you-go basis to fund eligible rental car portions of the TRP. As shown on Exhibit A, the Department intends to fund approximately $200.0 million of rental car-related improvements of the TRP from CFC revenues. The Department has expended approximately $194.5 million of CFC eligible project costs through March 2021. The Department has already constructed the QTA, RSS, rental car portion of the parking garage, and rental care portion of the Gateway Center, and has used available CFCs and Department cash to fund these projects. The Department intends to reimburse its internal cash expenditures on these elements of the TRP from CFC revenues as they become available.

5 Financial Framework and Analysis

This Chapter discusses the financial framework for the Airport System, including an overview of the governing body, management structure of the Department, financial structure including Airport System cost centers, certain obligations of the Master Indenture, and certain provisions contained in the AUA (defined herein) and in other key agreements at the Airport System. Additionally, the Department's plan for funding sources, including the use of proceeds of the Series 2017 Bonds, the Series 2018 Bonds, the planned Series 2021 Bonds, and future Bonds, along with Debt Service projections, Operating Expenses, Revenues projections, debt service coverage, and other key financial analyses are described in this Chapter.

Exhibits contained at the end of this Chapter present results for FY 2020, and projections for FY 2021 through FY 2028, also referred to as the projection period.

5.1 Airport Governing Body

The Airport System is operated and managed by the Salt Lake City Department of Airports, a department of the City. The Mayor of the City, the City Council and the 11-member Airport Advisory Board of citizen volunteers oversee its affairs. In February 1976, the City created the Airport Advisory Board to provide advice with respect to broad matters of policy affecting the operation of the Airport System. All actions taken by the Airport Advisory Board constitute recommendations to the Mayor. The Mayor has the power to review any action submitted by the Airport Advisory Board.

5.2 Management Structure

The day-to-day operations of the Airport System are managed by the Executive Director, who reports directly to the Mayor. The Executive Director, appointed by the Mayor, leads the management staff of the Department along with the Department's Division Directors. Ten Division Directors of the Department lead the following nine Divisions: Operations; Maintenance; Finance; Engineering; Planning and Environmental; Administration and Commercial Services; Communication and Marketing; Information Technology; and Operational Readiness, Activation, and Transition for the New SLC. The executive team of the Department is a full-time staff of professional and technical personnel located at the Airport.

5.3 Financial Structure

The Department's Airport System includes the Airport and the Auxiliary Airports, general aviation airports owned by the City and operated by the Department. For accounting purposes, the Airport System is operated as an independent enterprise fund of the City and is separate from other City enterprises. As described in Section 4.3.2 below, funds deposited into the Revenue Account are not commingled with any other funds of the City and are used and applied only in the manner as specified in the Master Indenture. A discussion of the application of revenues is also described below.

The Department funds its operation of the Airport System with revenues generated from Airport System rentals, fees, and charges. The Airport System is financially self-sustaining with Revenues generated from airline and other tenant fees, grants, Passenger Facility Charges (PFCs), rental car CFCs, concession fees, and other Revenues of the Airport System. Capital improvements at the Airport System are funded by the Department with: (1) federal, state, and other grants-in-aid, (2) Revenues generated from Airport System rentals, fees and charges;

(3) Airport System revenue bond proceeds; (4) PFC revenues, (5) CFC revenues, and (6) other Department funds.

5.3.1 Accounting Structure

Pursuant to the AUA for the Airport, the Department has created various cost and revenue centers and cost centers for the purpose of accounting for and allocating costs and revenues of the Airport System in order to establish airline rates and charges for the use of the Airfield and the Terminal. Per the AUA, the airline cost and revenue centers are referred to as the Airfield Cost and Revenue Center and the Terminal Cost and Revenue Center. In addition to the two-airline cost and revenue centers, the Department also allocates costs and revenues to five other Department cost centers and two indirect cost centers. Landside, General Aviation, Support Areas, Auxiliary Airports, and Other comprise the other direct Department cost and revenue centers. The General Administration and Roads cost centers are the Department's indirect cost centers, which are allocated to the direct cost centers. As described below, rate-setting at the Airport is a hybrid methodology, where Landing Fees are calculated on a residual basis and the Terminal Rents are calculated on a commercial compensatory basis. In the Airfield Cost and Revenue Center, the Signatory Airlines have the primary responsibility and risk and benefit from non-airline revenues. In the Terminal Cost and Revenue Center, the Department and the Signatory Airlines share the responsibility and risk. The AUA also has an adjustment-to-actual provision that sets a process for the reconciliation of rates and charges with the Signatory Airlines at the end of each FY.

The Airfield Cost and Revenue Center and Terminal Cost and Revenue Center include allocated shares of Operating Expenses and Capital Outlays, debt service, amortization charges, Rolling Coverage Amount requirements, O&M Reserve Requirements, Renewal and Replacement Requirements, other required reserve deposits, and Revenues. The Series 2017 Bonds and the Series 2018 Bonds are payable from the Airport System Net Revenues from all Cost and Revenue Centers of the Department.

Direct Cost and Revenue Centers:

- **Airfield Cost and Revenue Center**: The cost and revenue center to which revenues and expenses associated with those portions of the Airport providing for the landing, taking off, and taxiing of aircraft, including without limitation approach and turning zones, clear zones, avigation or other easements, runways, a fully integrated taxiway system, runway and taxiway lights, GSE storage areas, remote aircraft parking aprons, and other appurtenances related to the aeronautical use of the Airport, including any airfield property purchased for noise or other environmental mitigation purposes.
- **Terminal Cost and Revenue Center**: The cost and revenue center to which revenues and expenses associated with the Terminal buildings and Terminal Aircraft Aprons including but not limited to aircraft gates, ticket counters, baggage claim areas, baggage make up areas, security checkpoint areas, office space, storage areas, concourses, lobbies, VIP lounges, the IAB, employee break rooms and public areas located within terminal building at the Airport. Terminal Aircraft Aprons include those areas of the Airport that primarily are designated for parking of passenger aircraft and support vehicles and the loading and unloading of passenger aircraft.
- **Landside Cost and Revenue Center**: The cost center and revenue center to which revenues and expenses associated with areas and facilities accommodating ground transportation, including Terminal public access roadways and curbside, public automobile and employee parking facilities, rental car operations, and taxi and transportation network companies (TNCs).
- **General Aviation**: The cost and revenue center to which revenues and expenses associated with general aviation areas and facilities provided at the Airport. These include, but are not limited to, hangar, building, land and space rentals and fuel flowage fees.

- **Support Areas**: The cost and revenue center to which revenues and expenses associated with, but not limited to, Airport support areas are allocated. These include flight kitchens, non-terminal buildings, cargo ramps, and other areas.
- **Auxiliary Airports**: The cost and revenue center to which revenues and expenses associated with areas and facilities provided at the Auxiliary Airports. These include, but are not limited to, hangar, building, land and space rentals and fuel flowage fees.
- **Other**: The cost and revenue center to which revenues and expenses associated with areas and facilities leased or provided for air cargo activities, improved land and buildings, and unimproved land.

Indirect Cost Centers

- **General Administration**: Expenses associated with salaries, benefits, materials, and supplies of the Airport's administrative staff and not attributable to any Direct Cost and Revenue Center but allocated among all cost centers for purposes of rate making.
- **Roads**: Expenses associated with Airport roadways are allocated to the Department's Direct Cost and Revenue Centers.

5.3.2 Master Indenture

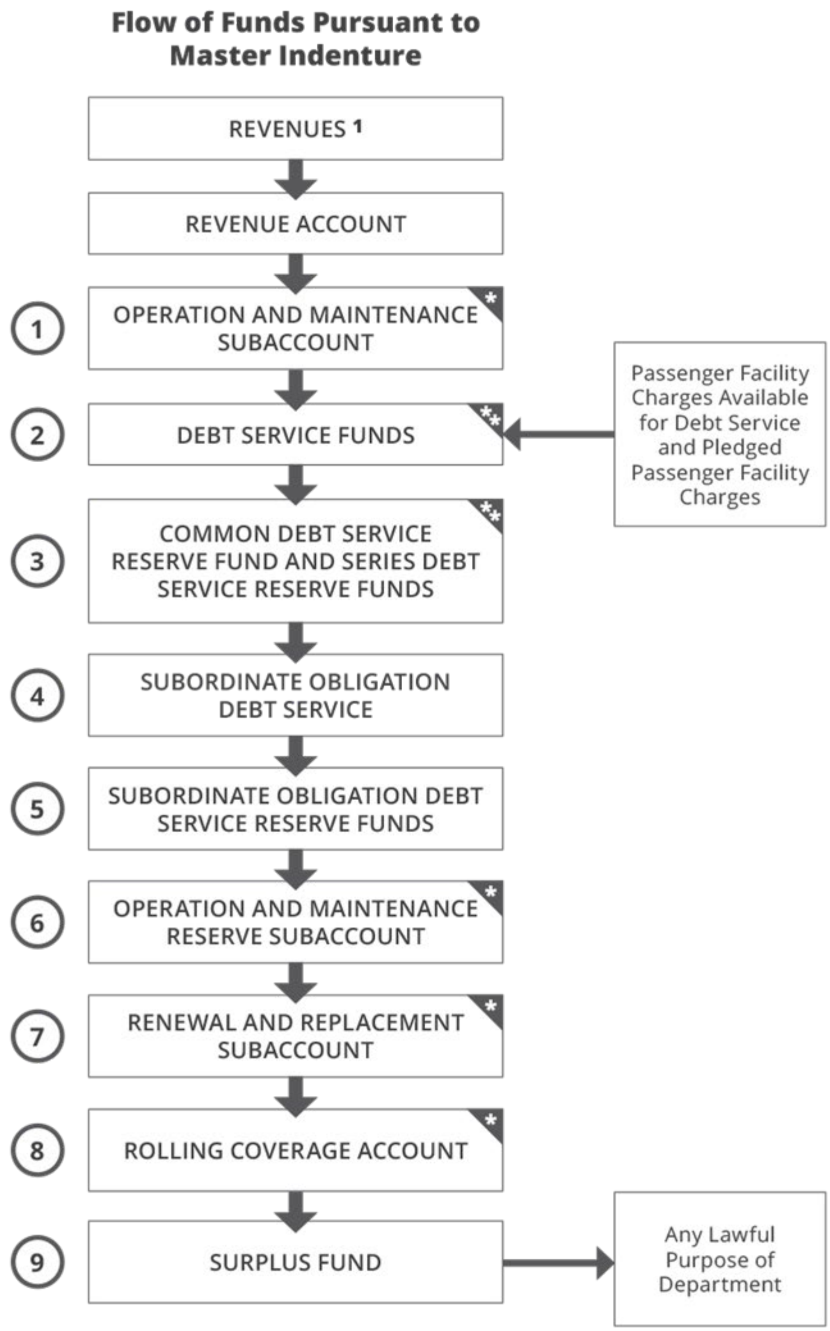
The Master Trust Indenture, referred to as the Master Indenture, dated as of February 1, 2017 by and between the City and Wilmington Trust, National Association as Trustee authorizes the issuance of airport revenue bonds to pay the costs of acquiring and constructing Airport System improvements, among other items. The Series 2017 and Series 2018 Bonds were issued pursuant to the Master Indenture and the First and Second Supplemental Trust Indentures and the Series 2021 Bonds are being issued pursuant to the provisions of the Master Indenture and the Third Supplemental Trust Indenture to be dated as of Month day, 2021, referred to as the Third Supplemental Indenture, by and between the City and the Trustee. The Master Indenture, the First Supplemental Trust Indenture, the Second Supplemental Indenture and the Third Supplemental Indenture are collectively referred to as the Indenture. The Series 2021 Bonds are payable solely from the Net Revenues of the Airport System, certain funds and accounts held by the Trustee under the Indenture, and other amounts payable under the Indenture. As of July 2, 2021, the Department had $1.849 billion of Bonds Outstanding.

Pursuant to the Master Indenture, the City has pledged Net Revenues to the payment of the Bonds issued thereunder. Net Revenues are all Revenues of the Airport System remaining after payment of Operation and Maintenance Expenses of the Airport System. Revenues include, among other things, all amounts derived from all rates, tolls, fees, rentals, charges and any other payments collected, or received by the City in connection with the operation of the Airport System, any amounts designated as Other Pledged Revenues pursuant to the procedures in the Master Indenture, and all investment income earned by the City on such Revenues except as otherwise expressly provided in the Master Indenture.

Flow of Funds

The Master Indenture established certain funds and accounts and the priority for the flow of Revenues and certain other amounts to such funds and accounts, as described below. **Figure 5-1** illustrates the flow of funds as set forth in the Master Indenture.

Figure 5-1 Flow of Funds



** Maintained within the Revenue Account of the Department*

*** Held and maintained by Trustee*

1 Revenues do not include Passenger Facility Charges.

Source: Master Indenture

As long as there are Outstanding Bonds, all Revenues are required to be deposited into the Revenue Account, which is administered by the Department on behalf of the City. Revenues will be set aside for the payment of the following amounts or deposited or transferred to the following funds, accounts and subaccounts in the following order of priority:

1. Operation and Maintenance Subaccount
2. Debt Service Funds
3. Common Debt Service Reserve Fund and Series Debt Service Reserve Funds
4. Subordinate Obligation Debt Service
5. Subordinate Obligation Debt Service Reserve Funds
6. Operation and Maintenance Reserve Subaccount
7. Renewal and Replacement Subaccount
8. Rolling Coverage Account
9. Surplus Fund

Rate Covenant

In the Master Indenture, the City covenants, while any Bonds are Outstanding, to establish, fix, prescribe, and collect rates, tolls, fees, rentals and charges in connection with the Airport System and for services rendered in connection therewith, so that Revenues in each FY will be at least equal to the following amounts:

- Operation and Maintenance Expenses of the Airport System due and payable during such FY
- the Annual Debt Service on any Outstanding Bonds required to be funded by the City in such FY as required by the Master Indenture or any Supplemental Indenture with respect to the Outstanding Bonds;
- the required deposits to the Common Debt Service Reserve Fund or any Series Debt Service Reserve Fund which may be established by a Supplemental Indenture;
- the reimbursement owed to any Credit Provider or Liquidity Provider as required by a Supplemental Indenture;
- the interest on and principal of any indebtedness of the Department required to be funded during such FY, other than for Outstanding Bonds, but including Subordinate Obligations; and
- funding of any debt service reserve funds created with respect to any indebtedness of the Department, other than Outstanding Bonds, but including Subordinate Obligations.

The City also covenants and agrees that it shall establish, fix, prescribe and collect rates, tolls, fees, rentals and charges in connection with the Airport System and for services rendered in connection therewith, so that during each FY the Net Revenues, together with any Transfer from the Rolling Coverage Account, will be equal to at least 125% of Annual Debt Service on the Outstanding Bonds for such Fiscal Year. The amount of any Transfer from the Rolling Coverage Account taken into account shall not exceed 25% of Annual Debt Service on the Outstanding Bonds in such FY. When calculating Annual Debt Service on the Outstanding Bonds for purposes of the rate covenants described above, Annual Debt Service on the Outstanding Bonds shall be reduced by the amount of principal and/or interest paid with Capitalized Interest, Passenger Facility Charges Available for Debt Service and/or Pledged Passenger Facility Charges.

Additional Bonds

Pursuant to the Master Indenture, the Department is authorized to issue additional Bonds, subject to meeting certain conditions. To issue such Bonds, including the Series 2021 Bonds, the Department must provide either:

(i) a certificate, dated as of a date between the date of pricing of the Bonds being issued and the date of delivery of such Bonds (both dates inclusive), prepared by an Authorized City Representative showing that the Net Revenues for the last audited FY or any 12 consecutive months out of the most recent 18 consecutive months immediately preceding the date of issuance of the proposed Series of Bonds, together with any Transfer for the most recently ended Fiscal Year, were at least equal to 125% of Maximum Aggregate Annual Debt Service with respect to all Outstanding Bonds and the proposed Series of Bonds, calculated as if the proposed Series of Bonds were then Outstanding; or

(ii) a certificate, dated as of a date between the date of pricing of the Bonds being issued and the date of delivery of such Bonds (both dates inclusive), prepared by a Consultant, nationally recognized as an expert in the area of air traffic and airport financial analysis, showing that:

(A) the Net Revenues for the last audited Fiscal Year or for any 12 consecutive months out of the most recent 18 consecutive months immediately preceding the date of issuance of the proposed Series of Bonds, together with any Transfer for the most recently ended Fiscal Year, were at least equal to 125% of the sum of the Annual Debt Service due and payable with respect to all Outstanding Bonds for such applicable period; and

(B) for the period from and including the first full Fiscal Year following the issuance of such proposed Series of Bonds, during which no interest on such Series of Bonds is expected to be paid from the proceeds thereof, through and including the later of: (1) the fifth full Fiscal Year following the issuance of such Series of Bonds, or (2) the third full Fiscal Year during which no interest on such Series of Bonds is expected to be paid from the proceeds thereof, the estimated Net Revenues, together with any estimated Transfer, for each such Fiscal Year, will be at least equal to 125% of the Aggregate Annual Debt Service for each such Fiscal Year with respect to all Outstanding Bonds and calculated as if (1) the proposed Series of Bonds were then Outstanding, and (2) any future Series of Bonds which the City estimates will be required to complete payment of the estimated costs of construction of such portion of the Specified Project and any other uncompleted portion of the Specified Project from which the Consultant projects additional Revenues will be generated were then Outstanding.

For purposes of subparagraphs (i) and (ii) above, the amount of any Transfer taken into account shall not exceed 25% of the Aggregate Annual Debt Service on the Outstanding Bonds and the proposed Series of Bonds. The City will be required to meet this test with respect to the Series 2021 Bonds. L&B is providing this Report along with a certificate described in clause (ii) above with respect to the Series 2021 Bonds.

PFC Revenues used to pay Debt Service

Revenues do not include PFCs. However, PFCs may still be used to pay the principal of and interest on Bonds in two separate ways under the Master Indenture. The City may designate specified PFCs as Passenger Facility Charges Available for Debt Service or as Pledged Passenger Facility Charges. Any PFCs designated as Passenger Facility Charges Available for Debt Service or as Pledged Passenger Facility Charges will be deposited directly to the Debt Service Fund or Funds directed by the City and will be used to pay debt service on the applicable Series of Bonds. The City expects, to the extent approved by the FAA, to designate certain PFCs as Passenger Facility Charges Available for Debt Service and to use such PFCs to pay a portion of the debt service on Outstanding Bonds, the planned Series 2021 Bonds, and certain of the Bonds to be issued in the future. The City does not have any current plans to designate any PFCs as Pledged Passenger Facility Charges.

When calculating debt service for purposes of the rate covenant set forth in the Master Indenture and the additional bonds test set forth in the Master Indenture, debt service is reduced by the amount of PFCs, whether designated as Pledged Passenger Facility Charges Available for Debt Service or as Pledged Passenger Facility Charges, used or expected to be used, as applicable, to pay debt service on Outstanding Bonds, Series 2021 Bonds, or any additional Bonds.

5.3.3 Subordinate Obligation Trust Indenture

The Master Subordinate Trust Indenture, referred to as the Subordinate Obligation Trust Indenture, dated as of March 1, 2021, by and between the City and Zions Bancorporation, National Association, as Subordinate Trustee (the "Subordinate Trustee"), authorizes the issuance of Subordinate Obligations to pay the costs of acquiring and constructing Airport System Improvements, among other items. Pursuant to the Subordinate Obligation Trust Indenture, Subordinate Obligations will be secured by a pledge of and lien on Subordinate Revenues. Subordinate Revenues include Net Revenues less all amounts required to pay debt service and reserve replenishment on and related to the Bonds.

Rate Covenant

In the Subordinate Obligation Trust Indenture, the City covenants, while any Subordinate Obligations are Outstanding, to establish, fix, prescribe, and collect rates, tolls, fees, rentals and charges in connection with the Airport System and for services rendered in connection therewith, so that Revenues in each FY will be at least equal to the following amounts:

- Operation and Maintenance Expenses of the Airport System due and payable during such FY
- the principal of and interest on any outstanding Bonds required to be funded by the City in such FY as required by the Master Indenture or any Supplemental Indenture with respect to the Outstanding Bonds;
- the required deposits to the Common Debt Service Reserve Fund or any Series Debt Service Reserve Fund;
- the reimbursement owed to any Credit Provider or Liquidity Provider as required by a Supplemental Indenture;
- the annual debt service on any outstanding Subordinate Obligations required to be funded by the City in such FY as required by the Subordinate Obligation Trust Indenture or any supplemental subordinate obligation indenture with respect to the outstanding Subordinate Obligations;
- the required deposits to any debt service reserve fund which may be established by a supplemental subordinate obligation indenture;
- the reimbursement owed to any credit provider or liquidity provider as required by a supplemental Subordinate Obligation Trust Indenture;
- the interest on and principal of any indebtedness of the City with respect to the Department of Airports required to be funded during such Fiscal Year, other than for Outstanding Bonds and outstanding Subordinate Obligations; and
- funding of any debt service reserve funds created with respect to any indebtedness of the Department, other than Outstanding Bonds and Subordinate Obligations.

The City further covenanted that it shall establish, fix, prescribe and collect rates, tolls, fees, rentals and charges in connection with the Airport System and for services rendered in connection therewith, so that during each FY the Subordinate Revenues, together with any transfer, will be equal to at least 115% of annual debt service on the outstanding Subordinate Obligations for such FY. For purposes of this subsection (b), the amount of any transfer taken into account shall not exceed 15% of annual debt service on the outstanding Subordinate Obligations in such Fiscal Year. When calculating the principal and interest due on the Bonds for purposes of the Rate Covenant pursuant to the Master Indenture, such principal and interest shall be reduced by the amount of principal and/or interest paid with Capitalized Interest and Passenger Facility Charges. Additionally, when calculating annual debt service on the outstanding Subordinate Obligations for purposes of the rate covenants, annual debt service on the outstanding Subordinate Obligations shall be reduced by the amount of principal and/or interest paid with capitalized interest, Passenger Facility Charges available for debt service and/or pledged Passenger Facility Charges.

Additional Subordinate Obligations

Additional Subordinate Obligations may be issued under the Subordinate Obligation Trust Indenture on parity with outstanding Subordinate Obligations, provided, among other things, there shall be delivered to the Subordinate Trustee either:

(i) a certificate, dated as of a date between the date of pricing of the Subordinate Obligations being issued and the date of delivery of such Subordinate Obligations (both dates inclusive), prepared by an authorized city representative showing that the Subordinate Revenues for the last audited FY or any 12 consecutive months out of the most recent 18 consecutive months immediately preceding the date of issuance of the proposed series of Subordinate Obligations, together with any transfer for the most recently ended FY, were at least equal to 115% of maximum aggregate annual debt service with respect to all outstanding Subordinate Obligations and the proposed series of Subordinate Obligations, calculated as if the proposed series of Subordinate Obligations were then outstanding; or

(ii) a certificate, dated as of a date between the date of pricing of the Subordinate Obligations being issued and the date of delivery of such Subordinate Obligations (both dates inclusive), prepared by a consultant, nationally recognized as an expert in the area of air traffic and airport financial analysis, showing that:

(A) the Subordinate Revenues for the last audited FY or for any 12 consecutive months out of the most recent 18 consecutive months immediately preceding the date of issuance of the proposed series of Subordinate Obligations, together with any transfer for the most recently ended FY, were at least equal to 115% of the sum of the annual debt service due and payable with respect to all outstanding Subordinate Obligations for such applicable period; and

(B) for the period from and including the first full FY following the issuance of such proposed series of Subordinate Obligations during which no interest on such series of Subordinate Obligations is expected to be paid from the proceeds thereof through and including the later of: (1) the fifth full FY following the issuance of such series of Subordinate Obligations, or (2) the third full Fiscal Year during which no interest on such series of Subordinate Obligations is expected to be paid from the proceeds thereof, the estimated Subordinate Revenues, together with any estimated Transfer, for each such FY, will be at least equal to 115% of the aggregate annual debt service for each such Fiscal Year with respect to all outstanding Subordinate Obligations and calculated as if (y) the proposed series of Subordinate Obligations were then outstanding, and (z) any future series of Subordinate Obligations which the City estimates will be required to complete payment of the estimated costs of construction of such portion of the specified project and any other uncompleted portion of the specified project from which the consultant projects additional Revenues will be generated were then outstanding.

For purposes of subparagraphs (i) and (ii) above, the amount of any transfer taken into account shall not exceed 15% of the aggregate annual debt service on the outstanding Subordinate Obligations, the proposed series of Subordinate Obligations and any future series of Subordinate Obligations included pursuant to subparagraph (ii)(B)(z) of the previous paragraph.

> For purposes of subsections (ii)(B) above, in estimating Subordinate Revenues, the consultant may take into account (1) Revenues from specified projects or other Airport Facilities reasonably expected to become available during the period for which the estimates are provided, (2) any increase in fees, rates, charges, rentals or other sources of Revenues which have been approved by the City and will be in effect during the period for which the estimates are provided, and (3) any other increases in Revenues which the consultant believes to be a reasonable assumption for such period. With respect to Operation and Maintenance Expenses of the Airport System, the consultant shall use such assumptions as the consultant believes to be reasonable, taking into account: (x) historical Operation and Maintenance Expenses of the Airport System, (y) Operation and Maintenance Expenses of the Airport System associated with the specified projects and any other new Airport Facilities, and (z) such other factors, including inflation and changing operations or policies of the City, as the consultant believes to be appropriate. The consultant shall include in the certificate or in a separate accompanying report the calculations and assumptions made in determining the estimated Subordinate Revenues and shall also set forth the calculations of aggregate annual debt service, which calculations may be based upon information provided by another Consultant.

In certain circumstances, neither of the certificates described above under subsection (a) shall be required for the issuance of additional Subordinate Obligations. For instance, if Subordinate Obligations are being issued for the purpose of refunding then outstanding Subordinate Obligations and there is delivered to the Subordinate Trustee, instead, a certificate of an authorized city representative or a consultant showing that maximum aggregate annual debt service after the issuance of such refunding, Subordinate Obligations will not exceed maximum aggregate annual debt service prior to the issuance of such refunding Subordinate Obligations.

5.3.4 Airline Use Agreement

The Department entered into 10-year AUA with the Signatory Airlines operating at the Airport effective July 1, 2014. This original AUA is effective through June 30, 2024. As described below, the Department offered an extension of the AUA through June 30, 2034, which has been executed by Delta. The AUA establishes, among other things, procedures for setting and adjusting rentals, rates, fees and charges to be collected for the use of Airport facilities. The Signatory Airlines at the Airport include the following: Alaska, American, Delta, Frontier, JetBlue, Southwest and United. Together, the Signatory Airlines and their respective regional affiliates accounted for approximately 99.6% of enplaned passengers at the Airport in FY 2018.

In May 2018, the Department offered a 10-year extension to the AUA to all the Signatory Airlines operating at the Airport. This extends all existing terms and conditions of the AUA through June 30, 2034. Delta is the only airline that has executed the 10-year AUA extension. However, Delta is the largest airline operating at the Airport with approximately 70% of the enplaned passengers in FY 2018. At this time, no other airlines have executed the AUA extension; however, the Department is currently in discussions with the other Signatory Airlines regarding their execution of the AUA extension.

The AUA governs airline use of certain Airport facilities, including Airfield, Terminal, Aircraft Aprons, baggage claim, ticket counters and gate areas and permits the Signatory Airlines to lease Exclusive Use Premises, Preferential Use Premises, and Joint Use Premises. Exclusive Premises generally includes office space, storage areas, airline club lounges, and employee break rooms; and Preferential Use Premises is Airport space, including holdroom areas and gates, ticket counters, and certain baggage makeup areas, leased to a Signatory Airline and to which the Signatory Airline has a higher and continuous priority of use over all other air carriers. Joint Use Premises generally includes baggage claim areas and baggage makeup equipment.

The key provisions of the AUA are summarized in the following sections and are used as the basis for projecting airline revenues for this Report.

Airline Rate-Setting Methodology

As described earlier in this Chapter, the Airport has been segregated into seven direct cost and revenue centers and two indirect cost centers for the purposes of setting rates and charges: two cost centers associated with the airlines' operations and five other Department cost and revenue centers. The cost centers associated with the airlines are the Airfield Cost and Revenue Center and the Terminal Cost and Revenue Center, each of which are direct cost and revenue centers, plus their allocated portions of the indirect cost centers. The Department's other five direct cost and revenue centers are Landside, General Aviation, Support, Auxiliary Airports, and Other, plus their allocated portions of the indirect cost centers.

Landing Fees under the AUA are calculated on an Airfield Cost and Revenue Center residual basis where the Signatory Airlines are required to guarantee the total requirement. The cost of Capital Investments allocable to the Airfield, including debt service on Bonds or amortization of Department equity, may be included in the calculation of the Landing Fees upon approval from at least one Signatory Airline. Terminal Rents under the AUA are calculated on a commercial compensatory basis where the Signatory Airlines essentially pay rent for only the space they lease. The cost of Capital Investments allocable to the Terminal, including debt service on Bonds or amortization of Department equity, may be included in the calculation of the Terminal Rents upon approval from at least one Signatory Airline. The Capital Investment costs associated with the New SLC, including debt service on Bonds, has received the required approvals from the Signatory Airlines pursuant to the AUA.

The AUA allows for the annual calculation and adjustment of Landing Fees and Terminal Rents each FY, using budgeted aviation activity, expenses, and non-airline revenues. The Department may also adjust Landing Fees and Terminal Rents during the current FY if certain conditions warrant an adjustment per the AUA. The AUA also allows for a final adjustment of Landing Fees, Terminal Rents, and Revenue Sharing credits after the annual audit of Department records. Any resulting Adjustment-to-Actual resulting from the final settlement is included in the budget for the second subsequent FY and included as part of the calculation of Landing Fees and Terminal Rents for such FY.

Revenue Sharing

The AUA provides for the sharing of certain concession revenues, excluding parking, with the Signatory Airlines (Revenue Sharing). All Revenue Sharing is applied directly to each Signatory Airline based on a credit of $1 per enplaned passenger for up to 10 million enplaned passengers carried by all Signatory Airlines at the Airport. If during any FY, the Signatory Airlines collectively carry more than 10 million enplaned passengers, the Department will provide an additional enhancement to Revenue Sharing for only those enplaned passengers that exceed the 10 million base; provided, however, that the total revenue sharing amount in any FY cannot exceed the least of (i) 30% of Net Remaining Revenue; (ii) the total amount of Annual Adjusted Gross Revenues for Selected Concessions; and (iii) the Calculated Revenue Sharing Amount. The Department's obligation to provide Revenue Sharing to the Signatory Airlines in a given FY shall be solely from annual adjusted gross revenues for selected concessions for such FY. Exhibit G following this Chapter presents the Department's Revenue Sharing methodology pursuant to the AUA.

Throughout the FY, budgeted Revenue Sharing amounts are applied uniformly as a monthly credit to Signatory Airlines' invoices for Terminal Rents. For budgeting purposes, the Department applies only 95% of forecast Revenue Sharing amounts throughout the FY. Revenue Sharing Adjustments-to-Actual are performed after the end of the FY during the annual settlement process described above.

Department Cost Centers

The Department's non-airline Cost and Revenue Centers are not subject to an airline rate-setting methodology. Airport Revenues generated in these Cost and Revenue Centers can be used by the Department to meet various obligations or be used for other authorized Airport System-related purposes. The Department bears the responsibility and risk for the Department's non-airline Cost and Revenue Centers. **The TRP**

The AUA also contemplated the development of the TRP during the course of their term. Section 10.06 of the AUA specifies special provisions regarding the TRP including memorializing that the Signatory Airlines have approved and support the TRP and that the Department will use reasonable efforts to achieve the shared goal of a target airline cost per enplaned passenger. Additional provisions regarding the TRP include procedures for designating an airline technical representative, the development of contract documents, estimated costs and potential budget overruns, change orders, the notice of claims, and for funding the development of the TRP including best efforts to fund the project with federal and state grants, PFCs, CFCs, and the use of Bonds.

Signatory Airline Approval of Capital Improvement Projects

The Department and the Signatory Airlines agreed in the AUA that costs of certain Capital Investments are subject to Signatory Airline consideration. Section 10.02 of the AUA specifies that no costs or amortization of Capital Investments, including debt service on Bonds, shall be charged to the Signatory Airlines in Landing Fees or Terminal Rents for any Capital Investments in the Airfield Cost and Revenue Center or in the Terminal Cost and Revenue Center, respectively, unless at least one of the Signatory Airlines has approved such Capital Investments. In the event the Department decides to undertake a Capital Investment in these airline Cost and Revenue Centers, the Department and representatives from the Signatory Airlines shall meet to discuss the methods for amortizing or allocating any associated Bonds debt service along with the associated impacts to the Landing Fees and/or Terminal Rents resulting from such Capital Investment.

The Department has received all required approvals from the Signatory Airlines to undertake the capital development projects described herein including the NCP, and to include debt service, including the Series 2017 Bonds, the Series 2018 Bonds, and additional bonds allocable to the Airfield Cost and Revenue Center and Terminal Cost and Revenue Center in the calculation of Landing Fees and Terminal Rents, respectively.

The Department may implement, at any time, certain types of Capital Investments that are not subject to Signatory Airline consideration. These include the following:

- Projects mandated by the FAA, DOT, TSA, or similar government authority
- Projects to repair casualty damage to Airport property that must be rebuilt or replaced in order for the City to meet its obligations pursuant to the AUA, Master Indenture, or other agreements with lessees at the Airport
- Projects undertaken in Cost and Revenue Centers other than the Airfield Cost and Revenue Center and the Terminal Cost and Revenue Center
- Reasonable repairs, rebuilding, improvements or additions, including the associated costs therefor, necessary to comply with the AUA or applicable law or to settle lawful claims, satisfy judgements, or comply with judicial orders against City by reason of its ownership, operation, maintenance or use of the Airport
- Expenditures of any emergency nature which, if not made within 48 hours, would result in the closing of any portion of the Airport
- Projects funded directly or indirectly by PFCs, CFCs or grants; provided, however, that this provision shall not be interpreted as a waiver of Signatory Airline consultation rights under applicable laws

- Projects undertaken to satisfy the specific requirements of any Signatory Airline so long as such Signatory Airline agrees to pay all increased rentals, fees, charges, and operating and maintenance costs that are sufficient to cover annual debt service and operating and maintenance costs associated with the project
- Projects related to special purpose facilities for which the user agrees to pay or reimburse the Department

Extraordinary Coverage Protection

Section 8.11 of the AUA also contains an extraordinary coverage protection provision that allows for the Department to collect additional payments from the Signatory Airlines to satisfy the Rate Covenant set forth in the Master Indenture. These amounts collected from the Signatory Airlines, if ever required, are in addition to Landing Fees and Terminal Rents and are to be allocated to the Signatory Airlines in a fair and not unjustly discriminatory manner in the reasonable discretion of the Executive Director of the Department.

COVID-19 Financial Relief Measures

The significant declines in passenger traffic associated with the COVID-19 pandemic had a negative financial impact on the airline industry as presented previously. The Department received requests for financial relief from the airlines at the Airport early on during the COVID-19 pandemic. At its discretion to provide some relief to the airlines, the Department deferred airline landing fees and terminal rents for April 2020, May 2020, and June 2020. The repayment terms associated with the Department's deferral of airline rentals and fees were 50% of the balance in July 2020, and the remaining 50% in August 2020. The Department has received all outstanding balances from the airlines under this deferral program. The Authority also provided short-term financing to build out space in new facilities.

5.3.5 Other Principal Business Agreements

New in-terminal concession contracts commenced with the opening of the New SLC in the fall of 2020, and all former contracts terminated at that time with the full demolition of the former facilities. In-terminal concession contracts have been timed with the New SLC opening. New contracts constitute 59 locations in the initial phase opening of the New SLC, with approximately 63% of locations developed and operational as of the spring of 2021. Eight additional locations are under construction with openings planned to occur in the summer of 2021. The remaining locations will open in the fall/winter of 2021, and in 2022 due to weakened demand and concessionaire financial constraints caused by the impacts associated with the COVID-19 pandemic. The Department intends to issue a second request for proposals (RFP) for the next phase in-terminal concessions in the fall of 2021 for openings to coincide with Concourse A (east) gates opening in the fall/winter of 2023, and a third RFP in the fall of 2023 for openings to occur in 2025. Continuing on with practices in the initial phase, the Department intends to award locations in packages of varying, albeit smaller sizes, to existing and new concessionaire partners with successful proposals.

In regard to rental cars and as indicated previously, the following nine brands operate at the Airport: Alamo, Avis, Budget, Dollar, Enterprise, Hertz, National, Payless, and Thrifty. All of these rental car companies pay privilege fees and must collect and remit CFCs. The Department contracts with SP Plus Corporation to manage and operate on-Airport automobile parking facilities. In addition, the Department has agreements with cargo facility and fixed base operators and tenants leasing hangars and buildings.

Airport non-airline agreements have various terms and conditions. In general, the business terms of these agreements are based on industry standards and practices. Additional summaries of key non-airline agreement terms are provided below:

Terminal Food and Beverage Agreements:

- Concession fees range between 15% and 22% of gross revenues
- Minimum annual guarantee (MAG) equal to 90% of prior year percentage rents or 103% of prior year MAG, whichever is greater
- Total MAG amounts for 2021 are currently estimated at $5.4 million
- New contracts were initially planned to commence with the opening of the New SLC facilities in September 2020 and October 2020 for a term of 10 years, but were revised because of the COVID-19 pandemic impacts
- Revised contracts will commence upon the sooner of achieving 90% of 2019 enplaned passenger levels for three consecutive months or July 1, 2023
- Revised contracts will terminate 10 years upon commencement with June 30, 2033 being the latest date
- A second phase of concessions contracts is expected to be subject to a competitive process and scheduled to open commensurate with the new facilities of the New SLC.

Terminal Retail Agreements:

- Percentage rents range between 10% and 25% of gross revenues
- MAG equal to 90% of prior year percentage rents or 103% of prior year MAG, whichever is greater
- Total MAG amounts for 2021 are currently estimated at $5.2 million
- New contracts were initially planned to commence with the opening of the New SLC facilities in September 2020 and October 2020 for a term of eight years, but were revised because of the COVID-19 pandemic impacts
- Revised contracts will commence upon the sooner of achieving 90% of 2019 enplaned passenger levels for three consecutive months or July 1, 2023
- Revised contracts will terminate eight years upon commencement with June 30, 2031 being the latest date
-
- A second phase of concessions contracts is expected to be subject to a competitive process and scheduled to open commensurate with the new facilities of the New SLC.

Parking and Shuttle Management Agreement:

- Includes automobile parking facilities, shuttle bus operations, and aircraft hardstand bus operations
- Term of agreement with SP Plus Corporation is currently month-to-month
- The Department currently plans to issue a request for proposal (RFP) and commence a new contract for these services during the fall of 2021

Rental Car Concession Agreement:

- Concession fees equal to 11.11% on all on-Airport customer contracts or the MAG, whichever is greater annually
- MAG equal to 85% of prior year gross revenues or 103% of prior year MAG, whichever is greater, and it reset in September 2020 at the opening of new parking garage and continues at the greater value through term
- Total MAG amounts for 2021 are approximately $14.6 million
- In addition to the MAG, each on-Airport rental car company will pay fair market value rent for the use of the QTA, RSS, parking stalls, and customer service counters
- Term of agreement is 10 years expiring on February 28, 2026

COVID-19 Financial Relief Measures

The significant declines in passenger traffic associated with the COVID-19 pandemic has also had a negative financial impact on non-airline businesses at the Airport. In March 2020, former Governor Herbert ordered restaurants and bars to suspend dine-in service. This order negatively affected full-service dine-in restaurants at the Airport. In the early stages of the pandemic, many concessionaires closed or reduced operations at the Airport.

The Department received requests for financial relief from Airport concessionaires, rental car companies, and other non-airline tenants at the Airport. A summary of the measures the Department implemented are as follows:

In-Terminal Concessions:

- Deferral of food and beverage and retail MAGs from April 1, 2020 through September 30, 2020 for existing concession contracts expiring September 14, 2020 and October 26, 2020 when the former terminals and airside concourses closed
- Percent rent was only charged during the above deferral period; however, the annual settlement was based on actual contract terms that contain MAG abatement provisions
- Allowing new food and beverage and retail concession contracts that start on September 15, 2020 and October 27, 2020 to pay percentage of rent (MAG deferral) until the Airport achieves 90% of 2019 enplaned passenger levels for three consecutive months or July 1, 2023, whichever occurs first
- Extended terms of concession agreements to commence upon achieving 90% of 2019 enplaned passengers levels over three consecutive months or July 1, 2023, whichever occurs first
- Allowed concessionaires to complete build-outs of locations as the pandemic subsides and traffic returns to pre-pandemic levels
- Allowing temporary closures, reduced operating hours, and scaled back menus of concessionaires without penalty
- Provided short-term financing for the build-out of space in new facilities

Rental Cars:

- Deferral of MAG from April 1, 2020 through September 30, 2020
- Percent rent was only charged during the deferral period; however, the annual settlement was based on actual contract terms that contain MAG abatement provisions
-
- Provided additional overflow parking from April 1, 2020 through September 30, 2020
- Provided short-term financing for the build-out of space in new facilities

5.3.6 CARES Act Grant Assistance

As described in Section 1.2 of this Report, the CARES Act was approved by the U.S. Congress and signed by President Trump on March 27, 2020. It is one of the legislative actions taken to address the crisis associated with the COVID-19 pandemic and includes among its relief measures direct aid in the form of grants for U.S. airports, as well as direct aid, loans and loan guarantees for passengers and cargo airlines.

The CARES Act provides $10 billion of grant assistance to airports. It generally includes the following provisions:

- $3.7 billion allocated among all U.S. commercial service airports based on number of enplanements in CY 2018;
- $3.7 billion allocated among all U.S. commercial service airports based on formulas that consider fiscal year 2018 debt service relative to other U.S. commercial service airports, and cash-to-debt service ratios;
- $2.0 billion apportioned in accordance with AIP entitlement formulas, subject to CARES Act formula revisions;
- $500 million to increase the federal share to 100% for FAA AIP grants awarded in FFY 2020; and
- $100 million reserved for general aviation airports.

The FAA announced in April 2020 that it had allocated approximately $82.5 million to the Department for the Airport System. The Department may draw on such funds, on a reimbursement basis, for any purpose for which airport revenues may be lawfully used in accordance with FAA rules and regulations.

The Department used approximately $3.9 million of CARES Act funds in FY 2020 for the reimbursement of Operating Expenses. For FY 2021, the Department is planning on using $66 million of CARES Act funds for the reimbursement of Operating Expenses. The Department intends to apply its remaining balance of CARES Act funds or approximately $12.6 million in FY 2022 for the reimbursement of Operating Expenses. For the purposes of the Rate Covenant and the test for Additional Bonds pursuant to the Master Indenture, Operating Expenses net of such reimbursement amounts are the amounts to be included in those calculations.

5.3.7 Coronavirus Response and Relief Supplemental Appropriation Act

On December 27, 2020, the Consolidated Appropriations Act, 2021 was signed. Division M of that Act is the CRRSAA. Title IV of CRRSAA provides approximately $2 billion in economic relief to airports to prevent, prepare for, and respond to the COVID-19 public health emergency, including relief from rent and MAGs for eligible airport concessions at primary airports.

The FAA announced on February 12, 2021 that it had allocated approximately $23.4 million to the Department. Of that amount, approximately $2.8 million must be used for concessionaire relief. Under the grant program, the Department may use these funds to retain its workforce, make debt service payments, or offset increased operational costs from enhanced mitigation efforts to limit the spread of COVID-19. Funds must be obligated by September 30, 2021. The Department is planning to apply all of this funding except for the amounts obligated to concession relief (approximately $20.6 million) for the reimbursement of Operating Expenses in FY 2022. As described above, for the purposes of the Rate Covenant and the test for Additional Bonds pursuant to the Master Indenture, Operating Expenses net of such reimbursement amounts are the amounts to be included in those calculations.

5.3.8 American Rescue Plan Act

On March 11, 2021, the President signed the ARPA, a $1.9 trillion economic stimulus package designed to help the United States' economy recover from the adverse impacts of the COVID-19 pandemic. In addition to other economic relief, ARPA includes financial relief for certain eligible airports. For eligible airports, ARPA appropriates $8 billion to assist such airports to prevent, prepare for, and respond to COVID-19, and such amounts remain available until September 30, 2024. ARPA requires that, of the $8 billion appropriated, not more than $6.492 billion will be made available for primary airports such as the Airport (provided such airport has not been allocated more than four years of operating funds to respond to COVID-19 in federal fiscal year 2020), for "costs related to operations, personnel, cleaning, sanitation, janitorial services, combating the spread of pathogens at the airport, and debt service payments." ARPA further appropriates not more than $608 million to pay a federal share of one hundred percent of the costs for any grant awarded in federal FY 2021 (or in federal FY 2020 with less than a one hundred percent federal share) for any airport redevelopment project (as defined therein), and provides for not more than $800 million for sponsors of primary airports to provide relief from rent and minimum annual guarantees to airport concessions. Of such $800 million for airport concessions, ARPA requires that at least $640 million be made available for small airport concessions, and at least $160 million be made available for large airport concessions located at primary airports. The allocation of amounts appropriated by ARPA has not yet been announced, and the Department is not yet aware of the amount of funding the Airport will receive pursuant to ARPA at this time. [to be updated]

It is important to note that the amounts and allocations by FY for the CARES Act, CRRSAA, and ARPA are still preliminary at this time and are subject to change. The Department will continue to monitor its budgeted plan and may, ultimately, apply a different amount of such funding at the Department's discretion.

5.4 Debt Service

The Department plans to issue the Series 2021 Bonds to (1) fund a portion of the costs of the New SLC, (2) repay the outstanding balance in the Line of Credit, (3) fund capitalized interest, (4) fund a deposit to the Common Debt Service Reserve Fund, and (5) pay the costs of issuance of the Series 2021 Bonds. **Table 5-1** presents a listing of estimated sources and uses of funds for the proposed Series 2021 Bonds. The estimated sources and uses of funds and debt service for the proposed Series 2021 Bonds were prepared by the Department's financial advisor, PFM Financial Advisors LLC (PFM). **Table 5-2** presents the estimated sources and uses for the Series 2021 Bonds and future Bonds currently estimated to be required to fund the remaining portions of the New SLC.

Table 5-1 Series 2021 Bonds Estimated Sources and Uses (dollars in thousands)[1] [TBP]

Sources	Total
Par Amount of Series 2021 Bonds	$
Premium	
Total Sources	**$**
Uses:	
Construction Funds	$
Repay Line of Credit	
Capitalized Interest	
Common Debt Service Reserve Fund	
Cost of Issuance	
Total Uses	**$**

Notes: [1] Amounts in this table will not be updated to reflect the final terms of sale on the Series 2021 Bonds. Amounts may not add because of rounding.
Source: PFM Financial Advisors LLC, month year

Table 5-2 Outstanding Bonds, Series 2021 Bonds and Future Bonds Estimated Sources and Uses (dollars in thousands) [TBP]

Sources	Outstanding	Series 2021	Future Bonds	Total
Par Amount of Bonds				
Premium				
Total Sources				
Uses:				
Construction Funds				
Capitalized Interest				
Common Debt Service Reserve Fund				
Cost of Issuance				
Total Uses				

Note: Amounts may not add because of rounding.
Source: PFM Financial Advisors LLC, month year

Exhibit B presents annual Debt Service for the projection period of FY 2021 through 2028. Series 2017 Bonds debt service, Series 2018 Bonds debt service, planned Series 2021 Bonds debt service, and future debt service, net of capitalized interest, is projected to be approximately $239.8 million in FY 2025 upon completion of the New SLC. Total annual debt service, net of PFC revenues applied to pay debt service on the Series 2017 Bonds, the Series 2018 Bonds, Series 2021 Bonds, and future Bonds, is estimated to be approximately $190.3 million by FY 2025 when all elements of the New SLC are expected to be operational, and approximately $199.9xxx million by FY 2028. Debt Service estimates were provided by PFM and are based on the assumptions included in **Table 5-3**.

Table 5-3 Assumptions for the Series 2021 Bonds and Future Bonds [TBP]

Assumption	Series 2021	Future Bonds
Issuance Date		
Principal Amount		
Project Fund Deposit		
Bond Yield		
Final Maturity		

Source: PFM Financial Advisors LLC, month year

5.5 Operating Expenses

Table 5-4 presents historical Operating Expenses and capital outlays of the Department for the last four FYs or for FY 2017 through FY 2021.[73] This period has been chosen to present trends prior to the COVID-19 pandemic (FY 2017 through FY 2019), trends immediately following the onset of the COVID-19 pandemic (FY 2020 versus FY 2019), and estimated trends for a full year of COVID-19 pandemic impacts (FY 2021 versus FY 2020). For the period of FY 2017 through FY 2019, total Operating Expenses increased from approximately $100.4 million in FY 2017 to approximately $108.1 million in FY 2019, a CAGR of approximately 3.8%. While the Department had budgeted a significant increase in Operating Expenses in FY 2020 of $120.4 million primarily due to the upcoming opening of the New SLC, it was able to stabilize Operating Expenses upon the arrival of the pandemic and limit increases such that they increased by 4.0% to $112.4 million. In FY 2020, the Department applied approximately $3.9 million of CARES Act grants to eligible Operating Expenses. [describe FY21 estimated]

The primary categories of Operating Expenses include salaries and benefits, materials and supplies, services, other operating expenses, intergovernmental charges, and capital outlays less than $100,000. Additionally, **Exhibit C** after this Chapter presents annual Operating Expenses of the Department for the Airport System for the period of actual FY 2020 through projected FY 2028.

[73] Data for FY 2021 is estimated based on partial year data.

Table 5-4 Historical Operating Expenses and Capital Outlays (dollars in millions)[1]

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021[2]	CAGR 17-19	CAGR 19-20	CAGR 20-21
Salaries and Benefits	$48.3	$51.0	$48.7	$48.5		0.4%	(0.4%)	
Materials and Supplies	11.7	11.3	12.6	12.4		3.7%	(1.8%)	
Services[3]	29.9	30.1	29.2	27.8		(1.1%)	(4.8%)	
Other Operating Expenses[4]	3.6	3.3	2.8	3.0		(11.9%)	6.6%	
Intergovernmental Charges	4.9	5.1	13.5	18.1		66.5%	33.8%	
Capital Outlays	2.0	1.2	1.2	2.6		(20.1%)	109.5%	
Total Operating Expenses & Capital Outlays	$100.4	$102.1	$108.1	$112.4		3.8%	4.0%	
Federal Grants Credits[5]	0.0	0.0	0.0	(3.9)	(66.0)			
Net Operating Expenses & Capital Outlays	$100.4	$102.1	$108.1	$108.5		3.8%	0.4%	

Notes: 1 Amounts shown are those included in airline rates and charges and may vary from the Department's financial reports for various reasons, including the treatment of non-cash items.
2 Estimated results
3 Includes utilities
4 Includes insurance premiums
5 Includes amounts allocated to the Airport from the CARES Act and CRRSA Act that were used to reimburse the Department for eligible Operating Expenses.
Amounts may not add because of rounding.
Source: Airport records, April 2021

Key Operating Expenses categories and assumptions in projecting future growth are summarized below. These categories account for about 95% of the Airport System's total Operating Expenses for FY 2020.

- **Salaries and Benefits**: This expense category includes salaries, wages, and benefits associated with Department staff. It is the largest single category of Operating Expenses at the Airport System as it represented approximately 43% of total Operating Expenses at the Airport System for FY 2020. As presented above, these expenses increased at a CAGR of approximately 0.4% for the period FY 2017 through FY 2019. The Department was able to keep salaries and benefits expenses relatively flat in FY 2020 as compared to FY 2019 (-0.4%). [FY21 amounts] The City and the Department agreed to transfer the Department's police officers to the City's Police Department in October 2018. These expenses for police services are now categorized as Intergovernmental Charges, which accounts for the majority of increases in that category and decreases in salaries and benefits as this change has been incorporated. In FY 2022, these expenses are budgeted to increase by approximately xx% from FY 2021 (estimated) to approximately $55.1 million. Salaries and Benefits expenses are projected to increase at a CAGR of 4.9% from budget FY 2022 through FY 2028.

- **Services**: This expense category includes costs associated with the Department's outsourcing for janitorial services, maintenance contracts, professional services, other contractual services, and utilities at the Airport System. It is the second largest category of Operating Expenses at the Airport System as it represents approximately 25% of total Operating Expenses at the Airport for FY 2020. This category of expenses decreased at a CAGR of approximately 1.1% for the period FY 2017 through FY 2019. In FY 2020, the Department was able to further decrease these expenses by 4.8% to $27.8 million. [FY21 amounts] For FY 2022, services expenses are budgeted to increase significantly to approximately $64.5 as maintenance contracts for the new terminal facilities and the busing operation for the aircraft hardstand operation will be in place for an entire fiscal year. Future services Operating Expenses are projected to increase at a CAGR of approximately 1.2% through FY 2028 reflecting the elimination of the aircraft hardstand operation when the full New SLC is operational.
- **Materials and Supplies**: Materials and supplies expenses of the Airport System comprise approximately 11% of total Operating Expenses for FY 2020. This category of expenses increased at a CAGR of approximately 3.7% for the period FY 2017 through FY 2019. In FY 2020, the Department was able to decrease these expenses by 1.8% to $12.4 million. [FY21 amounts] For FY 2022, materials and supplies expenses are budgeted to increase by approximately xx% in to approximately $14.9 million. Future material and supplies Operating Expenses are projected to increase at a CAGR of approximately 4.0% through FY 2028.
- **Intergovernmental Charges**: This expense category includes charges to the Department for the use of aircraft rescue and firefighting services, the use of the City's Police Department effective in October 2018, and for other allocable costs for the use of City services. Intergovernmental charges expenses at the Airport System comprise approximately 16% of total Operating Expenses at the Airport System for FY 2020. This category of expenses decreased at a CAGR of approximately 66.5% for the period FY 2017 through FY 2019 as the City's Police Department services began to be accounted for here during this period. In FY 2020, these expenses increased by another 33.8% to $18.1 million as it was the first full year with the police accounting change. [FY21 amounts] For FY 2022, intergovernmental charges are budgeted to increase by approximately xx% in to approximately $20.0 million. Future intergovernmental Operating Expenses are projected to increase at a CAGR of approximately 2.3% through FY 2028.

Overall, the projection of Operating Expenses is based on historical trend reviews, the anticipated impacts of inflation, the recovery from the impacts associated with the COVID-19 pandemic, projected activity levels, and impacts associated with the New SLC and Other Capital Projects. Exhibit C presents Operating Expenses by category and cost center through FY 2028. Total Operating Expenses are projected to increase at a CAGR of approximately 3.4% over the projection period from budget FY 2022 to FY 2028.

5.6 Non-Airline Revenues

Table 5-5 presents historical non-airline revenues along with growth rates for the Airport System for the period of FY 2017 to FY 2021.[74] As shown for FY 2020, the three primary categories of non-airline revenues (e.g., auto parking, car rental, and terminal concessions) accounted for approximately 70% of the Airport System's total non-airline revenues. Total non-airline revenues increased from approximately $106.7 million in FY 2017 to approximately $117.4 million in FY 2019, for a CAGR of approximately 4.9% over this period. Additionally, non-airline revenues per enplaned passenger remained flat over this period at approximately $8.96.

[74] Data for FY 2021 is estimated based on partial year data as audited data is not available.

The significant decline in passenger traffic at the Airport associated with the COVID-19 pandemic has also had a major effect on non-airline revenues. In FY 2020, total non-airlines revenues declined from FY 2019 levels by 14.2% to $100.7 million. However, Airport non-airline revenues did not decrease as much as enplaned passengers and total non-airline revenue per enplaned passenger increased during this period from $8.96 to $9.97. [add FY21 info]

Exhibit D presents non-airline revenues at the Airport System for actual FY 2020, estimated FY 2021, budgeted FY 2022, and projections for FY 2023 through FY 2028, including assumed incremental impacts associated with the TRP and NCP. Non-airline revenues, including Airfield and Terminal offsets to airline rates and charges, are budgeted at approximately $108.8 million in FY 2022 and are projected to increase to approximately $156.2 million in FY 2028. This increase in non-airline revenues between FY 2022 and FY 2028 represents a CAGR of approximately 6.2%. In general, the projection of non-airline revenues is based on historical trend reviews, projected activity levels, the recovery from the COVID-19 pandemic, and impacts associated with the New SLC. Non-airline revenues are further described in the following sections.

Table 5-5 Historical Airport Non-Airline Revenues (dollars in millions)

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021[1]	CAGR 17-19	CAGR 19-20	CAGR 20-21
Auto Parking	$34.3	$35.3	$36.3	$28.0		2.9%	(22.9%)	
Car Rental	27.2	29.2	29.9	25.4		4.8%	(15.1%)	
Terminal Concessions	18.1	19.2	20.5	16.7		6.4%	(18.5%)	
Other	27.1	30.2	30.7	30.6		6.4%	(0.3%)	
Total Non-Airline Revenues[1]	$106.7	$113.9	$117.4	$100.7		4.9%	(14.2%)	
Enplaned Passengers (millions)	11.9	12.4	13.1	10.1		5.1%	(22.9%)	
Non-Airline Revenues per Enplaned Passenger	$8.96	$9.19	$8.96	$9.97		0.0%	11.3%	
Percent of Total Revenue								

Notes: [1] Estimated results.
Source: Airport records, April 2021

5.6.1 Auto Parking

Auto parking revenues represent the largest component of non-airline revenues at the Airport System, accounting for approximately 28% of total non-airline revenues for FY 2020. As presented on Table 5-5, auto parking revenues increased at a CAGR of approximately 2.9% from FY 2017 to FY 2019 as they increased from approximately $34.3 million to $36.3 million. In FY 2020, parking revenues decreased to $25.4 million at a similar rate of the decrease in enplaned passengers due to the impacts associated with the COVID-19 pandemic. [FY21 data]

The Department has implemented certain parking rate changes during this period including increases in the Economy Lot, Parking Garage, and the implementation of Premium Reserved Parking. The Department also opened Lot E on the eastern side of the new parking garage and QTA facility where customers can walk to the terminal. **Table 5-6** presents public parking rates at the Airport since FY 2015. As shown in the table, the Department monitors public parking rates and implements rate changes periodically. Additionally, the Department offers a variety of parking options to address the differing needs of its customer base. The Department has been able to realize revenue gains resulting from these increases and the differing products as demand has continued to increase. In addition, the new parking garage opened in September 2020, which essentially has doubled garage parking capacity. However, the ongoing COVID-19 pandemic has dampened Airport parking demand and revenues as described above.

As of April 2021, three primary off-airport parking companies also provide parking services to passengers, in competition with the Department.

Table 5-6 Public Parking Rates at the Airport (daily maximum rates)

Parking Facility	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Economy Lot	$9	$9	$9	$9	$9	$10	$10
Lot E[1]	n/a	n/a	n/a	n/a	n/a	$21	$21
Parking Garage[2]	$28	$32	$32	$32	$32	$35	$35
Premium Reserved Parking	n/a	$50	$50	$50	$50	$55	$55

Notes: [1] Lot E opened in September 2020.
[2] The new parking garage opened in September 2020.
Source: Department records

For the period of FY 2022 through FY 2028, auto parking revenues are projected to increase at a CAGR of 9.1% reflecting the recovery of enplaned passengers and the increased capacity of the new parking garage. The projection assumes rate increases generally in line with inflationary trends and a one-time increase in parking revenues during the COVID-19 recovery period because of additional capacity not yet realized with the opening of the new parking garage.

5.6.2 Car Rental

Rental car concessions and facility rents increased at a CAGR of approximately 4.8% during the period of FY 2017 to FY 2019. In FY 2020, rental car revenues decreased primarily because of the impacts associated with the COVID-19 pandemic to $25.4 million. The car rental revenue rate of decline of 15.1% was more favorable than the rate of the decrease associated with enplaned passengers. [FY21 data]

For the period of FY 2022 through FY 2028, car rental revenues are projected to increase at a CAGR of 5.1%. The projection assumes increases associated with the passenger recovery and inflationary trends.

5.6.3 Terminal Concessions

As shown on Table 5-5, terminal concessions increased at a CAGR of approximately 6.4% from FY 2017 to FY 2019 as they increased from approximately $18.1 million to $20.5 million. Over this period, the Department has restructured its terminal concession program, which has contributed to the improvement in revenue. In FY 2020, terminal concessions decreased primarily because of the impacts associated with the COVID-19 pandemic to $16.7 million. The revenue rate of decline of 18.5% was more favorable than the rate of the decrease associated with enplaned passengers. [FY21 data]

Given the lack of space for terminal concessions during the period prior to COVID-19, additional revenue improvements are expected as concessions fully comeback online. In addition to this, budgeted terminal concession revenues for FY 2022 are also expected to increase with inflation and increases in enplaned passengers. For the period of FY 2022 through FY 2028, terminal concession revenues are projected to increase at a CAGR of 10.9%. The projection assumes increases related to the passenger recover, the opening of new concessions related to the New SLC, and inflationary trends.

5.6.4 Other

Other non-airline revenues primarily include a State of Utah aviation fuel tax, other tenant leases, ground transportation and TNC revenues, cargo building rents, hangar rents, fixed base operator rents, and other buildings at the Airport leased by the Department. TNC revenues at the Airport have been increasing since the Department started collecting these in September 2015. In FY 2017, TNC revenues were approximately $777,000 and grew to approximately $3.1 million in FY 2020. As of July 1, 2018, TNC operators pay a fee of $2.50 for each Airport vehicle trip that drops off and picks up passengers. For TNC vehicles with excess of nine passengers, the fee is $10 per vehicle trip. This updated fee schedule is an increase in rates as compared to prior fees which ranged from $1.13 to $2.46 per trip depending on vehicle size. Many of the other revenues in the category are not as impacted by air traffic activity as the other categories described above. In FY 2020, other revenues remained relatively flat from the prior year at $30.6 million. [FY21 data]

The projection for other non-airline revenues assumes increases generally in line with inflationary trends.

5.7 Airline Revenues

Airline revenues at the Airport include Landing Fees and Terminal Rents. The rate-setting formulas for Landing Fees and Terminal Rents are consistent with the rate-setting methodologies set forth in the AUA and described earlier in this Chapter. **Exhibits E** and **F** further illustrate the rate-setting methodologies for the Landing Fees and Terminal Rents, respectively. In addition, projected Revenue Sharing consistent with the AUA is presented on **Exhibit G**. The business terms of the AUA are used as the basis for projecting airline revenues for the purposes of this Report.

5.7.1 Landing Fees

Exhibit E presents the calculation of Landing Fees for FY 2018 through FY 2028. Per the residual rate-setting methodology, the Department fully recovers direct and allocated indirect costs for airline use of the Airfield cost center. The total requirement is reduced by estimated non-airline revenues projected in each FY to calculate the Airfield Revenue Requirement.

As presented in Exhibit E, the Signatory Airline Landing Fee Rate per 1,000-pound unit of landed weight was $xxx for FY 2021 (estimated). Throughout the period, the Signatory Airline Landing Fee rate is projected to increase up to $5.90 by FY 2028.

Total Landing Fees are projected to increase from approximately $56.9 million in FY 2022 to approximately $99.5 million in FY 2028. This represents a CAGR of approximately 9.8%.

5.7.2 Terminal Rents

Exhibit F presents the calculation of Terminal Rents for FY 2018 through FY 2028. Per the rate-setting methodology, the Department recovers Terminal Rents from the Signatory Airlines based on a commercial compensatory methodology. The conditioned terminal rental rate per square foot in 2021 (estimated) was $xxx. Over the projection period, the conditioned terminal rate is expected to increase to $249.10 in FY 2024 and further increase to $252.13 in FY 2028. Exhibit F presents the projected Terminal Rents over the projection period.

Total Terminal Rents are projected to increase from approximately $84.1 million in FY 2022 to approximately $168.2 million in FY 2028. This represents a CAGR of approximately 12.2% as the Terminal Rents include future debt service and increased operating expense impacts associated with the New SLC.

5.7.3 Revenue Share

Exhibit G presents the calculation of Revenue Share pursuant to the AUA, which is allocated to each Signatory Airline on the basis of their enplaned passenger market share. As described above in Section 4.3.3 and as shown on Exhibit G, Revenue Sharing amounts for FY 2021 (estimated) are approximately $xxx million. Revenue Sharing is projected to be approximately $10.2 million in FY 2023 and decrease to about $71,000 in FY 2024. For the period of FY 2025 through FY 2028, Revenue Sharing amounts are projected to range between $10.2 million to $7.2 million.

5.7.4 Signatory Airline Cost per Enplaned Passenger

A key indicator for airline costs at an airport is the average CPE. **Exhibit H** presents the projection of CPE for the Signatory Airlines at the Airport. As shown, the Signatory Airline CPE includes the Landing Fees and Terminal Rents less the Revenue Sharing amounts divided by total Signatory enplaned passengers. CPE for FY 2021 (estimated) was $xxx. Over the projection period, Signatory Airline CPE is expected to increase as the elements of the New SLC become operational and the associated costs are included within the airline rate base. In FY 2024, CPE is projected to increase to $17.13 and peak in FY 2025 at $18.05. Signatory Airline CPE throughout this period is projected to remain at levels competitive with other Large Hub airports in the western U.S.

5.8 Application of Airport Revenues

Exhibit I presents the application of Revenues for the Airport System throughout the projection period consistent with the requirements of the Master Indenture. As presented, the City is expected to experience an annual net surplus (amount deposited into the Surplus Fund) after the payment of Operating Expenses and debt service and required deposits to the Operations and Maintenance Reserve Fund and the Renewal and Replacement Fund in each year of the projection period. The deposit to the Surplus Fund for FY 2021 (estimated) was approximately $xxx million. Over the projection period, the annual deposit to the Surplus Fund is expected to fluctuate, with the largest projected deposit of approximately $34.0 million occurring in FY 2025. The annual deposit to the Surplus Fund is projected to decrease to approximately $26.6 million in FY 2026 and remain in the $20 million range throughout the rest of the projection period. Revenues deposited into the Surplus Fund are planned to be used to fund the ongoing New SLC and Other Capital Projects throughout the projection period.

5.9 Net Revenues and Debt Service Coverage

Exhibit J presents Net Revenues and debt service coverage ratio projections throughout the projection period. As presented, the Airport System Net Revenues are projected to increase from $xxx million in FY 2021 (estimated) to $227.2 million in FY 2028. This increase in Net Revenues is primarily driven by the increased revenue requirements included in airline rates and charges because of the future debt service associated with the New SLC. Per the Master Indenture, the City is able to include amounts available in the Rolling Coverage Account on the last business day of the applicable FY for the purposes of calculating debt service coverage. Total amounts available for debt service (e.g., Net Revenues plus amounts available in the Rolling Coverage Account) are projected to increase from approximately $xxx million in FY 2021 (estimated) to approximately $277.2 million in FY 2028. As the City issues additional Bonds to fund the New SLC, debt service coverage ratios are projected to range from xxxx in FY 2021 to 1.38x in FY 2028.

As required pursuant to the Rate Covenant, Revenues must be sufficient in each FY to pay the following amounts: (1) Operation and Maintenance Expenses of the Airport System due and payable during each FY; (2) the Annual Debt Service on any Outstanding Bonds required to be funded by the City in each FY as required by the Master Indenture or any Supplemental Indenture with respect to the Outstanding Bonds; (3) the required deposits to the Common Debt Service Reserve Fund or any Series Debt Service Reserve Fund which may be established by a Supplemental Indenture; (4) the reimbursement owed to any Credit Provider or Liquidity Provider as required by a Supplemental Indenture; (5) the interest on and principal of any indebtedness of the Department required to be funded during each FY, other than for Outstanding Bonds, but including Subordinate Obligations; and (6) funding of any debt service reserve funds created with respect to any indebtedness of the Department, other than Outstanding Bonds, but including Subordinate Obligations. As presented on Exhibit J, the City is projected to satisfy the Rate Covenant requirement in each year.

5.10 Slower Recovery Scenario Financial Analysis

As presented in Chapter 3, L&B prepared a slower recovery enplaned passengers projection scenario in addition to the baseline projection. This scenario was prepared because of the ongoing uncertainty related to the level of impact and duration of the COVID-19 pandemic on air traffic recovery. The assumptions for this scenario are described in more detail in Section 3.4.5 of this Report. For the purposes of the financial analysis, key assumptions are as follows:

- Current Airline Agreements business terms and conditions remain in effect through the projection period.
- Funding and timing of the New SLC and the Other Capital Projects remain as assumed in the baseline financial analysis.
- Operating Expenses increase as projected in the baseline financial analysis.
- Non-airline revenues are assumed to remain at a consistent ratio of revenues per enplanement as the baseline financial analysis, however, projected non-airline revenues are reduced based on the assumed slower recovery of enplaned passengers.
- PFC revenues are lower as compared to the baseline financial analysis based on lower enplaned passengers projected.

Table 5-7 presents projected debt service coverage and airline CPE for the slower recovery scenario. As shown, under each scenario, the Department is projected to continue to satisfy its Rate Covenant set forth in the Master Indenture throughout the projection period. However, it should be noted that, given the uncertainty regarding the COVID-19 pandemic, it is possible that airline traffic recovery could be delayed beyond what is assumed under the slower recovery scenario. Such a scenario may require additional steps taken by the Department to reduce Operating Expenses or undertake other financial or operational measures beyond what is contemplated in this Report in order to continue to meet its Rate Covenant obligations and mitigate airline CPE.

Table 5-7 Sensitivity Analysis Results: Debt Service Coverage and Airline CPE

Fiscal Year	Enplaned Passengers	% of Baseline Enplaned Passengers	Debt Service Coverage Ratio	Airline CPE
2022	8,660	75.3%	1.34	$16.17
2023	11,035	88.1%	1.58	$12.45
2024	11,686	89.4%	1.30	$19.86
2025	12,002	89.4%	1.36	$21.09
2026	12,253	89.5%	1.31	$20.15
2027	12,487	89.5%	1.30	$20.39
2028	12,650	89.5%	1.30	$20.60

Source: Landrum & Brown.

As previously indicated, many of the factors affecting air travel demand are not necessarily quantifiable. As a result, all projections are subject to uncertainty. While the global COVID-19 pandemic is currently ongoing, other economic disturbances could occur over the projection period. Therefore, these projected financial results, as with any projection, should be viewed as a general indication of future results as opposed to a precise prediction. Actual future results are likely to vary from this projection, and such variances could be material.

Exhibit A

TRP, NCP, AND OTHER CAPITAL PROJECTS - PLAN OF FINANCE **SALT LAKE CITY DEPARTMENT OF AIRPORTS**

(Dollars in Thousands for Fiscal Years Ending June 30)

		Funding Sources (a)						
	Total Project costs	AIP / TSA	PFC Revenues (pay-as-you-go)	CFC Revenues (pay-as-you-go)	Airport Funds	Series 2017 Bonds (b)	Series 2018 Bonds (b)	Future Bonds
Terminal Redevelopment Program (TRP)	$2,719,101	$91,642	$332,838	$199,880	$255,522	$771,632	$385,670	$681,917
North Concourse Program (NCP)	1,732,873	99,015	0	0	165,619	154,117	413,163	900,959
Other Capital Projects	308,102	13,291	0	0	294,811	0	0	0
Total TRP, North Concourse Program, and Other Capital Projects	**$4,760,076**	$203,948	$332,838	$199,880	$715,953	$925,749	$798,833	$1,582,876

Note: Amounts may not add due to rounding.

Sources: Salt Lake City Department of Airports (project costs); Landrum & Brown, Inc. (funding sources and Future Bonds); Public Financial Management (Series 2017 Bonds and Series 2018 Bonds)

Compiled by: Landrum & Brown, Inc.

(a) Includes capital projects that have been paid for with Airport funds, PFC revenues and CFC revenues prior to fiscal year 2021 (July 1, 2020).

(b) Includes interest earnings from the Series 2017 Debt Service Fund and 2018 Debt Service Fund that is accrued prior to the first year of debt service.

Exhibit B

DEBT SERVICE **SALT LAKE CITY DEPARTMENT OF AIRPORTS**

(Dollars in Thousands for Fiscal Years Ending June 30)

	Budget 2021	Budget 2022	Projected 2023	2024	2025	2026	2027	2028
Debt service (a)								
Series 2017 Bonds	$51,140	$70,288	$48,926	$56,946	$61,425	$63,590	$71,034	$73,657
Series 2018 Bonds	33,224	33,224	57,224	49,578	59,563	59,558	59,558	59,560
Debt service on future bonds (a)								
Planned Bonds	$0	$35,633	$20,489	$118,802	$118,802	$118,802	$118,802	$118,802
Line of Credit	0	2,100	0	0	0	0	0	0
Total debt service	$84,364	$141,245	$126,638	$225,325	$239,789	$241,950	$249,394	$252,019
Less: PFCs applied to debt service	($21,500)	($42,432)	($46,175)	($48,196)	($49,479)	($50,500)	($51,452)	($52,112)
Total net debt service	**$62,864**	**$98,813**	**$80,463**	**$177,129**	**$190,310**	**$191,449**	**$197,942**	**$199,907**
Allocation of debt service to Cost Centers								
Airfield	$9,588	$12,633	$12,191	$31,203	$33,206	$33,506	$34,537	$34,900
Terminal	49,365	79,634	61,726	139,391	150,149	150,927	156,173	157,698
Landside	3,910	6,546	6,546	6,535	6,954	7,017	7,233	7,309
Total net debt service	**$62,864**	**$98,813**	**$80,463**	**$177,129**	**$190,310**	**$191,449**	**$197,942**	**$199,907**

Note: Amounts may not add because of rounding.

Source: Airport records (budget); Public Financial Management (Series 2017 Bonds, Series 2018 Bonds); Landrum & Brown (projected)

Compiled by: Landrum & Brown, Inc.

(a) Debt service is net of capitalized interest.

Exhibit C

OPERATING EXPENSES AND CAPITAL OUTLAYS **SALT LAKE CITY DEPARTMENT OF AIRPORTS**

(Dollars in Thousands for Fiscal Years Ending June 30)

	Budget	Budget	Projected					
	2021	2022	2023	2024	2025	2026	2027	2028
Operating Expenses and Capital Outlays								
Salaries and benefits	$50,327	$55,068	$60,270	$62,681	$65,188	$67,796	$70,508	$73,328
Materials and supplies	14,330	14,875	15,469	16,088	16,732	17,401	18,097	18,821
Services	47,946	64,480	67,060	69,742	61,604	64,069	66,631	69,297
Other Operating Expenses	7,296	7,004	7,284	7,576	7,879	8,194	8,522	8,862
Intergovernmental charges	17,360	19,961	20,760	19,590	20,374	21,189	22,036	22,918
Capital Outlays	1,432	1,466	1,524	1,585	1,648	1,714	1,783	1,854
Subtotal Operating Expenses and Capital Outlays	$138,690	$162,853	$172,367	$177,262	$173,425	$180,362	$187,577	$195,080
Less:								
CARES Act Grants	($66,000)	($12,610)	$0	$0	$0	$0	$0	$0
CRRSAA Grants	0	($20,585)	0	0	0	0	0	0
ARPA Grants	0	0	0	0	0	0	0	0
Incremental TRP, NCP, and Other Capital Projects impact	$0	$0	$0	$3,209	$3,469	$3,607	$3,752	$3,902
Total Operating Expenses and Capital Outlays	**$72,690**	**$129,657**	**$172,367**	**$180,471**	**$176,894**	**$183,970**	**$191,328**	**$198,982**
Allocation of Operating Expenses and Capital Outlays to Cost Centers								
Airfield	$23,371	$41,034	$54,588	$56,457	$55,260	$57,470	$59,769	$62,160
Terminal	30,879	55,684	74,063	78,572	77,109	80,194	83,401	86,737
Landside	10,854	18,496	24,604	25,784	25,271	26,282	27,334	28,427
Aux. Airports	2,336	4,962	6,604	6,792	6,643	6,908	7,185	7,472
Other	2,737	4,937	6,577	6,763	6,614	6,878	7,153	7,440
General Aviation	1,239	2,143	2,856	2,937	2,872	2,986	3,106	3,230
Support	1,275	2,402	3,074	3,167	3,125	3,251	3,381	3,516
Total Operating Expenses and Capital Outlays	**$72,690**	**$129,657**	**$172,367**	**$180,471**	**$176,894**	**$183,970**	**$191,328**	**$198,982**

Note: Amounts may not add because of rounding.
Source: Airport records (budget); Landrum & Brown, Inc. (projected)
Compiled by: Landrum & Brown, Inc.

Exhibit D

NONAIRLINE REVENUES AND AIRFIELD AND TERMINAL OFFSETS **SALT LAKE CITY DEPARTMENT OF AIRPORTS**

(Dollars in Thousands for Fiscal Years Ending June 30)

	Budget 2021	Budget 2022	Projected 2023	2024	2025	2026	2027	2028
Airfield offsets								
Fuel farm	$539	$1,805	$2,500	$3,600	$3,600	$3,600	$3,600	$3,600
CRDC Revenue	703	0	0	0	0	0	0	0
Additional Parking Expense	1,542	0	0	0	0	0	0	0
Cargo ramp use fee	206	293	404	432	433	459	486	511
Flight kitchen	1,167	1,351	1,491	1,578	1,644	1,703	1,760	1,809
State aviation fuel tax	1,848	2,000	2,091	2,176	2,230	2,274	2,315	2,345
Fuel oil royalties	471	523	543	562	577	591	606	619
Glycol recycling sales	280	240	249	258	265	272	278	284
Other Airfield Revenues (a)	542	741	769	796	815	832	848	861
Subtotal Airfield offsets	$7,297	$6,953	$8,046	$9,401	$9,565	$9,731	$9,893	$10,029
Terminal offsets								
Jet bridges	$1,910	$1,745	$2,325	$2,391	$2,338	$2,432	$2,529	$2,630
Hardstand Passenger Boarding revenue	0	6,540	7,521	3,134	0	0	0	0
CRDC Revenue	933	1,210	1,246	1,283	1,322	1,361	1,402	1,444
Additional Parking Expense	2,213	0	0	0	0	0	0	0
IAB use fees	1,016	1,698	2,263	2,328	2,276	2,367	2,462	2,560
Shared tenant telephone fees	96	62	64	66	68	70	72	74
Leased site areas	350	1,160	1,160	1,160	1,160	1,160	1,160	1,160
EDS utilities and janitorial	140	547	564	581	598	616	635	654
Other Terminal Revenues (b)	448	465	477	490	502	516	529	543
Subtotal Terminal offsets	$7,107	$13,427	$15,621	$11,432	$8,264	$8,521	$8,788	$9,065
Other Nonairline Revenues								
Car rental - commissions (c)	$13,918	$19,791	$22,737	$25,403	$26,340	$27,152	$27,941	$28,582
Car rental - fixed rents (c)	7,333	7,492	7,605	7,719	7,834	7,952	8,071	8,192
Auto parking	29,339	28,719	38,559	42,259	44,035	45,618	47,175	48,497
Ground transportation	4,245	3,348	4,373	6,237	6,497	6,728	6,955	7,147
General aviation hangars	1,328	1,182	1,217	1,254	1,291	1,330	1,370	1,411
FBO hangars	20	21	21	22	23	23	24	25
Cargo buildings	1,473	1,484	1,529	1,574	1,622	1,670	1,720	1,772
Other buildings	4,563	3,892	4,009	4,129	4,253	4,381	4,512	4,648
Office space	984	1,984	2,044	2,105	2,168	2,233	2,300	2,369
Food service (c)	8,700	9,869	12,869	15,684	16,336	16,917	17,488	17,971
Vending/Public telephone	162	162	179	189	197	204	211	217
News & gifts (c)	5,100	5,086	8,361	8,783	9,148	9,474	9,793	10,064
Leased site areas	2,360	2,653	2,733	2,815	2,899	2,986	3,076	3,168
Advertising media fees (c)	759	250	265	275	282	289	297	303
Other revenues	3,151	2,499	2,554	2,593	2,629	2,671	2,713	2,755
Subtotal Other Nonairline Revenues	$83,434	$88,434	$109,053	$121,040	$125,556	$129,629	$133,645	$137,120
Total Nonairline Revenues and Airfield and Terminal offsets	**$97,837**	**$108,814**	**$132,720**	**$141,873**	**$143,385**	**$147,882**	**$152,326**	**$156,214**

Note: Amounts may not add because of rounding.

Source: Airport records (budget); Landrum & Brown, Inc. (projected)

Compiled by: Landrum & Brown, Inc.

(a) Includes leased areas on airfield, K-9 grants, Utah Air National Guard, and RON (overnight) fees.

(b) Includes UTA revenues, LEO charges reimbursed by TSA, and K-9 grants.

(c) Included as Select Concessions for the Revenue Sharing test.

Exhibit E

LANDING FEES **SALT LAKE CITY DEPARTMENT OF AIRPORTS**

(Dollars in Thousands for Fiscal Years Ending June 30)

	Budget 2021	Budget 2022	Projected 2023	2024	2025	2026	2027	2028
Airfield Revenue Requirement								
Operating Expenses and Capital Outlays	$23,371	$41,034	$54,588	$56,457	$55,260	$57,470	$59,769	$62,160
Net debt service	9,588	12,633	12,191	31,203	33,206	33,506	34,537	34,900
Rolling Coverage Amount	2,397	742	425	(18)	3,347	456	39	225
Amortization	7,145	7,592	11,193	11,647	11,248	11,558	11,849	11,849
Reserve Requirements (a)	594	1,882	2,259	312	(200)	368	383	398
Less: Airfield offsets	(7,297)	(6,953)	(8,046)	(9,401)	(9,565)	(9,731)	(9,893)	(10,029)
Less: Adjustments-to-Actual	366	(24)	0	0	0	0	0	0
Total Airfield Revenue Requirement	**$36,165**	**$56,905**	**$72,610**	**$90,201**	**$93,296**	**$93,627**	**$96,684**	**$99,503**
Landed Weight (million-pound units)	9,604	14,387	15,040	15,651	16,045	16,361	16,656	16,866
Landing Fee (per 1,000-pound unit)	$3.77	$3.96	$4.83	$5.76	$5.81	$5.72	$5.80	$5.90
Signatory Airline Landing Fee revenue	$33,489	$51,561	$65,790	$81,729	$84,534	$84,834	$87,603	$90,157
Non-signatory Airline Landing Fee revenue	2,676	5,345	6,820	8,472	8,762	8,794	9,081	9,345
Total Landing Fee revenue	**$36,165**	**$56,905**	**$72,610**	**$90,201**	**$93,296**	**$93,627**	**$96,684**	**$99,503**

Note: Amounts may not add because of rounding.

Source: Airport records (budget); Landrum & Brown, Inc. (projected)

Compiled by: Landrum & Brown, Inc.

(a) Includes deposits to the Operation and Maintenance Reserve and the Renewal and Replacement subaccounts.

Exhibit F

TERMINAL RENTS **SALT LAKE CITY DEPARTMENT OF AIRPORTS**

(Dollars in Thousands for Fiscal Years Ending June 30)

	Budget 2021	Budget 2022	Projected 2023	2024	2025	2026	2027	2028
Net Terminal Revenue Requirement								
Operating Expenses and Capital Outlays	$30,879	$55,684	$74,063	$78,572	$77,109	$80,194	$83,401	$86,737
Net debt service	49,365	79,634	61,726	139,391	150,149	150,927	156,173	157,698
Rolling Coverage Amount	12,341	7,172	3,764	(155)	20,119	2,743	237	1,351
Reserve Requirements (a)	487	2,554	3,063	751	(244)	514	535	556
Amortization	5,694	4,502	6,225	6,139	11,721	12,387	12,391	12,402
Less: Terminal offsets	(7,107)	(13,427)	(15,621)	(11,432)	(8,264)	(8,521)	(8,788)	(9,065)
Less: Adjustments-to-Actual	128	(1,377)	0	0	0	0	0	0
Total Net Terminal Revenue Requirement	**$91,788**	**$134,741**	**$133,221**	**$213,266**	**$250,591**	**$238,243**	**$243,949**	**$249,680**
Total rentable space (s.f.)	764,733	887,183	899,594	1,083,715	1,206,010	1,248,081	1,252,466	1,252,466
Average Terminal rental rate	$120.03	$151.88	$148.09	$196.79	$207.79	$190.89	$194.77	$199.35
Airline rented space (b)								
Conditioned space (s.f.)	328,147	345,535	348,277	419,153	471,315	486,979	490,546	490,546
Unconditioned space (s.f.)	205,160	208,210	216,151	303,499	336,712	353,319	353,319	353,319
Total Airline rented space (s.f.)	533,307	553,745	564,428	722,652	808,028	840,298	843,865	843,865
Airline Net Terminal Revenue Requirement	**$64,011**	**$84,100**	**$83,586**	**$142,212**	**$167,896**	**$160,402**	**$164,363**	**$168,225**
Weighted Airline rented space								
Conditioned space (s.f.)	328,147	345,535	348,277	419,153	471,315	486,979	490,546	490,546
Unconditioned space (s.f.)	102,580	104,105	108,075	151,750	168,356	176,660	176,660	176,660
Total weighted Airline rented space (s.f.)	430,727	449,640	456,352	570,902	639,672	663,638	667,206	667,206
Airline rented space								
Conditioned space (s.f.)	328,147	345,535	348,277	419,153	471,315	486,979	490,546	490,546
Unconditioned space (s.f.)	205,160	208,210	216,151	303,499	336,712	353,319	353,319	353,319
Total Airline rented space (s.f.)	533,307	553,745	564,428	722,652	808,028	840,298	843,865	843,865
Airline Terminal rental rate - conditioned space	$148.61	$187.04	$183.16	$249.10	$262.47	$241.70	$246.35	$252.13
Airline Terminal rental rate - unconditioned space	$74.31	$93.52	$91.58	$124.55	$131.24	$120.85	$123.17	$126.07
Airline Terminal Rents - conditioned space	$48,766	$64,629	$63,791	$104,411	$123,707	$117,704	$120,844	$123,683
Airline Terminal Rents - unconditioned space	15,245	19,472	19,795	37,801	44,189	42,699	43,519	44,542
Total Airline Terminal Rents (c)	**$64,011**	**$84,100**	**$83,586**	**$142,212**	**$167,896**	**$160,402**	**$164,363**	**$168,225**

Note: Amounts may not add because of rounding.
Source: Airport records (budget); HOK (projected space); Landrum & Brown, Inc. (projected)
Compiled by: Landrum & Brown, Inc.
(a) Includes deposits to the Operation and Maintenance Reserve and the Renewal and Replacement subaccounts.
(b) Airline space assumptions are based on HOK space drawings.
(c) Assumes that all Terminal Rents are reflective of Signatory Airlines.

Exhibit G

REVENUE SHARING CALCULATION **SALT LAKE CITY DEPARTMENT OF AIRPORTS**

(Dollars in Thousands for Fiscal Years Ending June 30)

		Budget	Budget	Projected					
		2021	2022	2023	2024	2025	2026	2027	2028
Per 8.07.1 (b) Revenue sharing amount rebated to Signatory Airlines for a particular Fiscal Year shall not exceed the LEAST of:									
1. 30% of Net Remaining Revenues in such Fiscal Year									
Net Remaining Revenues		$55,302	$7,772	$33,911	$236	$33,993	$26,628	$23,850	$25,545
Percent required of Net Remaining Revenues		30%	30%	30%	30%	30%	30%	30%	30%
30% of Net Remaining Revenues	[A]	$16,591	$2,332	$10,173	$71	$10,198	$7,988	$7,155	$7,664
2. Total Annual Adjusted Gross Revenues for Selected Concessions	[B]	$35,972	$42,651	$52,015	$58,052	$60,139	$61,989	$63,800	$65,329
3. Calculated Revenue Sharing Amount									
<u>Enplanement Detail for Credit in Future Agreement</u>									
Signatory Enplaned Passengers		8,078	11,507	12,522	13,070	13,418	13,695	13,953	14,132
Growth in Enplaned Passengers from 2015 base Enplaned Passengers		(18.7%)	15.9%	26.1%	31.6%	35.1%	37.9%	40.5%	42.3%
Enplaned Passengers over 10,000,000 (a)		0	1,507	2,522	3,070	3,418	3,695	3,953	4,132
Rates:									
For Enplaned Passengers of 10,000,000 or less:		$1.00	$1.00	$1.00	$1.00	$1.00	$1.00	$1.00	$1.00
Revenue sharing rate for Enplaned Passengers over 10,000,000 (a)		0.81	1.16	1.26	1.32	1.35	1.38	1.40	1.42
Calculated Revenue Sharing Amount									
First 10,000,000 Enplaned Passengers		8,078	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Enplaned Passengers over 10,000,000 (a)		0	1,746	3,179	4,039	4,617	5,094	5,553	5,879
Total calculated Revenue Sharing Amount	[C]	$8,078	$11,746	$13,179	$14,039	$14,617	$15,094	$15,553	$15,879
Total Revenue Sharing Amount to be used	[Minimum of A, B, or C]	**$8,078**	**$2,332**	**$10,173**	**$71**	**$10,198**	**$7,988**	**$7,155**	**$7,664**

Note: Amounts may not add because of rounding.
Source: Airport records (budget); Landrum & Brown, Inc. (projected)
Compiled by: Landrum & Brown, Inc.
(a) Increased Revenue Sharing is only applied to those Enplaned Passengers over 10,000,000.

Exhibit H

SIGNATORY AIRLINE COST PER ENPLANED PASSENGER **SALT LAKE CITY DEPARTMENT OF AIRPORTS**

(Dollars in Thousands for Fiscal Years Ending June 30)

	Budget	Budget	Projected					
	2021	2022	2023	2024	2025	2026	2027	2028
Signatory Airline Terminal Rents	$64,011	$84,100	$83,586	$142,212	$167,896	$160,402	$164,363	$168,225
Signatory Airline Landing Fee revenue	33,489	51,561	65,790	81,729	84,534	84,834	87,603	90,157
LESS: Revenue Sharing	(8,078)	(2,332)	(10,173)	(71)	(10,198)	(7,988)	(7,155)	(7,664)
Net passenger Signatory Airline Revenue Requirement	**$89,422**	**$133,329**	**$139,203**	**$223,870**	**$242,232**	**$237,248**	**$244,812**	**$250,719**
Signatory Airline Enplaned Passengers (000s)	8,078	11,507	12,522	13,070	13,418	13,695	13,953	14,132
Passenger Signatory Airline Cost per Enplaned Passenger	**$11.07**	**$11.59**	**$11.12**	**$17.13**	**$18.05**	**$17.32**	**$17.55**	**$17.74**

Note: Amounts may not add because of rounding.
Source: Airport records (budget); Landrum & Brown, Inc. (projected)
Compiled by: Landrum & Brown, Inc.

Exhibit I

APPLICATION OF REVENUES **SALT LAKE CITY DEPARTMENT OF AIRPORTS**

(Dollars in Thousands for Fiscal Years Ending June 30)

	Budget 2021	Budget 2022	Projected 2023	2024	2025	2026	2027	2028
Revenues								
Terminal Rents	$64,011	$84,100	$83,586	$142,212	$167,896	$160,402	$164,363	$168,225
Landing Fee revenue	36,165	56,905	72,610	90,201	93,296	93,627	96,684	99,503
Nonairline revenue	97,837	108,814	132,720	141,873	143,385	147,882	152,326	156,214
Revenue Sharing Amount	(8,078)	(2,332)	(10,173)	(71)	(10,198)	(7,988)	(7,155)	(7,664)
Interest income	8,463	3,000	7,817	9,139	9,517	9,588	9,751	9,922
Total Revenues	**$198,398**	**$250,488**	**$286,560**	**$383,354**	**$403,896**	**$403,511**	**$415,970**	**$426,201**
Application of Revenues (a)								
1. Operation and Maintenance Subaccount	$72,690	$129,657	$172,367	$180,471	$176,894	$183,970	$191,328	$198,982
2. Debt Service Funds (b)	62,864	98,813	80,463	177,129	190,310	191,449	197,942	199,907
3. Debt Service Reserve Funds	0	0	0	0	0	0	0	0
4. Subordinate Obligation Debt Service	0	2,100	0	0	0	0	0	0
5. Subordinate Obligation Debt Service Reserve Funds	0	0	0	0	0	0	0	0
6. O&M Reserve Requirement Subaccount	0	5,948	0	1,351	(596)	1,179	1,226	1,276
7. Renewal and Replacement Subaccount	0	0	0	0	0	0	0	0
8. Rolling Coverage Account	15,880	4,418	(182)	24,166	3,295	285	1,623	491
9. Surplus Fund	46,965	9,553	33,911	236	33,993	26,628	23,850	25,545
Total Application of Revenues	**$198,398**	**$250,488**	**$286,560**	**$383,354**	**$403,896**	**$403,511**	**$415,970**	**$426,201**

Note: Amounts may not add because of rounding.

Source: Airport records (budget); Landrum & Brown, Inc. (projected)

Compiled by: Landrum & Brown, Inc.

(a) Reflects only incremental amounts required for each year.

(b) Net of PFC revenues applied to debt service and capitalized interest.

Exhibit J

NET REVENUES AND DEBT SERVICE COVERAGE **SALT LAKE CITY DEPARTMENT OF AIRPORTS**

(Dollars in Thousands for Fiscal Years Ending June 30)

	Budget	Budget	Projected					
	2021	2022	2023	2024	2025	2026	2027	2028
Revenues	$198,398	$250,488	$286,560	$383,354	$403,896	$403,511	$415,970	$426,201
Operating Expenses and Capital Outlays	72,690	129,657	172,367	180,471	176,894	183,970	191,328	198,982
Net Revenues	$125,708	$120,831	$114,192	$202,882	$227,002	$219,541	$224,642	$227,219
Plus: Rolling Coverage Account	15,880	20,298	20,116	44,282	47,578	47,862	49,486	49,977
Net Revenues & Rolling Coverage Account	$141,588	$141,129	$134,308	$247,165	$274,580	$267,404	$274,127	$277,196
Debt service (a)	$62,864	$98,813	$80,463	$177,129	$190,310	$191,449	$197,942	$199,907
Debt service coverage	**2.25**	**1.43**	**1.67**	**1.40**	**1.44**	**1.40**	**1.38**	**1.39**

Note: Amounts may not add because of rounding.
Source: Airport records (budget); Landrum & Brown, Inc. (projected)
Compiled by: Landrum & Brown, Inc.
(a) Net of PFC revenues applied to debt service and capitalized interest.

APPENDIX C
FORM OF MASTER INDENTURE

APPENDIX D
FORM OF AIRLINE USE AGREEMENT

APPENDIX E
BOOK-ENTRY ONLY SYSTEM

Book-Entry Only System

The information in this Appendix concerning DTC and DTC's book-entry only system has been obtained from sources the City and the Underwriters believe to be reliable, but neither the City nor the Underwriters take any responsibility for the accuracy or completeness thereof.

DTC will act as securities depository for the Series 2021 Bonds. The Series 2021 Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Series 2021 Bonds of each Series or, if applicable, each Subseries of each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of "AA+." The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2021 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2021 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2021 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in Series 2021 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2021 Bonds, except in the event that use of the book-entry system for the Series 2021 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2021 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co, or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2021 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2021 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2021 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Bonds of a Series within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2021 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2021 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments (including redemption proceeds) on the Series 2021 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Trustee or the City, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest (including redemption proceeds) to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2021 Bonds at any time by giving reasonable notice to the City or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, certificates for the affected Series 2021 Bonds are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, certificates for the affected Series 2021 Bonds will be printed and delivered.

THE TRUSTEE, ANY PAYING AGENT AND THE CITY WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATION TO ANY PARTICIPANT, ANY PERSON CLAIMING A BENEFICIAL OWNERSHIP INTEREST IN ANY SERIES 2021 BONDS UNDER OR THROUGH DTC OR ANY PARTICIPANT, OR ANY OTHER PERSON THAT IS NOT SHOWN ON THE REGISTRATION BOOKS OF THE TRUSTEE AS BEING A BONDOWNER, WITH RESPECT TO THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY PARTICIPANT, THE PAYMENT BY DTC OR ANY PARTICIPANT OF ANY AMOUNT IN RESPECT OF PRINCIPAL OF OR PREMIUM, IF ANY, OR INTEREST ON ANY SERIES 2021 BOND, ANY NOTICE THAT IS REQUIRED TO BE GIVEN TO BONDOWNERS UNDER THE INDENTURE (EXCEPT IN CONNECTION WITH CERTAIN NOTICES OF DEFAULT AND REDEMPTION), THE SELECTION BY DTC OR ANY PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE SERIES 2021 BONDS, OR ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC OR ITS NOMINEE AS THE REGISTERED OWNER OF THE SERIES 2021 BONDS.

APPENDIX F
FORM OF CONTINUING DISCLOSURE AGREEMENT

CONTINUING DISCLOSURE AGREEMENT

For the Purpose of Providing
Continuing Disclosure Information
Under Section (b)(5) of Rule 15c2-12

This Continuing Disclosure Agreement (this "Agreement") is executed and delivered by Salt Lake City, Utah (the "City") in connection with the issuance of its $____________ Airport Revenue Bonds, Series 2021A (Non-AMT) (the "Series 2021A Bonds"), and its $_____________ Airport Revenue Bonds, Series 2021B (AMT) (the "Series 2021B Bonds" and, collectively with the Series 2021A Bonds, the "Bonds").

In consideration of the issuance of the Bonds by the City and the purchase of such Bonds by the beneficial owners thereof, the City covenants and agrees as follows:

SECTION 1. PURPOSE OF THIS AGREEMENT. This Agreement is being executed and delivered by the City for the benefit of the Bondholders and the Beneficial Owners (hereinafter defined) and in order to assist the Participating Underwriters (hereinafter defined) in complying with subsection (b)(5) of the Rule (hereinafter defined).

SECTION 2. DEFINITIONS. In addition to the definitions set forth in the Master Indenture (hereinafter defined), which apply to any capitalized term used in this Agreement unless otherwise defined herein, the following capitalized terms shall have the following meanings.

"Annual Report" shall mean any financial statements of the Department provided by the City pursuant to, and as described in, Sections 3 and 4 of this Agreement.

"Beneficial Owner" shall mean any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including any person holding Bonds through nominees, depositories or other intermediaries).

"Department" shall mean the City's Department of Airports.

"EMMA" shall mean the MSRB's Electronic Municipal Market Access System, or such other system, Internet Web site, or repository hereafter prescribed by the MSRB for the submission of electronic filings pursuant to the Rule.

"GAAP" shall mean generally accepted accounting principles, as such principles are prescribed, in part, by the Financial Accounting Standards Board and modified by the Governmental Accounting Standards Board and in effect from time to time.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Agreement.

"MSRB" shall mean the Municipal Securities Rulemaking Board.

"Master Indenture" means the Master Indenture as such term is defined in the Official Statement.

"1934 Act" shall mean the Securities Exchange Act of 1934, as amended.

"Obligated Person" shall mean the City (acting through the Department) and each airline or other entity using the Airport under a lease or use agreement extending for more than one year from the date in question and including bond debt service as part of the calculation of rates and charges, under which lease or use agreement such airline or other entity has paid amounts equal to at least twenty percent (20%) of the Revenues of the Department for each of the prior two (2) fiscal years of the Department.

"Official Statement" shall mean the final Official Statement for the Bonds dated October 17, 2018.

"Participating Underwriters" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with the primary offering of the Bonds.

"Rule" shall mean Rule 15c2-12 promulgated by the SEC pursuant to the 1934 Act, as the same may be amended from time to time, together with all interpretive guidance or other official interpretations or explanations thereof that are promulgated by the SEC.

"SEC" shall mean the Securities and Exchange Commission.

"SEC Reports" means reports and other information required to be filed pursuant to Sections 13(a), 14 or 15(d) of the 1934 Act.

"Securities Counsel" shall mean legal counsel expert in federal securities law, and may include, but is not limited to Bond Counsel or Disclosure Counsel with respect to the Bonds.

"State" shall mean the State of Utah.

SECTION 3. PROVISION OF ANNUAL REPORTS.

(a) Each year, the City shall provide by January 2, commencing with January 2, 2019 for the Annual Report for the Department's fiscal year ended June 30, 2021, to the MSRB through EMMA an Annual Report for the preceding fiscal year which is consistent with the requirements of Section 4 of this Agreement. In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by specific reference other information as provided in Section 4 of this Agreement; provided, however, that if the audited financial statements of the Department are not available by the deadline for filing the Annual Report, they shall be provided when and if available, and unaudited financial statements in a format similar to the audited financial statements then most recently prepared for the Department shall be included in the Annual Report.

(b) If the City is unable to provide to the MSRB, through EMMA, in an electronic format as prescribed by the MSRB, an Annual Report by the date required in subsection (a), the City shall send a notice, in a timely manner, to the MSRB, through EMMA, in substantially the form attached as Exhibit A.

(c) If the City's fiscal year changes, the City shall send written notice of such change to the MSRB through EMMA, in an electronic format as prescribed by the MSRB, in substantially the form attached as Exhibit B.

(d) Whenever any Annual Report or portion thereof is filed as described above, it shall be attached to a cover sheet in substantially the form attached as Exhibit C, or such other form as may be prescribed by the SEC from time to time.

SECTION 4. CONTENT OF ANNUAL REPORTS. The Annual Report shall contain or include by reference the following:

(a) The audited financial statements of the Department for its fiscal year immediately preceding the due date of the Annual Report, of substantially the same nature as that included in the Official Statement as Appendix A;

(b) Operating information for the fiscal year immediately preceding the due date of the Annual Report otherwise presented in the Official Statement as follows:

(1) in the table under the heading "SALT LAKE CITY INTERNATIONAL AIRPORT O&D AND CONNECTING ENPLANED PASSENGERS";

(2) in the table under the heading "AIRLINES OPERATING AT SALT LAKE CITY INTERNATIONAL AIRPORT";

(3) in the table under the heading "SALT LAKE CITY INTERNATIONAL AIRPORT MARKET SHARE OF ENPLANED PASSENGERS";

(4) in the table under the heading "SALT LAKE CITY INTERNATIONAL AIRPORT HISTORICAL AIRCRAFT OPERATIONS";

(5) in the table under the heading "SALT LAKE CITY INTERNATIONAL AIRPORT HISTORICAL LANDED WEIGHTS";

(6) in the table under the heading "SALT LAKE CITY INTERNATIONAL AIRPORT HISTORICAL AIR CARGO AND MAIL";

(7) in the table under the heading "SALT LAKE CITY DEPARTMENT OF AIRPORTS TOTAL ANNUAL REVENUES AND EXPENSES";

(8) in the table under the heading "SALT LAKE CITY DEPARTMENT OF AIRPORTS SUMMARY OF OPERATING REVENUES";

(9) in the table under the heading "SALT LAKE CITY DEPARTMENT OF AIRPORTS SOURCES OF AIRLINE REVENUES"; and

(10) in the table under the heading "SALT LAKE CITY DEPARTMENT OF AIRPORTS SUMMARY OF OPERATING EXPENSES."

If any information described in this paragraph (b) is published or provided by a third party and is no longer publicly available, the City shall include a statement to that effect as part of the Annual Report for the year in which such lack of availability arises; and

(b) Commencing with Fiscal Year 2021 (which is the Fiscal Year following the Fiscal Year in which the City no longer pays 100% of the interest on the Bonds from capitalized interest and the City pays at least a portion of such interest from Net Revenues), an annual debt service coverage calculation table for the prior Fiscal Year in accordance with Section 5.04(b) of the Master Indenture, substantially in the following format:

Annual Debt Service Coverage (FY_____)	
Revenues	$
Less Operating and Maintenance Expenses of the Airport System	$
Net Revenues	$
Plus Transfers	$
Total Available for Debt Service:	$
Annual Debt Service on Outstanding Bonds*	$
Annual Debt Service Coverage	______x

*In accordance with Section 5.04 of the Master Indenture, Annual Debt Service on Outstanding Bonds for this purpose shall not include principal and/or interest paid with Other Moneys Available for Debt Service or Passenger Facility Charges.

The Department's financial statements shall be audited and prepared in accordance with GAAP; provided, however, that the City may from time to time, in accordance with GAAP and subject to applicable federal or State legal requirements, modify the basis upon which its financial statements are prepared. Notice of any such modification shall be provided to the MSRB, through EMMA, in an electronic format as prescribed by the MSRB.

Any or all of the items listed above may be included by specific reference to other documents that previously have been provided to the MSRB, through EMMA. The City shall clearly identify each such other document so included by reference.

SECTION 5. REPORTING OF LISTED EVENTS.

(a) The City covenants to provide or cause to be provided to the MSRB through EMMA, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of ten (10) business days after the occurrence of the event, notice of the occurrence of any of the following events listed in (b)(5)(i)(C) of the Rule with respect to the Bonds:

(1) principal and interest payment delinquencies;

(2) non-payment related defaults, if material;

(3) unscheduled draws on debt service reserves reflecting financial difficulties;

(4) unscheduled draws on credit enhancements reflecting financial difficulties;

(5) substitution of credit or liquidity providers, or their failure to perform;

(6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701- TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

(7) modifications to rights of holders of the Bonds, if material;

(8) bond calls, if material, and tender offers;

(9) defeasances;

(10) release, substitution, or sale of property securing repayment of the Bonds, if material;

(11) rating changes;

(12) bankruptcy, insolvency, receivership or similar event of the City, which is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the City or the Department in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Department or the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Department or the City;

(13) the consummation of a merger, consolidation, or acquisition involving the Department or the City or the sale of all or substantially all of the assets of the Department or the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(14) appointment of a successor or additional trustee or the change of name of a trustee, if material;

(15) incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; or

(16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

(b) The City covenants that its determination of materiality will be made in conformance with federal securities laws.

(c) Upon the occurrence of a Listed Event, the City shall promptly cause a notice of such occurrence to be filed with the MSRB, through EMMA, in an electronic format as prescribed by the MSRB, together with a cover sheet in substantially the form attached as Exhibit C. In connection with providing a notice of the occurrence of a Listed Event described in subsection (a)(9), the City shall include in the notice explicit disclosure as to whether the Bonds have been escrowed to maturity or escrowed to call, as well as appropriate disclosure of the timing of maturity or call.

(d) The City acknowledges that the "rating changes" referred to above in Section (5)(a)(11) of this Agreement may include, without limitation, any change in any rating on the Bonds, including changes in the ratings of bond insurers of banks that may be providing credit enhancement on a portion of the Bonds.

(e) The City acknowledges that it is not required to provide a notice of a Listed Event with respect to credit enhancement when the credit enhancement is added after the primary offering of the Bonds, the City does not apply for or participate in obtaining such credit enhancement, and such credit enhancement is not described in the Official Statement.

SECTION 6. TERMINATION OF REPORTING OBLIGATION.

(a) The City's obligations under this Agreement shall terminate upon the legal defeasance of the Bonds under the Master Indenture or the prior redemption or payment in full of all of the Bonds. If the City's obligation to pay the principal of and interest on the Bonds is assumed in full by some other entity, such entity shall be responsible for compliance with this Agreement in the same manner as if it were the City, and the City shall have no further responsibility hereunder.

(b) This Agreement, or any provision hereof, shall be null and void in the event that the City (i) receives an opinion of Securities Counsel, addressed to the City, to the effect that those portions of the Rule, which require such provisions of this Agreement, do not or no longer apply to the Bonds, whether because such portions of the Rule are invalid, have been repealed, amended or modified, or are otherwise deemed to be inapplicable to the Bonds, as shall be specified in such opinion, and (ii) delivers notice to such effect to the MSRB, through EMMA, in an electronic format as prescribed by the MSRB.

SECTION 7. AMENDMENT; WAIVER.

(a) Notwithstanding any other provision of this Agreement, this Agreement may be amended, and any provision of this Agreement may be waived, provided that the following conditions are satisfied:

(1) if the amendment or waiver relates to the provisions of Section 3(a), (b), (c), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, a change in law or a change in the identity, nature or status of the City or the Department or type of business conducted by the City or the Department;

(2) this Agreement, as so amended or taking into account such waiver, would, in the opinion of Securities Counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(3) the amendment or waiver either (A) is approved by the Bondholders in the same manner as provided in the Master Indenture for amendments to the Master Indenture with the consent of the Bondholders, or (B) does not, in the opinion of Securities Counsel, materially impair the interests of the Bondholders.

(b) In the event of any amendment to, or waiver of a provision of, this Agreement, the City shall describe such amendment or waiver in the next Annual Report and shall include an explanation of the reason for such amendment or waiver. In particular, if the amendment results in a change to the annual financial information required to be included in the Annual Report pursuant to Section 4 of this Agreement, the first Annual Report that contains the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of such change in the type of operating data or financial information being provided. Further, if the annual financial information required to be provided in the Annual Report can no longer be generated because the operations to which it related have been materially changed or discontinued, a statement to that effect shall be included in the first Annual Report that does not include such information.

(c) If the amendment results in a change to the accounting principles to be followed in preparing financial statements as set forth in Section 4 of this Agreement, the Annual Report for the year in which the change is made shall include a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of such differences and the impact of the changes on the presentation of the financial information. To the extent reasonably feasible, the comparison shall also be quantitative. A notice of the change in accounting principles shall be sent by the City to the MSRB, through EMMA, in an electronic format as prescribed by the MSRB.

SECTION 8. ADDITIONAL INFORMATION. Nothing in this Agreement shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Agreement. If the City chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Agreement, the City shall have no obligation under this Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 9. FAILURE TO COMPLY. In the event of a failure of the City to comply with any provision of this Agreement, any Bondholder or Beneficial Owner may bring an action to obtain specific performance of the obligations of the City under this Agreement, but no person or entity shall be entitled to recover monetary damages hereunder under any circumstances, and any failure to comply with the obligations under this Agreement shall not constitute a default with respect to the Bonds or under the Master Indenture.

SECTION 10. BENEFICIARIES. This Agreement shall inure solely to the benefit of the City, the Participating Underwriters, the Bondholders and the Beneficial Owners, and shall create no rights in any other person or entity.

SECTION 11. TRANSMISSION OF INFORMATION AND NOTICES; DISSEMINATION AGENT. Unless otherwise required by law or this Agreement, and, in the sole determination of the City, subject to technical and economic feasibility, the City shall employ such methods of information and notice transmission as shall be requested or recommended by the herein-designated recipients of such information and notices. Any filing with the MSRB under this Agreement may be made by transmitting such filing to a dissemination agent.

SECTION 12. OTHER OBLIGATED PERSONS. Currently, Delta Air Lines, Inc. ("Delta") is the only Obligated Person other than the City, and Delta is required by the 1934 Act to file annual financial information in the form of its SEC Reports with the SEC as described in the Official Statement. The City assumes no responsibility for the accuracy or completeness of the SEC Reports or other annual financial information disseminated by Delta or any future Obligated Person. The City shall report as part of its Annual Report any change in Obligated Persons and that an Obligated Person's SEC Reports constitute its annual financial information under this Agreement, if such is the case. Unless no longer required by the Rule, the City shall use diligent efforts to cause each Obligated Person other than the City (to the extent that such party is not required to file SEC Reports) to disseminate annual financial information substantially equivalent to that contained in SEC Reports to the MSRB, through EMMA, in an electronic format as prescribed by the MSRB, not later than nine months after the last day of the Obligated Person's fiscal year. The City has no obligation to file or disseminate any SEC Reports relating to another Obligated Person.

SALT LAKE CITY, UTAH

By: ________________________________

Name:
Title:

Dated: ________________ __, 2021.

[Signature Page to Continuing Disclosure Agreement]

EXHIBIT A TO CONTINUING DISCLOSURE AGREEMENT

**NOTICE TO THE MSRB
OF FAILURE TO FILE ANNUAL REPORT**

Name of Obligated Person:	Salt Lake City, Utah
Name of Bond Issue:	Airport Revenue Bonds, Series 2021A (AMT) Airport Revenue Bonds, Series 2021B (Non-AMT)
Date of Bonds:	________ __ , 2021

NOTICE IS HEREBY GIVEN that the City has not provided an Annual Report with respect to the above-named Bonds as required by Section 3 of its Continuing Disclosure Agreement with respect to the Bonds. The City anticipates that the Annual Report will be filed by ______________________.

SALT LAKE CITY, UTAH

By: ______________________________
Name: ______________________________
Its: ______________________________

Dated: ______________________________

EXHIBIT B TO CONTINUING DISCLOSURE AGREEMENT

NOTICE TO THE MSRB
OF CHANGE IN AUTHORITY'S FISCAL YEAR

Name of Obligated Person:	Salt Lake City, Utah
Name of Bond Issue:	Airport Revenue Bonds, Series 2021A (AMT) Airport Revenue Bonds, Series 2021B (Non-AMT)
Date of Bonds:	_____________ __, 2021

NOTICE IS HEREBY GIVEN that the fiscal year of the [City/Department] changed. Previously, the [City/Department]'s fiscal year ended on __________________. It now ends on __________________.

SALT LAKE CITY, UTAH

By: ____
Name: ____
Its:

Dated: _______________________________

EXHIBIT C TO CONTINUING DISCLOSURE AGREEMENT

MUNICIPAL SECONDARY MARKET DISCLOSURE
INFORMATION COVER SHEET

This cover sheet should be sent with all submissions made to the Municipal Securities Rulemaking Board, pursuant to Securities and Exchange Commission Rule 15c2-12 or any analogous state statute.

***

Issuer's and/or Other Obligated Person's name: Salt Lake City, Utah

CUSIP Numbers (attach additional sheet if necessary):
Nine-Digit CUSIP Number(s) to which the information relates:

Information relates to all securities issued by the City having the following six-digit number(s):

***

Number of pages of attached information: ____

Description of Material Events Notice/Financial Information (Check One):

1. ______ Principal and interest payment delinquencies

2. ______ Material non-payment related defaults

3. ______ Unscheduled draws on debt service reserves reflecting financial difficulties

4. ______ Unscheduled draws on credit enhancements reflecting financial difficulties

5. ______ Substitution of credit or liquidity providers or their failure to perform

6. ______ Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the bonds, or other material events affecting the tax status of the bonds

7. ______ Material modifications to rights of securities holders

8. ______ Bond calls, if material, or tender offers

9. ______ Defeasances

10. ______ Material release, substitution, or sale of property securing repayment of the bonds

11. ______ Rating changes

12. ______ Bankruptcy, insolvency, receivership or similar event of the Department or the City

13. ______ The consummation of a merger, consolidation, or acquisition involving the Department or the City or the sale of all or substantially all of the assets of the Department or the City, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material

14. ______ Appointment of a successor or additional trustee or the material change of name of a trustee

15. ______ Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material

16. ______ Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties

17. ______ Failure to provide annual financial information as required

18. ______ Other material event notice (specify)

19. ______ Financial Information: Please check all appropriate boxes:

CAFR (a) __ includes __ does not include Annual Financial Information
(b) __ audited __ unaudited

Annual Financial Information: Audited? Yes __ No __

Fiscal Period Covered: _______________

I hereby represent that I am authorized by the City or its agent to distribute this information publicly:

Signature: ______________________________
Name: ______________________________ Title: ______________________________
Employer: ______________________________
Address: ______________________________
City, State, Zip Code: ______________________________
Voice Telephone Number: (   ) ______________

APPENDIX G
FORM OF OPINION OF BOND COUNSEL

EXHIBIT D

[ATTACH FORM OF BOND PURCHASE AGREEMENT]

BOND PURCHASE AGREEMENT

SALT LAKE CITY, UTAH

$__________ AIRPORT REVENUE BONDS, SERIES 2021A (AMT)

$__________ AIRPORT REVENUE BONDS, SERIES 2021B (NON-AMT)

July ___, 2021

Salt Lake City
451 South State Street
Salt Lake City, Utah 84111

The undersigned Citigroup Global Markets Inc. (the "**Representative**"), acting on behalf of itself and as the representative of Goldman Sachs & Co. LLC [*identify any other Underwriters*] (together, the "**Underwriters**"), offers to enter into this Bond Purchase Agreement (this "**Bond Purchase Agreement**") with Salt Lake City, Utah, a municipal corporation and political subdivision of the State of Utah (the "**Issuer**") which upon acceptance by the Issuer will be binding upon the Issuer and upon the Underwriters. On the basis of the representations and covenants contained herein and subject to the terms and conditions herein set forth, the Underwriters hereby offer to purchase from the Issuer $__________ of the Salt Lake City, Utah Airport Revenue Bonds, Series 2021A (AMT) (the "**Series 2021A Bonds**") and $__________ of the Salt Lake City, Utah Airport Revenue Bonds, Series 2021B (Non-AMT) (the "**Series 2021B Bonds**" and together with the Series 2021A Bonds, the "**Series 2021 Bonds**"), to be issued under and pursuant to a Master Trust Indenture dated as of February 1, 2017 (the "**Master Indenture**"), and a Third Supplemental Trust Indenture dated as of [August 1, 2021] (the "**Third Supplemental Indenture**," and together with the Master Indenture, the "**Indenture**"), each by and between the Issuer and Wilmington Trust, National Association, as trustee (the "**Trustee**"). The issuance and sale of the Series 2021 Bonds has been authorized pursuant to Resolution No. ___ of 2021 adopted by the City Council of the Issuer on [June 1, 2021] (the "**Bond Resolution**"). Capitalized terms used but not defined herein have the meanings assigned to such terms in the hereinafter defined Official Statement.

The Series 2021 Bonds are being issued to (i) provide funds to finance and refinance portions of the Terminal Redevelopment Program and the North Concourse Program (as described in the Official Statement referenced below) and related costs of the Salt Lake City International Airport (the "**Airport**"), including capitalized interest and any necessary reserves and (ii) pay costs of issuance of the Series 2021 Bonds.

Section 1. <u>Representations, Warranties and Agreements of the Issuer</u>. By acceptance hereof, the Issuer hereby represents and warrants to the Underwriters, and agrees with the Underwriters that:

(a) The Issuer is authorized pursuant to the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the "**Act**"), to issue the Series 2021 Bonds for the purposes set forth in the Indenture. The Issuer has full power and authority to consummate all transactions contemplated by this Bond Purchase Agreement, the Indenture, the Series 2021 Bonds, the Airline Use Agreement (the "**AUA**" defined in the Official Statement), and the Continuing Disclosure Agreement executed by the Issuer with respect to the Series 2021 Bonds (the "**Continuing Disclosure Agreement**" and, collectively with the Indenture, the Airline Use Agreement, and this Bond Purchase Agreement, the "**Bond Documents**"), and any and all other agreements relating thereto. By all necessary official action of the Issuer taken prior to or concurrently with the acceptance hereof, the Issuer has duly authorized all necessary action to be taken by it for (i) the execution and delivery of the Third Supplemental Indenture and the issuance and sale of the Series 2021 Bonds, (ii) the approval, execution and delivery of, and the performance by the Issuer of its obligations contained in the Bond Documents and the Series 2021 Bonds, (iii) the approval, distribution and use of the Preliminary Official Statement dated [July ___, 2021] (the "**Preliminary Official Statement**"), and the approval, execution, distribution and use of the Official Statement dated July ___, 2021 (the "**Official Statement**"), for use by the Underwriters in connection with the public offering of the Series 2021 Bonds, and (iv) the consummation by the Issuer of all other transactions described in the Official Statement, the Bond Documents and any and all such other agreements and documents as may be required to be executed, delivered or received by the Issuer in order to carry out, give effect to, and consummate the transactions described herein and in the Official Statement.

(b) This Bond Purchase Agreement has been duly authorized, executed and delivered, and constitutes a legal, valid and binding obligation of the Issuer, enforceable against the Issuer in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium, and other similar laws and principles of equity relating to or affecting the enforcement of creditors' rights.

(c) The Master Indenture constitutes, and the Third Supplemental Indenture and the Continuing Disclosure Agreement, when duly executed and delivered, will constitute legal, valid and binding obligations of the Issuer, enforceable against the Issuer in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium, and other similar laws and principles of equity relating to or affecting the enforcement of creditors' rights.

(d) The Series 2021 Bonds, when issued, delivered and paid for, in accordance with the Indenture and this Bond Purchase Agreement, will have been duly authorized, executed, issued and delivered by the Issuer and will constitute the valid and binding obligations of the Issuer, enforceable against the Issuer in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium, and other similar laws and principles of equity relating to or affecting the enforcement of creditors' rights; upon the issuance, authentication and delivery of the Series 2021 Bonds as aforesaid, the Indenture will provide, for the benefit of the holders, from time to time, of the Series 2021 Bonds, the legally valid and binding pledge of and lien it purports to create as set forth in the Indenture.

(e) The Issuer is not in material breach of or material default under any applicable constitutional provision, law or administrative regulation of the State or the United States relating to the issuance of the Series 2021 Bonds or any applicable judgment or decree or any material loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party with respect to obligations incurred or issued by or on behalf of the Issuer, or to which the Issuer or any of its property or assets is otherwise subject (or to which any of the Issuer's property or assets relating to obligations issued on behalf of the Issuer is otherwise subject), and no event which would have a material and adverse effect upon the financial condition of the Issuer has occurred and is continuing which constitutes or with the passage of time or the giving of notice, or both, would constitute a default or event of default by the Issuer under any of the foregoing.

(f) The execution and delivery of the Series 2021 Bonds and the Bond Documents and the adoption of the Bond Resolution, and compliance with the provisions on the Issuer's part contained therein, will not conflict with or constitute a material breach of or material default under any constitutional provision, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party or to which the Issuer is, or to which any of its property or assets are, otherwise subject; nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Issuer to be pledged to secure the Series 2021 Bonds or under the terms of any such law, regulation or instrument, except as provided by the Series 2021 Bonds and the Indenture.

(g) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter which are required for the due authorization of, which would constitute a condition precedent to, or the absence of which would materially adversely affect the approval of the Bond Documents, the issuance of the Series 2021 Bonds or the due performance by the Issuer of its obligations under the Bond Documents and the Series 2021 Bonds, have been duly obtained.

(h) The Series 2021 Bonds and the Indenture conform to the descriptions thereof contained in the Preliminary Official Statement and the Official Statement under the captions, "THE SERIES 2021 BONDS," "SECURITY FOR THE SERIES 2021 BONDS," and in APPENDIX C to the Preliminary Official Statement and the Official Statement; the proceeds of the sale of the Series 2021 Bonds will be applied generally as described in the Preliminary Official Statement and the Official Statement under the captions, "ESTIMATED SOURCES AND USES OF FUNDS" and "THE NEW SLC."

(i) Except to the extent disclosed in the Preliminary Official Statement and the Official Statement, no action, suit, or proceeding, with merit, has been served on the Issuer or is, to the best knowledge of the Issuer, threatened against the Issuer (i) affecting the existence of the Issuer or the titles of its officers to their respective offices, (ii) affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Series 2021 Bonds, (iii) in any way contesting or affecting the validity or enforceability of the Series 2021 Bonds or the Bond Documents or the design and construction of the New SLC or the procurement of contracts with respect thereto, (iv) contesting the exclusion from gross income of interest on the Series 2021 Bonds for federal income tax purposes, (v) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto, or (vi) contesting the powers of the Issuer or any authority for the issuance of the Series 2021 Bonds, the adoption of the Bond Resolution, or the execution and delivery of the Bond Documents, nor, to the best knowledge of the Issuer, is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Series 2021 Bonds or the Bond Documents.

(j) The Preliminary Official Statement was in a form deemed final by the Issuer for purposes of Rule 15c2-12 (the "**Rule**") of the Securities and Exchange Commission (the "**SEC**"), except for the omission of not more than the following: offering prices, interest rates, selling compensation, aggregate principal amount, delivery dates, and terms depending on such matters (collectively, the "**Omitted Information**"). The Official Statement shall be in a form which the Issuer deems final and complete for purposes of paragraph (b)(1) of the Rule. The Issuer shall provide or cause to be provided to the Underwriters, no later than the seventh business day after the date of this Bond Purchase Agreement, a final Official Statement in "designated electronic format" (as defined in Municipal Securities Rulemaking Board Rule G-32) and in sufficient quantity to permit the Underwriters to comply with the Rule and other applicable rules of the SEC and the Municipal Securities Rulemaking Board (the "**MSRB**"). The Issuer hereby confirms that it does not object to distribution of the Official Statement in electronic format and hereby authorizes and directs the Underwriters to file the Official Statement with the MSRB's Electronic Municipal Market Access (EMMA) system.

(k) The Preliminary Official Statement, as of its date and as of the date of this Bond Purchase Agreement, did not and does not contain any untrue statement of a material fact or omit to state a material fact (except for the Omitted Information) required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, except no representation is made regarding information concerning The Depository Trust Company, its book-entry only system, CUSIP numbers, the Trustee, and the Underwriters.

(l) At the time of the Issuer's acceptance hereof and (unless the Official Statement is amended or supplemented pursuant to paragraph (m) of this Section) at all times subsequent thereto during the period up to and including the Closing Date (defined below), the Official Statement does not and will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, except no representation is made regarding information concerning The

Depository Trust Company, its book-entry only system, CUSIP numbers, the Trustee, and the Underwriters.

(m) If at any time from the date hereof until the Closing Date, and for a period of 25 days following the "end of the underwriting period" (defined below), any event known to the Issuer relating to or affecting the Issuer or the Series 2021 Bonds or any agreement related to the Series 2021 Bonds shall occur which might affect the accuracy or completeness of any statement of a material fact contained in the Official Statement or any document incorporated by reference therein, the Issuer shall promptly notify the Representative in writing of the circumstances and details of such event. The Issuer will cooperate with the Underwriters in the preparation of such amendments and supplements to the Official Statement as may be advisable, in the reasonable judgment of the Representative or the Issuer, to assure that the Official Statement as amended or supplemented will at no time include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made in the Official Statement, in light of the circumstances under which they are made, not misleading. The Issuer shall not supplement or amend the Official Statement or cause the Official Statement to be supplemented or amended without the prior written consent of the Representative, which consent shall not be unreasonably withheld (provided, however, that the providing of any such consent by the Representative shall not limit the Underwriters' right to cancel their obligations hereunder pursuant to Section 4(a)).

(n) If the Official Statement is supplemented or amended pursuant to paragraph (m), at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto until 25 days from the "end of the underwriting period" (defined below), the Official Statement as so supplemented or amended will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which made, not misleading. For purposes of this Bond Purchase Agreement, the "end of the underwriting period" shall mean the Closing Date, unless the Representative otherwise notifies the Issuer in writing by the Closing Date that a later date is designated as the "end of the underwriting period."

(o) The Issuer maintains disclosure controls and procedures to ensure that material information relating to the Issuer generally, and in particular the Airport, is made known to the financial officers of the Issuer that are primarily responsible for the review and/or preparation of the Preliminary Official Statement and Official Statement and other appropriate officers by others within the Issuer's organization.

(p) The Issuer has the legal authority to apply and will apply, or cause to be applied, the proceeds from the sale of the Series 2021 Bonds as provided in and subject to all of the terms and provisions of the Indenture and will not take or omit to take any action which action or omission will adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Series 2021 Bonds.

(q) The Issuer will furnish such information and execute such instruments and take such action in cooperation with the Underwriters, at no expense to the Issuer, as the

Underwriters may reasonably request (A) to (y) qualify the Series 2021 Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions in the United States as the Representative may designate and (z) determine the eligibility of the Series 2021 Bonds for investment under the laws of such states and other jurisdictions and (B) to continue such qualifications in effect so long as required for the distribution of the Series 2021 Bonds (provided, however, that the Issuer will not be required to qualify as a foreign corporation or to file any general or special consents to service of process under the laws of any jurisdiction) and will advise the Representative immediately of receipt by the Issuer of any written notification with respect to the suspension of the qualification of the Series 2021 Bonds for sale in any jurisdiction or the initiation or threat of any proceeding for that purpose.

(r) The financial statements of, and other financial information regarding, the Issuer's Department of Airports and the Airport in the Preliminary Official Statement and in the Official Statement fairly present the financial position and results of the Department of Airports as of the dates and for the periods therein set forth. The financial statements of the Department of Airports have been prepared in accordance with generally accepted accounting principles consistently applied, and except as noted in the Preliminary Official Statement and in the Official Statement, the other historical financial information set forth in the Preliminary Official Statement and in the Official Statement has been presented on a basis consistent with that of the Department of Airport's audited financial statements included in the Preliminary Official Statement and in the Official Statement.

(s) Prior to the Closing, the Issuer will not take any action within or under its control that will cause any adverse change of a material nature in such financial position, results of operations or condition, financial or otherwise, of the Department of Airports or the Airport System.

(t) Other than the Issuer's (1) Airport Revenue Bonds, Series 2017A (AMT) and Series 2017B (Non-AMT) and (2) Airport Revenue Bonds, Series 2018A (AMT), and Series 2018B (Non-AMT) (collectively, the "Outstanding Parity Bonds"), as of the date of the Closing, the Issuer will not have outstanding any indebtedness which indebtedness is secured by a lien on the Net Revenues on a parity with the lien of the Series 2021 Bonds on the Net Revenues. As of the date of the Closing, the Issuer will not have outstanding any indebtedness which indebtedness is secured by a lien on the Net Revenues superior to the lien of the Series 2021 Bonds and the Outstanding Parity Bonds on the Net Revenues.

(u) The Issuer will not, prior to the Closing, offer or issue any bonds, notes or other obligations for borrowed money or incur any material liabilities direct or contingent in each case with respect to the Airport System, except in the ordinary course of business and without prior notice to the Representative.

(v) Any certificate, signed by any official of the Issuer authorized to do so in connection with the transactions described in this Bond Purchase Agreement, shall be deemed a representation and warranty by the Issuer to the Underwriters as to the statements made therein.

(w) The Issuer will enter into the Continuing Disclosure Agreement for the benefit of owners of the Series 2021 Bonds, in substantially the form set forth as APPENDIX F to the Official Statement. Except as described in the Preliminary Official Statement and the Official Statement, the Issuer has not failed during the previous five years to comply with any previous undertakings in a written continuing disclosure contract or agreement under Rule 15c2-12.

(x) The Issuer has complied, and will at the Closing be in compliance, in all respects, with the Act and other laws applicable to the Series 2021 Bonds and the Bond Documents.

(y) The Issuer shall not amend, terminate, or rescind, or agree to any amendment, termination, or rescission, of the Bond Resolution or the Bond Documents without the prior written consent of the Representative prior to the Closing Date.

(z) The Issuer is a municipality and a public body corporate and politic duly organized and existing under the laws of the State of Utah (the "**State**") with full legal right, power and authority to carry out and consummate all transactions contemplated by the Bond Documents. The Issuer has lawful authority to own and operate the Airport System facilities described in the Preliminary Official Statement and the Official Statement and to fix and collect rents, rates, fees and other charges in connection with such facilities. The Issuer has complied with all applicable provisions of law and has taken all actions required to be taken by it in connection with the transactions contemplated by the Bond Documents, except as may be required under the blue sky laws of any jurisdiction.

Section 2. Purchase, Sale and Delivery of the Series 2021 Bonds. On the basis of the representations, warranties and covenants contained herein, and subject to the terms and conditions herein set forth, on the Closing Date, the Underwriters agree to purchase from the Issuer and the Issuer agrees to sell to the Underwriters (a) the Series 2021A Bonds at a purchase price equal to $__________ (being the par amount thereof plus a [net] reoffering premium of $__________ and less an Underwriters' discount of $__________ and (b) the Series 2021B Bonds at a purchase price equal to $__________ (being the par amount thereof plus a [net] reoffering premium of $__________ and less an Underwriters' discount of $__________).

The Series 2021 Bonds shall be issued under and secured, shall mature and bear interest and be subject to redemption, as set forth in the Indenture and the Official Statement. The Series 2021 Bonds shall be dated their date of original issuance and delivery and shall have the principal maturities and bear interest at the rates per annum shown on Exhibit A hereto.

The Underwriters intend to make a bona fide initial public offering of all the Series 2021 Bonds at prices not in excess of the initial offering prices set forth in the Official Statement. The Underwriters reserve the right to lower such initial offering prices as they deem necessary in connection with the marketing of the Series 2021 Bonds. Subject to Section 3 hereof, the Underwriters may offer and sell the Series 2021 Bonds to certain dealers (including dealers depositing the Series 2021 Bonds into investment trusts) and others at prices lower than the initial public offering price or prices set forth in the Official Statement. The Underwriters also reserve the right to: (i) over-allot or effect transactions which stabilize or maintain the market price of the Series 2021 Bonds at levels above those that might otherwise prevail in the open market and (ii) discontinue such stabilizing, if commenced, at any time without prior notice.

The Representative shall send, by electronic form or equally prompt means, a copy of the Official Statement to the MSRB.

Payment for the Series 2021 Bonds shall be made by wire transfer in immediately available federal funds payable to the order of the Issuer, at the time of the closing for the Series 2021 Bonds in Salt Lake City, Utah, at approximately 9:00 a.m., on [August ___, 2021], or such other place, time or date as shall be mutually agreed upon by the Issuer and the Representative. The date of such delivery and payment is herein called the "**Closing Date**," and the hour and date of such delivery and payment is herein called the "**Closing**."

Delivery of the Series 2021 Bonds shall be made through the facilities of The Depository Trust Company's ("**DTC**") book-entry-only system. The Series 2021 Bonds will be delivered as fully-registered bonds, bearing CUSIP numbers, with a single bond for each Series and maturity of the Series 2021 Bonds, and registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Series 2021 Bonds. Unless otherwise agreed by the Representative, the Series 2021 Bonds will be delivered under DTC's FAST delivery system.

Section 3. Establishment of Issue Price.

(a) The Representative, on behalf of the Underwriters, agrees to assist the Issuer in establishing the issue price of the Series 2021 Bonds and shall execute and deliver to the Issuer at Closing an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Representative, the Issuer and Bond Counsel (as defined herein), to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Series 2021 Bonds.

(b) [Except for the Hold-the-Price Maturities described in subsection (c) below and Exhibit A attached hereto], the Issuer will treat the first price at which 10% of each maturity of the Series 2021 Bonds (the "**10% test**") is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). Exhibit A attached hereto sets forth the maturities of the Series 2021 Bonds for which the 10% test has been satisfied as of the date of this Bond Purchase Agreement (the "**10% Test Maturities**") and the prices at which the Underwriters have sold such 10% Test Maturities to the public.

(c) [With respect to the maturities of the Series 2021 Bonds that are not 10% Test Maturities, as described in Exhibit A attached hereto (the "**Hold-the-Price Maturities**"), the Representative confirms that the Underwriters have offered such maturities of the Series 2021 Bonds to the public on or before the date of this Bond Purchase Agreement at the offering price or prices (the "**initial offering price**"), or at the corresponding yield or yields, set forth in Exhibit A attached hereto. The Issuer and the Representative, on behalf of the Underwriters, agree that the (i) the Representative shall retain the unsold bonds of each Hold-the-Price Maturity and shall not allocate any such bonds to any other Underwriter and (ii) the restrictions set forth in the next sentence shall apply to the Hold-the-Price Maturities, which will allow the Issuer to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "**hold-the-offering-price rule**"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Hold-the-Price Maturities, the Representative will neither offer nor sell unsold bonds of such maturity of the Hold-the-Price Maturities to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

(i) the close of the fifth (5th) business day after the sale date; or

(ii) the date on which the Representative has sold at least 10% of that maturity of the Hold-the-Price Maturities to the public at a price that is no higher than the initial offering price to the public.

The Representative shall advise the Issuer promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Hold-the-Price Maturities to the public at a price that is no higher than the initial offering price to the public.]

(d) The Representative confirms that:

(i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the Representative is a party) relating to the initial sale of the Series 2021 Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A) (1) to report the prices at which it sells to the public the unsold Series 2021 Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Series 2021 Bonds of that maturity allocated to it have been sold or it is notified by the Representative that the 10% test has been satisfied as to the Series 2021 Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Representative, and (2) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Representative and as set forth in the related pricing wires;

(B) to promptly notify the Representative of any sales of Series 2021 Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Series 2021 Bonds to the public (each such term being used as defined below); and

(C) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the Representative shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public;

(ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Series 2021 Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Series 2021 Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Series 2021 Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Series 2021 Bonds of that maturity allocated to it have been sold or it is notified by the Representative or such underwriter or dealer that the 10% test has been satisfied as to the Series 2021 Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Representative or such underwriter or dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Representative or the underwriter or the dealer and as set forth in the related pricing wires.

(e) The Issuer acknowledges that, in making the representations set forth in this subsection, the Representative will rely on (i) the agreement of each underwriter to comply with the requirements for establishing issue price of the Series 2021 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2021 Bonds, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Series 2021 Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Series 2021 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2021 Bonds, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Series 2021 Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing the issue price of the Series 2021 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2021 Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The Issuer further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement to adhere to the requirements for establishing issue price of the Series 2021 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2021 Bonds, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing the issue price of the Series 2021 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2021 Bonds.

(f) The Underwriters acknowledge that sales of any Series 2021 Bonds to any person that is a related party to an underwriter participating in the initial sale of the Series 2021 Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(i) "public" means any person other than an underwriter or a related party,

(ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2021 Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2021 Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Series 2021 Bonds to the public),

(iii) a purchaser of any of the Series 2021 Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) "sale date" means the date of execution of this Bond Purchase Agreement by all parties.

Section 4. Conditions to the Underwriters' Obligations. The Underwriters' obligations hereunder shall be subject to the due performance by the Issuer of its obligations and agreements to be performed hereunder at or prior to the Closing and to the accuracy of and compliance with the Issuer's representations and warranties contained herein, as of the date hereof and as of the Closing, and are also subject to the following conditions:

(a) The Series 2021 Bonds, the Bond Resolution and the Indenture shall have been duly authorized, executed and delivered in the form approved by the Representative.

(b) At Closing the Underwriters shall receive:

(1) (A) the unqualified approving opinion of Kutak Rock LLP, as bond counsel to the Issuer ("**Bond Counsel**"), dated the Closing Date, substantially in the form of APPENDIX G to the Official Statement and (B) the supplemental opinion of Bond Counsel dated as of the Closing Date, substantially in the form of Exhibit C hereto;

(2) the opinion of the City Attorney, dated the Closing Date, substantially in the form of Exhibit D hereto;

(3) the opinion of Kaplan Kirsch & Rockwell LLP, as disclosure counsel to the Issuer, dated the Closing Date, substantially in the form of Exhibit E hereto;

(4) the opinion of Gilmore & Bell, P.C., as Underwriters' counsel, dated the Closing Date, substantially in the form of Exhibit F hereto;

(5) the opinion of [Neilson Law LLC], as counsel to the Trustee, dated the Closing Date, to the effect that: (A) the Trustee is a national banking association, validly existing under the laws of the United States of America and is authorized to exercise trust powers; (B) in accordance with the laws of the State of Utah, the Trustee is authorized to exercise trust powers in the State of Utah; (C) the Trustee has all requisite corporate power, authority and legal right to execute and deliver the Indenture, as trustee and to perform its obligations under the Indenture and has taken all necessary corporate action to authorize the execution and delivery of the Indenture, including the authentication and delivery of the Series 2021 Bonds in its capacity as trustee under the Indenture; (D) the Trustee has duly authorized, executed and delivered the Indenture, as trustee and duly authenticated the Series 2021 Bonds in its capacity as trustee under the Indenture; (E) assuming the due authorization, execution and delivery thereof by the City, the Master Indenture and the Third Supplemental Indenture are valid and binding agreements of the Trustee, enforceable in accordance with their terms against the Trustee; and (F) to such counsel's knowledge, no authorization, approval, consent or order of any governmental agency or regulatory authority having jurisdiction over the Trustee that has not been obtained by the Trustee is required for the authorization, execution and delivery by the Trustee, as trustee of the Indenture or the authentication of the Series 2021 Bonds by the Trustee, as trustee.

(6) a certificate, satisfactory to the Representative, of the Mayor of the Issuer and the Executive Director of the Department of Airports, and/or any other duly authorized officers of the Issuer satisfactory to the Representative, dated as of the Closing Date, to the effect that: (i) the Issuer

has duly performed all of its obligations to be performed at or prior to the Closing and that each of the representations, warranties, and agreements of the Issuer herein are true and correct as of the Closing with the same effect as if made on the Closing; (ii) the Issuer has authorized, by all necessary action, the execution, delivery, receipt and due performance of the Bond Documents and any and all such other agreements and documents as may be required to be executed and delivered by the Issuer to carry out, give effect to and consummate the transactions contemplated hereby and by the Official Statement; (iii) to the knowledge of the Issuer no action, suit or proceeding with merit has been served on the Issuer or is threatened: (1) contesting or affecting the validity or authority for the issuance or delivery of the Series 2021 Bonds or seeking to restrain or enjoin the issuance or delivery of the Series 2021 Bonds; (2) contesting or affecting the validity or powers of the Issuer or its right to use the proceeds of the Series 2021 Bonds as contemplated or the design and construction of the New SLC or the procurement of contracts with respect thereto; (3) contesting or affecting the operation of the Airport System or the validity or enforceability of the Indenture, this Bond Purchase Agreement, the Continuing Disclosure Agreement or the Airline Use Agreement; (4) contesting, affecting or seeking to restrain or enjoin the collection of Net Revenues pledged under the Indenture which, if determined adversely to the Issuer, would have a material impact on the Issuer's collection of the income or revenues pledged under the Indenture, or the pledge thereof; (5) contesting the completeness or accuracy of the Official Statement; or (6) contesting the power of the officials of the Issuer or the Department of Airports or their authority with respect to the Indenture, the Series 2021 Bonds, the Official Statement, the Continuing Disclosure Agreement or this Bond Purchase Agreement; (iv) the financial statements and other financial information of the Airport System contained in the Preliminary Official Statement and the Official Statement present fairly the financial position of the Airport System as of the dates indicated and the results of its operations for the periods specified therein, and such financial statements have been prepared in conformity with generally accepted accounting principles for governmental entities applied in all material respects on a consistent basis (except as described in the Preliminary Official Statement and the Official Statement) with respect to such period; (v) since June 30, 2020, there has not been any material adverse change in the properties or financial condition of the Airport System, except as set forth in the Preliminary Official Statement and the Official Statement; (vi) the execution, delivery, receipt and due performance of the Bond Documents and the other agreements contemplated hereby and by the Official Statement under the circumstances contemplated hereby and thereby and the Issuer's compliance with the provisions thereof will not conflict with or constitute on its part a material breach of or a material default under any court decree or order or any material agreement, indenture, lease or other instrument or, to the Issuer's knowledge, any existing law or administrative regulation, decree or order to which the Issuer is subject or by which the Issuer is or may be bound; and (vii) as of their dates, the Preliminary Official Statement and the final Official Statement did not, and as of the Closing Date, the Official Statement does not, contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (other than with respect to information relating to the DTC and the book-entry system, CUSIP numbers, the Trustee and the Underwriters, as to which no representation is made);

(7) Evidence satisfactory to the Representative that the Series 2021 Bonds have received ratings of "___" by S&P Global Ratings ("**S&P**"), "___" by Moody's Investors Service, Inc. ("**Moody's**"), and "___" by Kroll Bond Rating Agency, Inc. ("**Kroll**").

(8) executed or certified copies of the Bond Resolution, the Indenture and the Continuing Disclosure Agreement;

(9) a letter from Eide Bailly LLP, Certified Public Accountants, consenting to the inclusion in the Official Statement of the audited financial statements of the Department of Airports for the fiscal year ended June 30, 2020;

(10) an executed copy of the Official Statement;

(11) evidence that the federal tax information forms 8038 and 8038-G have been prepared for filing;

(12) a tax compliance certificate relating to certain items regarding the federal income tax implications of interest on the Series 2021 Bonds in form satisfactory to Bond Counsel, including accompanying certificate of the Representative and municipal advisor;

(13) a Certificate, dated the Closing Date from the Trustee, to the effect that (A) the Trustee is duly organized and existing as a national banking association organized and existing under the laws of the United States of America, having the full power and authority to enter into, accept the trusts created under, and perform its duties under the Indenture and to authenticate the Series 2021 Bonds; (B) the execution and delivery by the Trustee of the Indenture, and compliance with the terms of the Indenture, will not conflict with, or result in a violation or breach of, or constitute a default under, any loan agreement, indenture, bond, note, resolution or any other agreement or instrument to which the Trustee is a party or by which it is bound, or, to the best knowledge of the Trustee, any law or any rule, regulation, order or decree of any court or governmental agency or body having jurisdiction over the Trustee or any of its activities or properties (except that no representation, warranty or agreement is made by the

Trustee with respect to any federal or state securities or blue sky laws or regulations); (C) there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or, to the best knowledge of the Trustee, threatened against or affecting the existence of the Trustee or in any way contesting or affecting the validity or enforceability of the Series 2021 Bonds or the Indenture, or contesting the powers of the Trustee or its authority to enter into and perform its obligations under any of the foregoing, or wherein an unfavorable decision, ruling or finding would adversely affect the Trustee or the transactions contemplated in connection with the issuance and sale of the Series 2021 Bonds, or which, in any way, would adversely affect the validity of the Series 2021 Bonds, the Indenture or any agreement or instrument to which the Trustee is a party and which is used or contemplated for use in the Indenture, or the consummation of the transactions contemplated in connection with the issuance and sale of the Series 2021 Bonds; (D) the Series 2021 Bonds have been duly authenticated by the Trustee, as trustee of the Series 2021 Bonds; and (E) subject to the provisions of the Indenture, the Trustee will apply the proceeds of the Series 2021 Bonds to the purposes specified in the Third Supplemental Indenture.

(14) a certificate, dated the Closing Date from Landrum & Brown, Incorporated, the Airport Consultant to the Department of Airports, to the effect that (A) consenting to the inclusion and publication of the Report of the Airport Consultant in the Preliminary Official Statement and Official Statement used in connection with the sale of the Series 2021 Bonds and (B) consenting to the references to the Airport Consultant in the Preliminary Official Statement and the Official Statement and stating that nothing has come to the attention of the Airport Consultant in relation to the preparation of the Report of the Airport Consultant which would cause them to believe the Report of the Airport Consultant was, as of its date, or any statements in the Preliminary Official Statement specifically attributed to the Airport Consultant were, as of the date of the Preliminary Official Statement, inaccurate in any material respect;

(15) a copy of the Letter of Representations to DTC executed by the Issuer; and

(16) such additional legal opinions, certificates, proceedings, instruments and other documents, as the Representative, Bond Counsel, the City Attorney, Disclosure Counsel, or Underwriters' Counsel may reasonably request to evidence compliance by the Issuer with legal requirements, the truth and accuracy, as of the Closing Date, of all representations herein contained, the exemption of amounts received (whether characterized as interest or discount) by holders of the Series 2021 Bonds from federal and state income taxation, and the due performance or satisfaction by the Issuer at or prior to such date of all agreements then to

be performed and all conditions then to be satisfied as contemplated under this Bond Purchase Agreement.

Section 5. <u>The Underwriters' Right to Cancel</u>. The Underwriters shall have the right to cancel their obligations hereunder to purchase the Series 2021 Bonds (such cancellation shall not constitute a default hereunder) by notification from the Representative to the Issuer if, after the execution hereof and prior to the Closing, any of the following events shall occur in the reasonable judgment of the Representative:

(a) an event shall occur which makes untrue or incorrect in any material respect, as of the time of such event, any statement or information contained in the Official Statement or which is not reflected in the Official Statement but should be reflected therein in order to make the statements contained therein in the light of the circumstances under which they were made not misleading in any material respect and, in either such event, (a) the Issuer refuses to permit the Official Statement to be supplemented to supply such statement or information in a manner satisfactory to the Representative or (b) the effect of the Official Statement as so supplemented is, in the judgment of the Representative, to materially adversely affect the market price or marketability of the Series 2021 Bonds or the ability of the Underwriters to enforce contracts for the sale, at the contemplated offering prices (or yields), of the Series 2021 Bonds; or

(b) legislation shall be introduced in, enacted by, reported out of committee, or recommended for passage by the State, either House of the Congress, or recommended to the Congress or otherwise endorsed for passage (by press release, other form of notice or otherwise) by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or legislation is proposed for consideration by either such committee by any member thereof or presented as an option for consideration by either such committee by the staff or such committee or by the staff of the Joint Committee on Taxation of the Congress of the United States, or a bill to amend the Code (which, if enacted, would be effective as of a date prior to the Closing) shall be filed in either House, or a decision by a court of competent jurisdiction shall be rendered, or a regulation or filing shall be issued or proposed by or on behalf of the Department of the Treasury or the Internal Revenue Service of the United States, or other agency of the federal government, or a release or official statement shall be issued by the President, the Department of the Treasury or the Internal Revenue Service of the United States, in any such case with respect to or affecting (directly or indirectly) the federal or state taxation of interest received on obligations of the general character of the Series 2021 Bonds which, in the reasonable judgment of the Representative, materially adversely affects the market price or marketability of the Series 2021 Bonds or the ability of the Underwriters to enforce contracts for the sale, at the contemplated offering prices (or yields), of the Series 2021 Bonds; or

(c) a stop order, ruling, regulation, proposed regulation or statement by or on behalf of the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering, sale or distribution of obligations of the general character of the Series 2021 Bonds (including any related underlying obligations) is in violation or would be in violation of any provisions of the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, or the Trust Indenture Act of 1939, as amended; or

(d) legislation introduced in or enacted (or resolution passed) by the Congress or an order, decree, or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary, or proposed), press release or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Series 2021 Bonds, including any or all underlying arrangements, are not exempt from registration under or other requirements of the Securities Act of 1933, as amended (the "**Securities Act**"), or that the Indenture is not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, as amended, or that the issuance, offering, or sale of obligations of the general character of the Series 2021 Bonds, including any or all underlying arrangements, as contemplated hereby or by the Official Statement is or would be in violation of the federal securities law as amended and then in effect;

(e) there shall have occurred (1) any outbreak or escalation of hostilities, declaration by the United States of a national or international emergency or war; or (2) any other calamity or crisis in the financial markets of the United States or elsewhere or escalation thereof; or (3) a downgrade of the sovereign debt rating of the United States by any major credit rating agency or payment default on United States Treasury obligations; which, in the reasonable judgment of the Representative, materially adversely affects the market price or marketability of the Series 2021 Bonds or the ability of the Underwriters to enforce contracts for the sale, at the contemplated offering prices (or yields), of the Series 2021 Bonds; or

(f) there shall have occurred a general suspension of trading, minimum or maximum prices for trading shall have been fixed and be in force or maximum ranges or prices for securities shall have been required on the New York Stock Exchange or other national stock exchange whether by virtue of a determination by that Exchange or by order of the Securities and Exchange Commission or any other governmental agency having jurisdiction or any national securities exchange shall have: (i) imposed additional material restrictions not in force as of the date hereof with respect to trading in securities generally, or to trading in the Series 2021 Bonds or similar obligations; or (ii) materially increased restrictions now in force with respect to the extension of credit by or the charge to the net capital requirements of underwriters or broker-dealers which, in the reasonable judgment of the Representative, materially adversely affects the market price or marketability of the Series 2021 Bonds or the ability of the Underwriters to enforce contracts for the sale, at the contemplated offering prices (or yields), of the Series 2021 Bonds; or

(g) a general banking moratorium shall have been declared by federal or New York or State of Utah state authorities or a major financial crisis or a material disruption in commercial banking or securities settlement or clearances services shall have occurred which, in the reasonable judgment of the Representative, materially adversely affects the market price or the marketability for the Series 2021 Bonds or the ability of the Underwriters to enforce contracts for the sale, at the contemplated offering prices (or yields), of the Series 2021 Bonds; or

(h) a downgrading or suspension of any rating (without regard to credit enhancement), or an official statement as to a possible downgrading (such as being placed on "credit watch" or "negative outlook"), by Moody's, S&P, Fitch, or Kroll of any debt securities issued by the Issuer, including the Series 2021 Bonds.

Section 6. Payment of Expenses. The Issuer shall pay or cause to be paid from the proceeds of the Series 2021 Bonds or other funds available to the Issuer the expenses incident to the performance of its obligations hereunder, including but not limited to (a) the cost of printing and mailing or delivering the Preliminary Official Statement and the Official Statement and all other documents (other than as set forth in the next succeeding paragraph) prepared in connection with the transactions contemplated hereby; (b) the fees and disbursements of the Trustee and the paying agent in connection with the issuance of the Series 2021 Bonds; (c) the fees and disbursements of Bond Counsel, Disclosure Counsel, the City Attorney, the Municipal Advisor, the Airport Consultant, and any other experts or consultants retained by the Issuer in connection with the transactions contemplated hereby; and (d) the costs related to obtaining ratings on the Series 2021 Bonds. The Issuer shall pay for any expenses (included in the expense component of the Underwriters' discount) incurred by the Underwriters on behalf of Issuer employees and representatives in connection with this Bond Purchase Agreement or the Series 2021 Bonds, including, but not limited to, meals, transportation, and lodging of those employees and representatives.

The Underwriters shall pay (a) the cost of preparation and printing of any blue sky and legal investment memoranda to be used by them; (b) all advertising expenses in connection with the public offering of the Series 2021 Bonds; (c) the fees and expenses of any counsel employed by the Underwriters; (d) the fees of Digital Assurance Certification, L.L.C. or any other compliance review entity for a continuing disclosure undertaking compliance review; and (e) all other expenses incurred by them in connection with their public offering and distribution of the Series 2021 Bonds. The Issuer acknowledges that some or all of the expenses to be paid by the Underwriters may be included as part of the expense component of the underwriting discount or may be reimbursed to the Underwriters as out-of-pocket expenses.

Section 7. Conditions of the Issuer's Obligations. The Issuer's obligations hereunder are subject to the Underwriters' performance of their obligations hereunder.

Section 8. No Advisory or Fiduciary Role. The Issuer acknowledges and agrees that (i) the purchase and sale of the Series 2021 Bonds pursuant to this Bond Purchase Agreement is an arm's-length commercial transaction between the Issuer and the Underwriters, (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriters are and have been acting solely as principals and are not acting as the agents or fiduciaries of the Issuer, (iii) the Underwriters have not assumed a financial advisory or other advisory or fiduciary responsibility in favor of the Issuer with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriters have provided other services or are currently providing other services to the Issuer on other matters) and the Underwriters have no obligation to the Issuer with respect to the offering contemplated hereby except the obligations expressly set forth in this Bond Purchase Agreement, and (iv) the Issuer has consulted its own legal, financial and other advisors to the extent it has deemed appropriate.

Section 9. Representations, Warranties and Agreements to Survive Delivery. All of the Issuer's representations, warranties and agreements shall remain operative and in full force and effect, regardless of any investigations made by the Underwriters and shall survive delivery of the Series 2021 Bonds to the Underwriters.

Section 10. Use of Official Statement. The Issuer hereby ratifies and confirms the Underwriters' authority to use the Preliminary Official Statement and authorizes the use of, and will make available, the Official Statement for use by the Underwriters in connection with the sale of the Series 2021 Bonds.

Section 11. Representation Regarding Ethical Standards for Issuer Officers and Employees and Former Issuer Officers and Employees. The Representative represents that the Underwriters have not: (i) provided an illegal gift or payoff to an Issuer officer or employee or former Issuer officer or employee, or his or her relative or business entity; (ii) retained any person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, or brokerage or contingent fee, other than bona fide employees or bona fide commercial selling agencies for the purpose of securing business; (iii) knowingly breached any of the ethical standards set forth in the Issuer's conflict of interest ordinance, Chapter 2.44, Salt Lake City Code; or (iv) knowingly influenced, and hereby promises that the Underwriters will not knowingly influence, an Issuer officer or employee or former Issuer officer or employee to breach any of the ethical standards set forth in the Issuer's conflict of interest ordinance, Chapter 2.44, Salt Lake City Code.

Section 12. Notice. Any notice or other communication to be given to the Issuer under this Bond Purchase Agreement may be given by mailing or delivering the same in writing to Salt Lake City Corporation, 451 South State Street, Salt Lake City, Utah 84111 Attention: Mayor, with a copy to the same address Attention: City Attorney and to Salt Lake City Department of Airports, 3920 West Terminal Drive, Salt Lake City, Utah 84122, Attention: Executive Director; and any notice or other communication to be given to the Representative under this Bond Purchase Agreement may be given by delivering the same in writing to Citigroup Global Markets Inc., 388 Greenwich Street, Trading – 6^{th} Floor, New York, New York, 10013, Attention: Robert DeMichiel.

Section 13. Entire Agreement; Amendments. This Bond Purchase Agreement constitutes the entire agreement between the parties hereto with respect to the matters covered hereby, and supersedes all prior agreements and understandings between the parties. This Bond Purchase Agreement shall only be amended, supplemented or modified in a writing signed by both of the parties hereto.

Section 14. <u>No Third-Party Beneficiary; Non-Assignability</u>. This Bond Purchase Agreement is made solely for the benefit of the signatories hereto and no other person shall acquire or have any right hereunder or by virtue hereof. This Bond Purchase Agreement may not be assigned by the Issuer or the Underwriters.

Section 15. <u>Execution of Counterparts</u>. This Bond Purchase Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

Each party hereto acknowledges and agrees that it may execute this Bond Purchase Agreement, and any variation or amendment hereto, using Electronic Signatures (as defined below). Such Electronic Signatures are intended to authenticate this writing and to have the same force and effect as handwritten signatures.

"**Electronic Signature**" means any electronic sound, symbol, or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or email electronic signatures, pursuant to the applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the Utah Uniform Electronic Transaction Act, or any other similar state laws based on the Uniform Electronic Transactions Act, as amended from time to time.

Section 16. <u>Governing Law</u>. The right and obligations of the parties to this Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Utah.

[Remainder of page intentionally left blank; signature page follows]

Very truly yours,

CITIGROUP GLOBAL MARKETS INC., acting on behalf of itself and as the representative of GOLDMAN SACHS & CO. LLC [and _______________] as Underwriters

By: ___________________________________
Managing Director

Accepted as of the date first above written:

Time of acceptance:____________________

SALT LAKE CITY, UTAH, a municipal corporation and political subdivision of the State of Utah

By:_________________________________
Deputy Mayor

APPROVED AS TO FORM:

By:_________________________________
Senior City Attorney

SALT LAKE CITY DEPARTMENT OF AIRPORTS

By:_________________________________
Director of Finance

ATTEST:

(SEAL)

By:_________________________________
City Recorder

EXHIBIT A

MATURITY SCHEDULE AND REDEMPTION PROVISIONS
FOR THE SERIES 2021 BONDS

SALT LAKE CITY, UTAH
$__________ AIRPORT REVENUE BONDS, SERIES 2021A (AMT)

Due (July 1)	Principal Amount	Interest Rate	Yield	Price

____

* Term Bonds, subject to mandatory sinking fund redemption.
[** 10% Test Maturities]
[*** Hold-the-Price Maturities]
c Yield to the par call on July 1, 20[__]

Redemption Provisions:

Optional Redemption: The Series 2021A Bonds maturing on or before July 1, 20___, are not subject to optional redemption prior to maturity. The Series 2021A Bonds maturing on or after July 1, 20___ are redeemable at the option of the Issuer on or after July 1, 20___, in whole or in part at any time, from any moneys that may be provided for such purpose, at a redemption price equal to 100% of the principal amount of the Series 2021A Bonds to be redeemed plus accrued interest to the date fixed for redemption, without premium.

Mandatory Sinking Fund Redemption:

The Series 2021A Bonds maturing on July 1, 20___ are subject to mandatory sinking fund redemption in part, by lot, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the date fixed for redemption, without premium, on July 1 of the following years and in the following principal amounts:

July 1 of the Year	Principal Amount

---

*Final Maturity Date

SALT LAKE CITY, UTAH
$__________ AIRPORT REVENUE BONDS, SERIES 2021B (NON-AMT)

Due (July 1)	Principal Amount	Interest Rate	Yield	Price

* Term Bonds, subject to mandatory sinking fund redemption.
[** 10% Test Maturities]
[*** Hold-the-Price Maturities]
c Yield to the par call on July 1, 20[__]

Redemption Provisions:

Optional Redemption: The Series 2021B Bonds maturing on or before July 1, 20___, are not subject to optional redemption prior to maturity. The Series 2021B Bonds maturing on or after July 1, 20___, are redeemable at the option of the Issuer on or after July 1, 20___, in whole or in part at any time, from any moneys that may be provided for such purpose and at a redemption price equal to 100% of the principal amount of such Series 2021B Bonds to be redeemed plus accrued interest to the date fixed for redemption, without premium.]

Mandatory Sinking Fund Redemption:

The Series 2021B Bonds maturing on July 1, 20___ are subject to mandatory sinking fund redemption in part, by lot, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the date fixed for redemption, without premium, on July 1 of the following years and in the following principal amounts:

July 1 of the Year	Principal Amount

*Final Maturity Date

EXHIBIT B

ISSUE PRICE CERTIFICATE

$__________ Salt Lake City, Utah Airport Revenue Bonds Series 2021A (AMT)	$__________ Salt Lake City, Utah Airport Revenue Bonds Series 2021B (Non-AMT)

The undersigned on behalf of Citigroup Global Markets Inc. (the "Representative"), on its own behalf and on behalf of, Goldman Sachs & Co LLC [and _______________] (collectively, the "***Underwriting Group***"), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "***Series 2021 Bonds***").

1. ***Sale of the 10% Test Maturities***. As of the date of this certificate, for each Maturity of the Series 2021 Bonds listed as a "10% Test Maturity" in Schedule A attached hereto, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A attached hereto.

[2. ***Initial Offering Price of the Hold-the-Price Maturities***.

(a) The Underwriting Group offered the "Hold-the-Price Maturities" (as listed in Schedule A attached hereto) to the Public for purchase at the respective initial offering prices listed in Schedule A attached hereto (the "***Initial Offering Prices***") on or before the Sale Date.

(b) With respect to the Hold-the-Price Maturities, as agreed to in writing by the Representative in the Bond Purchase Agreement, dated July ___, 2021, between the Representative, on behalf of itself and the other members of the Underwriting Group, and the Issuer, the Representative has (i) retained the unsold Series 2021 Bonds of each Hold-the-Price Maturity and not allocated any such bonds to any other member of the Underwriting Group, and (ii) not offered or sold unsold Series 2021 Bonds of any of the Hold-the-Price Maturities to any person at a price that is higher than or a yield lower than the respective Initial Offering Prices for such Maturities of the Series 2021 Bonds during the Holding Period.]

3. ***Pricing Wire or Equivalent Communication***. A copy of the pricing wire or equivalent communication for the Series 2021 Bonds is attached to this certificate as Schedule B.

4. ***Establishment of Common Reserve Fund***. The establishment of the Common Reserve Fund (as defined in the hereinafter defined Tax Compliance Certificate), at the level of funding described in Section ___ of the Tax Compliance Certificate, in the best judgment of the undersigned, was reasonably required to market the Series 2021 Bonds at the prices and yields listed in Schedule A attached hereto and is reasonable and customary in marketing obligations of the same general type as the Series 2021 Bonds.

5. ***Defined Terms***.

(a) *10% Test Maturities* means those Maturities of the Series 2021 Bonds listed in Schedule A hereto as the "10% Test Maturities."

(b) *Hold-the-Price Maturities* means those Maturities of the Series 2021 Bonds listed in Schedule A hereto as the "Hold-the-Price Maturities."

(c) *Holding Period* means, with respect to a Hold-the-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which at least 10% of such Hold-the-Price Maturity was sold to the Public at prices that are no higher than or yields that are no lower than the Initial Offering Price for such Hold-the-Price Maturity.

(d) *Issuer* means Salt Lake City, Utah.

(e) *Maturity* means Series 2021 Bonds with the same credit and payment terms. Series 2021 Bonds with different maturity dates, or Series 2021 Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter.

(g) *Related Party*. A purchaser of any Series 2021 Bonds is a "Related Party" to an Underwriter if the Underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(h) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Series 2021 Bonds. The Sale Date of the Series 2021 Bonds is July ___, 2021.

(i) *Tax Compliance Certificate* means the Tax Compliance Certificate, dated August ___, 2021, executed and delivered by the Issuer in connection with the issuance of the Series 2021 Bonds.

(j) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2021 Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Series 2021 Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Series 2021 Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Representative's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Series 2021 Bonds, and by Kutak Rock LLP, as Bond Counsel to the Issuer, in connection with rendering its opinion that the interest on the Series 2021 Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038 and Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Series 2021 Bonds. The certifications contained herein are not necessarily based on personal knowledge, but may instead be based on either inquiry deemed adequate by the undersigned or institutional knowledge (or both) regarding the matters set forth herein.

CITIGROUP GLOBAL MARKETS INC., as
Representative of the Underwriting Group

By ___________________________________
Authorized Representative

Dated: [August ___, 2021].

SCHEDULE A

SALE PRICES

SALT LAKE CITY, UTAH
$__________ AIRPORT REVENUE BONDS, SERIES 2021A (AMT)

Due (July 1)	Principal Amount	Interest Rate	Yield	Price

---

*	Term Bonds, subject to mandatory sinking fund redemption.
[**	10% Test Maturities]
[***	Hold-the-Price Maturities]
c	Yield to the par call on July 1, 20[__]

SALT LAKE CITY, UTAH
$__________ AIRPORT REVENUE BONDS, SERIES 2021B (NON-AMT)

Due (July 1)	Principal Amount	Interest Rate	Yield	Price

____

*	Term Bonds, subject to mandatory sinking fund redemption.
[**	10% Test Maturities]
[***	Hold-the-Price Maturities]
c	Yield to the par call on July 1, 20[__]

SCHEDULE B
PRICING WIRE OR EQUIVALENT COMMUNICATION
(*To be attached*)

EXHIBIT C

(FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL)

[August ___, 2021]

Salt Lake City
Salt Lake City, Utah

Citigroup Global Markets Inc.
As Representative of the Underwriters
New York, New York

$__________ Salt Lake City, Utah Airport Revenue Bonds Series 2021A (AMT)	$__________ Salt Lake City, Utah Airport Revenue Bonds Series 2021B (Non-AMT)

Ladies and Gentlemen:

We have acted as Bond Counsel to Salt Lake City, Utah (the "City") in connection with the issuance by the City of its $__________ Salt Lake City, Utah Airport Revenue Bonds, Series 2021A (AMT) (the "Series 2021A Bonds"), and $__________ Salt Lake City, Utah Airport Revenue Bonds, Series 2021B (Non-AMT) (the "Series 2021B Bonds," and together with the Series 2021A Bonds, the "Series 2021 Bonds"). We are delivering this opinion letter pursuant to Section 3(b)(1)(B) of the Bond Purchase Agreement, dated July ___, 2021 (the "Bond Purchase Agreement"), between Citigroup Global Markets Inc., as representative of the underwriters of the Series 2021 Bonds, and the City. Capitalized terms used herein and not otherwise defined shall have the meanings as set forth in the Bond Purchase Agreement.

In connection with the issuance of the Series 2021 Bonds and the opinions set forth below, we have examined the Master Trust Indenture, dated as of February 1, 2017 (the "Master Indenture"), by and between the City and Wilmington Trust, National Association, as trustee (the "Trustee"); the Third Supplemental Trust Indenture, dated as of [August 1, 2021] (the "Third Supplemental Indenture," and together with the Master Indenture, the "Indenture"), by and between the City and the Trustee; the Bond Purchase Agreement; the Continuing Disclosure Agreement, dated [August ___, 2021] (the "Continuing Disclosure Agreement"), by the City; the Tax Compliance Certificate, dated [August ___, 2021], with respect to the Series 2021 Bonds (the "Tax Compliance Certificate"), by the City; Resolution No. ___ of 2021, adopted by the City Council of the City on [June 1, 2021] (the "Bond Resolution"); the Official Statement, dated July ___, 2021, relating to the Series 2021 Bonds (the "Official Statement"); and such other documents, instruments and materials as we deemed necessary to render this opinion.

The opinions and conclusions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions or conclusions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after the date hereof.

We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by, and validity against, any parties other than the City. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents referred to in the second paragraph hereof. We have further assumed compliance with all covenants and agreements contained in such documents.

In addition, we call attention to the fact that the rights and obligations under the Series 2021 Bonds, the Bond Resolution, the Master Indenture, the Third Supplemental Indenture, the Bond Purchase Agreement, the Continuing Disclosure Agreement and the Tax Compliance Certificate and their enforceability may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, and to the exercise of judicial discretion in appropriate cases. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum or waiver provisions contained in the foregoing documents. Except as expressly set forth in numbered paragraph 3 below, we have not undertaken any responsibility for the accuracy, completeness or fairness of the Official Statement or any other offering material relating to the Series 2021 Bonds and express no opinion relating thereto.

From such examination we are of the opinion that:

(1) The Bond Purchase Agreement and the Continuing Disclosure Agreement have been duly authorized, executed and delivered by the City and, assuming the due authorization, execution and delivery by the other parties thereto, as applicable, constitute binding and enforceable obligations of the City.

(2) The Series 2021 Bonds are exempt from registration under Section 3(a)(2) of the Securities Act of 1933, as amended, and the Master Indenture and the Third Supplemental Indenture are exempt from qualification under the Trust Indenture Act of 1939, as amended.

(3) The information in the Official Statement under the headings "THE SERIES 2021 BONDS—General Provisions," "THE SERIES 2021 BONDS—Redemption of the Series 2021 Bonds," "SECURITY FOR THE SERIES 2021 BONDS," and "TAX MATTERS," and under "APPENDIX G—FORM OF OPINION OF BOND COUNSEL," excluding any material that may be treated as included under such captions by cross-reference, insofar as such statements expressly summarize certain provisions of the Master Indenture and the Third Supplemental Indenture and our opinions concerning certain federal tax matters and

certain State of Utah tax matters relating to the Series 2021 Bonds, are accurate in all material respects.

This opinion letter is furnished by us as Bond Counsel to the City. No attorney-client relationship has existed or exists between our firm and Citigroup Global Markets Inc. or any of the underwriters of the Series 2021 Bonds in connection with the Series 2021 Bonds or by virtue of this opinion letter. This opinion letter is issued to and for the sole benefit of the addressees hereof and is issued for the sole purpose of the transaction specifically referred to herein. No person other than the addressees hereof may rely upon this opinion letter without our express prior written consent. This opinion letter may not be utilized by the addressees hereof for any other purpose whatsoever and may not be quoted by such addressees without our express prior written consent. Our engagement with respect to the Series 2021 Bonds has concluded with their issuance. We assume no obligation to review or supplement this opinion letter subsequent to its date, whether by reason of a change in the current laws, by legislative or regulatory action, by judicial decision or for any other reason.

Very truly yours,

EXHIBIT D

(FORM OF CITY ATTORNEY OPINION)

[August ___, 2021]

Salt Lake City
Salt Lake City, Utah

Citigroup Global Markets Inc.
as Representative of the Underwriters
New York, New York

Re: $__________ Salt Lake City, Utah, Airport Revenue Bonds, Series 2021A and $__________ Salt Lake City, Utah, Airport Revenue Bonds, Series 2021B

Ladies and Gentlemen:

I am the City Attorney of Salt Lake City, Utah (the "City") in connection with the issuance, sale and delivery of the City's Airport Revenue Bonds, Series 2021A (the "Series 2021A Bonds") in the aggregate principal amount of $__________ and its Airport Revenue Bonds, Series 2021B (the "Series 2021B Bonds," and together with the Series 2021A Bonds, the "Series 2021 Bonds") in the aggregate principal amount of $__________. For purposes of this opinion, capitalized terms used herein and not defined have the meanings assigned to them in the Bond Purchase Agreement relating to the Series 2021 Bonds dated July ___, 2021 (the "Bond Purchase Agreement") between the Underwriters identified therein and the City and in the Official Statement dated July ___, 2021, relating to the Series 2021 Bonds.

I, or others in this office under my supervision, have examined (i) the documents referred to in the Bond Purchase Agreement, (ii) the Airline Use Agreement (as defined in the Official Statement), and (iii) such other documents and records of the City and any other papers as I or they have deemed relevant and necessary as the basis for the opinions hereinafter set forth. In this connection, I or they have examined fully executed counterparts of such documents, original or photostatic or certified copies of records of the City, certificates or letters of officers of the City and certificates of certain public officials. In such examination, I or they have assumed the genuineness and authenticity of all documents submitted to me or us as originals and the conformity to original documents of documents submitted to me or us as certified or photostatic copies. I or they have relied upon such certificates of public officials and such certificates of officers of the City with respect to the accuracy of factual matters contained therein as I or they have deemed relevant and necessary as a basis for the opinions hereinafter set forth and I know of no reason why I or they should not rely thereon. All references herein to agreements, instruments, documents, laws, statutes, regulations, orders, writs, decrees and injunctions are as of the date hereof.

Based upon the foregoing, I am of the opinion that:

1. The City has been duly and validly created as a municipality and public body corporate and politic existing under the laws of the State of Utah, with full power and authority (a) to enter into, execute and perform its obligations under the Indenture, the Airline Use Agreement, the Continuing Disclosure Agreement and the Bond Purchase Agreement; and (b) to adopt and perform its obligations under the Bond Resolution and to authorize and issue, sell and deliver the Series 2021 Bonds under the Bond Resolution and the Indenture.

2. The officials of the City and the Airport Board named in the Official Statement have been duly elected or appointed and, to the best of my knowledge, are, as of the date hereof, qualified to serve in their respective positions.

3. The Bond Resolution has been duly adopted and the Indenture, the Series 2021 Bonds, the Bond Purchase Agreement, the Airline Use Agreement, and the Continuing Disclosure Agreement have been duly authorized, executed and delivered by the City and assuming due authorization, execution and delivery by the other parties, if any, thereto, all such instruments constitute valid and binding limited obligations of the City enforceable in accordance with their respective terms, except that the enforceability thereof may be limited by bankruptcy, insolvency, moratorium, or other laws affecting creditors' rights generally or usual equity principles in the event equitable remedies are sought.

4. The Indenture creates a valid first lien and charge against the Net Revenues, moneys, securities and funds pledged therein for the benefit of the payment of the Series 2021 Bonds.

5. Other than the Series 2017 Bonds and the Series 2018 Bonds, there are no other bonds or other obligations which are secured by a lien on the Net Revenues, moneys, securities and funds pledged pursuant to the Indenture superior to or on a parity with the lien of the Series 2021 Bonds on such Net Revenues, moneys, securities and funds.

6. To the best of my knowledge, the adoption or execution and delivery, as applicable, of the Bond Resolution, the Indenture, the Series 2021 Bonds, the Continuing Disclosure Agreement, the Airline Use Agreement and the Bond Purchase Agreement by the City and compliance with the provisions thereof will not conflict with or constitute a material breach or material default under any applicable law, administrative regulation, court order or consent decree of the State of Utah or, to my knowledge after due inquiry, of the United States of America or of any department, division, agency or instrumentality of either or any ordinance, agreement, note, resolution, indenture or other instrument to which the City is a party or by which it or its property is bound.

7. Pursuant to the Governmental Immunity Act of Utah, Chapter 63G, Title 7, Utah Code Annotated 1953, as amended, the City does not enjoy any defense on the grounds of immunity (sovereign or otherwise) with respect to its obligations under the Indenture.

8. To the best of my knowledge, after due inquiry, there is no amendment or proposed amendment certified for placement on a statewide ballot to the Constitution of the State of Utah that would materially adversely affect the Series 2021 Bonds or any

holder thereof in its capacity as such or the ability of the City to perform its obligations under the Indenture.

9. To the best of my knowledge, all approvals, consents and orders, if any, of any governmental entity, authority, board, agency or commission having jurisdiction which would constitute conditions precedent to the performance by the City of its obligations under the Bond Resolution, the Indenture, the Series 2021 Bonds, the Continuing Disclosure Agreement, the Airline Use Agreement or the Bond Purchase Agreement have been obtained.

10. To the best of my knowledge, the use of the Airport System materially complies with all applicable federal, state and local laws or ordinances (including rules and regulations) relating to zoning, building, the environment and safety.

11. To my knowledge after due inquiry, except as disclosed in the Official Statement, no action, suit, or proceeding with merit, has been served on the City or is, to my knowledge after due inquiry, threatened: (i) in any way affecting the existence of the City or contesting or affecting the validity or authority for the issuance of the Series 2021 Bonds or seeking to restrain or enjoin the issuance or delivery of the Series 2021 Bonds; (ii) contesting or affecting the operation or improvement of the Airport System or the validity of the Bond Resolution, the Indenture, the Series 2021 Bonds, the Bond Purchase Agreement, the Continuing Disclosure Agreement or the Airline Use Agreement; (iii) contesting or affecting or seeking to restrain or enjoin the collection of revenues or other moneys pledged or to be pledged to pay the principal of and interest on the Series 2021 Bonds or otherwise under the Indenture or the pledge thereof; (iv) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement; or (v) contesting the title or the power of the officials of the City or the authority of the City with respect to the Bond Resolution, the Indenture, the Series 2021 Bonds, Preliminary Official Statement, the Official Statement, the Continuing Disclosure Agreement, the Airline Use Agreement, or the Bond Purchase Agreement.

12. While not passing upon, and not assuming responsibility for, the accuracy, completeness or fairness of the statements contained in the Preliminary Official Statement and the Official Statement, no facts have come to my attention which lead me to believe that the Preliminary Official Statement or the Official Statement (apart from the financial, statistical data and forecasts contained therein, and information concerning The Depository Trust Company, its book-entry only system, the Trustee, and the Underwriters, as to which no opinion or belief is expressed) contained at their respective dates or contain on the date hereof any untrue statement of a material fact or omitted to state at its date or omits at the date hereof to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

This opinion is furnished solely for the benefit of its addressees and may not be relied upon by any other person.

Very truly yours,

EXHIBIT E

(FORM OF DISCLOSURE COUNSEL OPINION)

[August ___, 2021]

Citigroup Global Markets Inc.
as Representative of the Underwriters
New York, New York

Re: $__________ Salt Lake City, Utah Airport Revenue Bonds, Series 2021A (AMT) and $__________ Salt Lake City, Utah Airport Revenue Bonds, Series 2021B (Non-AMT)

Ladies and Gentlemen:

We have served as Disclosure Counsel to Salt Lake City, Utah (the "City") in connection with the issuance of the above-referenced bonds (the "Bonds"), which are today being delivered to Citigroup Global Markets Inc. (the "Representative"), acting on behalf of and as the representative of itself and Goldman Sachs & Co. LLC [and _______________] (together with the Representative, the "Underwriters"). All capitalized undefined terms used herein shall have the meaning set forth in Bond Purchase Agreement dated July ___, 2021, between the City and the Representative.

We have participated in the preparation and review of the Continuing Disclosure Agreement, the Preliminary Official Statement and the Official Statement relating to the Bonds. We have reviewed such proceedings, records, certificates, documents and questions of law as we have considered necessary to enable us to render this opinion.

To the extent that the opinions expressed herein relate to or are dependent upon the determination that the proceedings and actions relating to the authorization, issuance and sale of the Bonds are lawful and valid under the laws of the State of Utah, and that the Bonds and the interest thereon is excluded from the gross income of the owners of the Bonds for federal income tax purposes, we understand that you are relying upon the opinions delivered to you on the date hereof of Kutak Rock LLP, Bond Counsel, and the City Attorney, and, with your permission, we have assumed the accuracy of such opinions and we have made no independent determination thereof.

We have assumed, but not independently verified, the genuineness of the signatures on all documents and certificates that we have examined, the authenticity of documents submitted as originals, the conformity to originals of documents submitted as copies and the legal capacity of all individuals or entities executing documents or certificates relied on by us.

Because the primary purpose of our professional engagement was not to establish factual matters and because of the wholly or partially nonlegal character of many of the determinations involved in the preparation of the Preliminary Official Statement and the Official Statement, we are not passing upon, and assume no responsibility for, the accuracy, completeness or fairness of the statements contained in the Preliminary Official Statement and the Official Statement. However, we can advise, in our capacity as Disclosure Counsel for the City and on the basis of the information and documents we have reviewed, in the course of our performance of the services referred to above and without having undertaken to verify independently the accuracy, completeness or fairness thereof or of the contents of the Preliminary Official Statement and the Official Statement, nothing has come to our attention which leads us to believe that Preliminary Official Statement (other than with respect to the omission of certain information permitted to be excluded from the Preliminary Official Statement pursuant to Rule 15c2-12 prescribed under the Securities Exchange Act of 1934, as amended and excluding those portions noted in the following paragraph) as of its date or the Official Statement (excluding those portions noted in the following paragraph) as of its date or as of this date, contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

Reference in this opinion to the Preliminary Official Statement and the Official Statement does not include (a) information relating to The Depository Trust Company and its book-entry system, (b) any financial, technical, demographic or statistical data included in the Preliminary Official Statement and the Official Statement, (c) any information in the Preliminary Official Statement and the Official Statement relating to the exclusion from gross income for federal income tax purposes and other tax treatment of the interest on the Bonds and (d) Appendices A, B, E and G, as to all of which we express no opinion.

By accepting this letter, the Underwriters acknowledge and agree that delivery of this letter to the Underwriters does not create an attorney-client relationship with our firm. This opinion is furnished to you solely for your benefit, and is rendered solely in connection with the transaction to which this opinion relates. This opinion may only be relied upon by you in connection with this transaction and may not be relied upon by anyone else without our prior written consent. This opinion is rendered as of the date hereof and we expressly disclaim any obligation to update any matter in this opinion or to advise you of any matters which may be brought to our attention subsequent to the date hereof.

Respectfully submitted,

EXHIBIT F

(FORM OF UNDERWRITERS' COUNSEL OPINION)

[August ___, 2021]

Citigroup Global Markets Inc.
Goldman Sachs & Co. LLC
[and ________________]
(collectively, the "Underwriters")

Re: $__________ Salt Lake City, Utah Airport Revenue Bonds, Series 2021A (AMT) and $__________ Salt Lake City, Utah Airport Revenue Bonds, Series 2021B (Non-AMT)

We have acted as counsel to you, the Underwriters, in connection with your purchase from Salt Lake City, Utah (the "City"), pursuant to that Bond Purchase Agreement dated July ___, 2021 (the "Purchase Agreement") between you and the City, of $__________ Salt Lake City, Utah Airport Revenue Bonds, Series 2021A (AMT) (the "Series 2021A Bonds") and $__________ Salt Lake City, Utah Airport Revenue Bonds, Series 2021B (Non-AMT) (the "Series 2021B Bonds" and together with the Series 2021A Bonds, the "Bonds"), issued under a Master Trust Indenture dated as of February 1, 2017, as heretofore supplemented (collectively, the "Master Indenture"), and a Third Supplemental Trust Indenture dated as of [August 1, 2021] (the "Third Supplemental Indenture," and together with the Master Indenture, the "Indenture"), each by and between the City and Wilmington Trust, National Association, as trustee. Capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the hereinafter defined Official Statement.

In that connection, we have examined originals, or copies certified or otherwise identified to our satisfaction, of the Purchase Agreement, the Indenture, the Preliminary Official Statement dated [July ___, 2021] (the "Preliminary Official Statement") and the Official Statement dated July ___, 2021 (the "Official Statement") relating to the Bonds, the Continuing Disclosure Agreement of the City relating to the Bonds dated [August ___, 2021] (the "Continuing Disclosure Agreement"), and the other documents, certificates and opinions delivered pursuant to Section 3(b) of the Purchase Agreement.

In arriving at the conclusions hereinafter expressed, we are not expressing any opinion or view on, but are assuming and relying on, the validity, accuracy and sufficiency of the documents and opinions referred to above (including the accuracy of all factual matters represented and legal conclusions contained therein) and the due authorization, issuance, delivery, validity and enforceability of the Bonds, the exclusion of interest on the Bonds from gross income for federal income tax purposes and the exemption of interest on the Bonds from State of Utah individual income tax. We have assumed that all documents, certificates and opinions that we have reviewed are genuine.

Based upon and subject to the foregoing, and in reliance thereon, we are of the opinion that,

1. The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended.

2. The provisions of the Continuing Disclosure Agreement comply with the requirements of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended.

While we have not verified and are not passing upon, and do not assume responsibility for, the accuracy, completeness or fairness of the statements contained in the Preliminary Official Statement and the Official Statement, we have participated in conferences with representatives of and counsel for the City, the Salt Lake City Department of Airports, Bond Counsel, Disclosure Counsel, the Municipal Advisor, the Airport Consultant and your representatives at which the contents of the Preliminary Official Statement and the Official Statement were discussed and revised. Based on our participation in the above-mentioned conferences, and in reliance thereon, and on the documents and other items herein mentioned and without independent verification, we advise you that, during the course of our representation of you in connection with the issuance of the Bonds, no facts came to the attention of the attorneys in our firm rendering legal services in connection with such representation which caused them to believe that the Preliminary Official Statement as of its date or the Official Statement contained as of its date or as of the date hereof contains any untrue statement of a material fact or omitted or omits (other than with respect to the omission of certain information permitted to be excluded from the Preliminary Official Statement pursuant to Rule 15c2-12 prescribed under the Securities Exchange Act of 1934, as amended) to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading in any material respect (except that no opinion or belief is expressed as to (i) the expressions of opinion, the assumptions, the projections, the financial statements, or other financial, numerical, economic, demographic or statistical data contained in the Official Statement; (ii) the information with respect to DTC and DTC's book-entry system, and (iii) the information contained in Appendix A, Appendix B, Appendix C, Appendix D, Appendix E, or Appendix G to the Preliminary Official Statement and the Official Statement).

We are furnishing this letter to you solely for your benefit. We disclaim any obligation to update this letter. This letter is delivered to you as the Underwriters of the Bonds, is solely for the benefit of the Underwriters and is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person. This letter is not intended to be relied upon by holders of the Bonds or any other persons other than the Underwriters.

Respectfully submitted,

EXHIBIT E

[ATTACH FORM OF CONTINUING DISCLOSURE AGREEMENT]

CONTINUING DISCLOSURE AGREEMENT
For the Purpose of Providing
Continuing Disclosure Information
Under Section (b)(5) of Rule 15c2-12

This Continuing Disclosure Agreement (this "Agreement") is executed and delivered by Salt Lake City, Utah (the "City") in connection with the issuance of its $____________ Airport Revenue Bonds, Series 2021A (Non-AMT) (the "Series 2021A Bonds"), and its $_____________ Airport Revenue Bonds, Series 2021B (AMT) (the "Series 2021B Bonds" and, collectively with the Series 2021A Bonds, the "Bonds").

In consideration of the issuance of the Bonds by the City and the purchase of such Bonds by the beneficial owners thereof, the City covenants and agrees as follows:

SECTION 1. PURPOSE OF THIS AGREEMENT. This Agreement is being executed and delivered by the City for the benefit of the Bondholders and the Beneficial Owners (hereinafter defined) and in order to assist the Participating Underwriters (hereinafter defined) in complying with subsection (b)(5) of the Rule (hereinafter defined).

SECTION 2. DEFINITIONS In addition to the definitions set forth in the Master Indenture (hereinafter defined), which apply to any capitalized term used in this Agreement unless otherwise defined herein, the following capitalized terms shall have the following meanings.

"Annual Report" shall mean any financial statements of the Department provided by the City pursuant to, and as described in, Sections 3 and 4 of this Agreement.

"Beneficial Owner" shall mean any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including any person holding Bonds through nominees, depositories or other intermediaries).

"Department" shall mean the City's Department of Airports.

"EMMA" shall mean the MSRB's Electronic Municipal Market Access System, or such other system, Internet Web site, or repository hereafter prescribed by the MSRB for the submission of electronic filings pursuant to the Rule.

"GAAP" shall mean generally accepted accounting principles, as such principles are prescribed, in part, by the Financial Accounting Standards Board and modified by the Governmental Accounting Standards Board and in effect from time to time.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Agreement.

"MSRB" shall mean the Municipal Securities Rulemaking Board.

"Master Indenture" means the Master Indenture as such term is defined in the Official Statement.

"1934 Act" shall mean the Securities Exchange Act of 1934, as amended.

"Obligated Person" shall mean the City (acting through the Department) and each airline or other entity using the Airport under a lease or use agreement extending for more than one year from the date in question and including bond debt service as part of the calculation of rates and charges, under which lease or use agreement such airline or other entity has paid amounts equal to at least twenty percent (20%) of the Revenues of the Department for each of the prior two (2) fiscal years of the Department.

"Official Statement" shall mean the final Official Statement for the Bonds dated October 17, 2018.

"Participating Underwriters" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with the primary offering of the Bonds.

"Rule" shall mean Rule 15c2-12 promulgated by the SEC pursuant to the 1934 Act, as the same may be amended from time to time, together with all interpretive guidance or other official interpretations or explanations thereof that are promulgated by the SEC.

"SEC" shall mean the Securities and Exchange Commission.

"SEC Reports" means reports and other information required to be filed pursuant to Sections 13(a), 14 or 15(d) of the 1934 Act.

"Securities Counsel" shall mean legal counsel expert in federal securities law, and may include, but is not limited to Bond Counsel or Disclosure Counsel with respect to the Bonds.

"State" shall mean the State of Utah.

SECTION 3. PROVISION OF ANNUAL REPORTS(a) Each year, the City shall provide by January 2, commencing with January 2, 2019 for the Annual Report for the Department's fiscal year ended June 30, 2021, to the MSRB through EMMA an Annual Report for the preceding fiscal year which is consistent with the requirements of Section 4 of this Agreement. In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by specific reference other information as provided in Section 4 of this Agreement; provided, however, that if the audited financial statements of the Department are not available by the deadline for filing the Annual Report, they shall be provided when and if available, and unaudited financial statements in a format similar to the audited financial statements then most recently prepared for the Department shall be included in the Annual Report.

(b) If the City is unable to provide to the MSRB, through EMMA, in an electronic format as prescribed by the MSRB, an Annual Report by the date required in subsection (a), the City shall send a notice, in a timely manner, to the MSRB, through EMMA, in substantially the form attached as Exhibit A.

(c) If the City's fiscal year changes, the City shall send written notice of such change to the MSRB through EMMA, in an electronic format as prescribed by the MSRB, in substantially the form attached as Exhibit B.

(d) Whenever any Annual Report or portion thereof is filed as described above, it shall be attached to a cover sheet in substantially the form attached as Exhibit C, or such other form as may be prescribed by the SEC from time to time.

SECTION 4. CONTENT OF ANNUAL REPORTS The Annual Report shall contain or include by reference the following:

(a) The audited financial statements of the Department for its fiscal year immediately preceding the due date of the Annual Report, of substantially the same nature as that included in the Official Statement as Appendix A;

(b) Operating information for the fiscal year immediately preceding the due date of the Annual Report otherwise presented in the Official Statement as follows:

(1) in the table under the heading "SALT LAKE CITY INTERNATIONAL AIRPORT O&D AND CONNECTING ENPLANED PASSENGERS";

(2) in the table under the heading "AIRLINES OPERATING AT SALT LAKE CITY INTERNATIONAL AIRPORT";

(3) in the table under the heading "SALT LAKE CITY INTERNATIONAL AIRPORT MARKET SHARE OF ENPLANED PASSENGERS";

(4) in the table under the heading "SALT LAKE CITY INTERNATIONAL AIRPORT HISTORICAL AIRCRAFT OPERATIONS";

(5) in the table under the heading "SALT LAKE CITY INTERNATIONAL AIRPORT HISTORICAL LANDED WEIGHTS";

(6) in the table under the heading "SALT LAKE CITY INTERNATIONAL AIRPORT HISTORICAL AIR CARGO AND MAIL";

(7) in the table under the heading "SALT LAKE CITY DEPARTMENT OF AIRPORTS TOTAL ANNUAL REVENUES AND EXPENSES";

(8) in the table under the heading "SALT LAKE CITY DEPARTMENT OF AIRPORTS SUMMARY OF OPERATING REVENUES";

(9) in the table under the heading "SALT LAKE CITY DEPARTMENT OF AIRPORTS SOURCES OF AIRLINE REVENUES"; and

(10) in the table under the heading "SALT LAKE CITY DEPARTMENT OF AIRPORTS SUMMARY OF OPERATING EXPENSES."

If any information described in this paragraph (b) is published or provided by a third party and is no longer publicly available, the City shall include a statement to that effect as part of the Annual Report for the year in which such lack of availability arises; and

Commencing with Fiscal Year 2021 (which is the Fiscal Year following the Fiscal Year in which the City no longer pays 100% of the interest on the Bonds from capitalized interest and the City pays at least a portion of such interest from Net Revenues), an annual debt service coverage calculation table for the prior Fiscal Year in accordance with Section 5.04(b) of the Master Indenture, substantially in the following format:

Annual Debt Service Coverage (FY_____)	
Revenues	$
Less Operating and Maintenance Expenses of the Airport System	$
Net Revenues	$
Plus Transfers	$

Total Available for Debt Service:	$ ______________
Annual Debt Service on Outstanding Bonds*	$ ______________
Annual Debt Service Coverage	______x

*In accordance with Section 5.04 of the Master Indenture, Annual Debt Service on Outstanding Bonds for this purpose shall not include principal and/or interest paid with Other Moneys Available for Debt Service or Passenger Facility Charges.

The Department's financial statements shall be audited and prepared in accordance with GAAP; provided, however, that the City may from time to time, in accordance with GAAP and subject to applicable federal or State legal requirements, modify the basis upon which its financial statements are prepared. Notice of any such modification shall be provided to the MSRB, through EMMA, in an electronic format as prescribed by the MSRB.

Any or all of the items listed above may be included by specific reference to other documents that previously have been provided to the MSRB, through EMMA. The City shall clearly identify each such other document so included by reference.

SECTION 5. REPORTING OF LISTED EVENTS(a) The City covenants to provide or cause to be provided to the MSRB through EMMA, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of ten (10) business days after the occurrence of the event, notice of the occurrence of any of the following events listed in (b)(5)(i)(C) of the Rule with respect to the Bonds:

(1) principal and interest payment delinquencies;

(2) non-payment related defaults, if material;

(3) unscheduled draws on debt service reserves reflecting financial difficulties;

(4) unscheduled draws on credit enhancements reflecting financial difficulties;

(5) substitution of credit or liquidity providers, or their failure to perform;

(6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701- TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

(7) modifications to rights of holders of the Bonds, if material;

(8) bond calls, if material, and tender offers;

(9) defeasances;

(10) release, substitution, or sale of property securing repayment of the Bonds, if material;

(11) rating changes;

(12) bankruptcy, insolvency, receivership or similar event of the City, which is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the City or the Department in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Department or the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Department or the City;

(13) the consummation of a merger, consolidation, or acquisition involving the Department or the City or the sale of all or substantially all of the assets of the Department or the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(14) appointment of a successor or additional trustee or the change of name of a trustee, if material;

(15) incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; or

(16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

(b) The City covenants that its determination of materiality will be made in conformance with federal securities laws.

(c) Upon the occurrence of a Listed Event, the City shall promptly cause a notice of such occurrence to be filed with the MSRB, through EMMA, in an electronic format as prescribed by the MSRB, together with a cover sheet in substantially the form attached as Exhibit C. In connection with providing a notice of the occurrence of a Listed Event described in subsection (a)(9), the City shall include in the notice explicit disclosure as to whether the Bonds have been escrowed to maturity or escrowed to call, as well as appropriate disclosure of the timing of maturity or call.

(d) The City acknowledges that the "rating changes" referred to above in Section (5)(a)(11) of this Agreement may include, without limitation, any change in any rating on the Bonds, including changes in the ratings of bond insurers of banks that may be providing credit enhancement on a portion of the Bonds.

(e) The City acknowledges that it is not required to provide a notice of a Listed Event with respect to credit enhancement when the credit enhancement is added after the primary offering of the Bonds, the City does not apply for or participate in obtaining such credit enhancement, and such credit enhancement is not described in the Official Statement.

SECTION 6. TERMINATION OF REPORTING OBLIGATION(a) The City's obligations under this Agreement shall terminate upon the legal defeasance of the Bonds under the Master Indenture or the prior redemption or payment in full of all of the Bonds. If the City's obligation to pay the principal of and interest on the Bonds is assumed in full by some other entity, such entity shall be responsible for compliance with this Agreement in the same manner as if it were the City, and the City shall have no further responsibility hereunder.

(b) This Agreement, or any provision hereof, shall be null and void in the event that the City (i) receives an opinion of Securities Counsel, addressed to the City, to the effect that those portions of the Rule, which require such provisions of this Agreement, do not or no longer apply to the Bonds, whether because such portions of the Rule are invalid, have been repealed, amended or modified, or are otherwise deemed to be inapplicable to the Bonds, as shall be specified in such opinion, and (ii) delivers notice to such effect to the MSRB, through EMMA, in an electronic format as prescribed by the MSRB.

SECTION 7. AMENDMENT; WAIVER(a) Notwithstanding any other provision of this Agreement, this Agreement may be amended, and any provision of this Agreement may be waived, provided that the following conditions are satisfied:

(1) if the amendment or waiver relates to the provisions of Section 3(a), (b), (c), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, a change in law or a change in the identity, nature or status of the City or the Department or type of business conducted by the City or the Department;

(2) this Agreement, as so amended or taking into account such waiver, would, in the opinion of Securities Counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(3) the amendment or waiver either (A) is approved by the Bondholders in the same manner as provided in the Master Indenture for amendments to the Master Indenture with the consent of the Bondholders, or (B) does not, in the opinion of Securities Counsel, materially impair the interests of the Bondholders.

(b) In the event of any amendment to, or waiver of a provision of, this Agreement, the City shall describe such amendment or waiver in the next Annual Report and shall include an explanation of the reason for such amendment or waiver. In particular, if the amendment results in a change to the annual financial information required to be included in the Annual Report pursuant to Section 4 of this Agreement, the first Annual Report that contains the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of such change in the type of operating data or financial information being provided. Further, if the annual financial information required to be provided in the Annual Report can no longer be generated because the operations to which it related have been materially changed or discontinued, a statement to that effect shall be included in the first Annual Report that does not include such information.

(c) If the amendment results in a change to the accounting principles to be followed in preparing financial statements as set forth in Section 4 of this Agreement, the Annual Report for the year in which the change is made shall include a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of such differences and the impact of the changes on the presentation of the financial information. To the extent reasonably feasible, the comparison shall also be quantitative. A notice of the change in accounting principles shall be sent by the City to the MSRB, through EMMA, in an electronic format as prescribed by the MSRB.

SECTION 8. ADDITIONAL INFORMATION Nothing in this Agreement shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Agreement. If the City chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Agreement, the City shall have no obligation under this Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 9. FAILURE TO COMPLY In the event of a failure of the City to comply with any provision of this Agreement, any Bondholder or Beneficial Owner may bring an action to obtain specific performance of the obligations of the City under this Agreement, but no person or entity shall be entitled to recover monetary damages hereunder under any circumstances, and any failure to comply with the obligations under this Agreement shall not constitute a default with respect to the Bonds or under the Master Indenture.

SECTION 10. BENEFICIARIES This Agreement shall inure solely to the benefit of the City, the Participating Underwriters, the Bondholders and the Beneficial Owners, and shall create no rights in any other person or entity.

SECTION 11. TRANSMISSION OF INFORMATION AND NOTICES; DISSEMINATION AGENT Unless otherwise required by law or this Agreement, and, in the sole determination of the City, subject to technical and economic feasibility, the City shall employ such methods of information and notice transmission as shall be requested or recommended by the herein-designated recipients of such information and notices. Any filing with the MSRB under this Agreement may be made by transmitting such filing to a dissemination agent.

SECTION 12. OTHER OBLIGATED PERSONS Currently, Delta Air Lines, Inc. ("Delta") is the only Obligated Person other than the City, and Delta is required by the 1934 Act to file annual financial information in the form of its SEC Reports with the SEC as described in the Official Statement. The City assumes no responsibility for the accuracy or completeness of the SEC Reports or other annual financial information disseminated by Delta or any future Obligated Person. The City shall report as part of its Annual Report any change in Obligated Persons and that an Obligated Person's SEC Reports constitute its annual financial information under this Agreement, if such is the case. Unless no longer required by the Rule, the City shall use diligent efforts to cause each Obligated Person other than the City (to the extent that such party is not required to file SEC Reports) to disseminate annual financial information substantially equivalent to that contained in SEC Reports to the MSRB, through EMMA, in an electronic format as prescribed by the MSRB, not later than nine months after the last day of the Obligated Person's fiscal year. The City has no obligation to file or disseminate any SEC Reports relating to another Obligated Person.

SALT LAKE CITY, UTAH

By: ____

Name:
Title:

Dated: _______________ __, 2021.

[Signature Page to Continuing Disclosure Agreement]

EXHIBIT A TO CONTINUING DISCLOSURE AGREEMENT

NOTICE TO THE MSRB
OF FAILURE TO FILE ANNUAL REPORT

Name of Obligated Person:	Salt Lake City, Utah
Name of Bond Issue:	Airport Revenue Bonds, Series 2021A (AMT) Airport Revenue Bonds, Series 2021B (Non-AMT)
Date of Bonds:	_________ __ , 2021

NOTICE IS HEREBY GIVEN that the City has not provided an Annual Report with respect to the above-named Bonds as required by Section 3 of its Continuing Disclosure Agreement with respect to the Bonds. The City anticipates that the Annual Report will be filed by ______________________.

SALT LAKE CITY, UTAH

By: ____
Name: ________________________________
Its: ________________________________

Dated: ___________________________

EXHIBIT B TO CONTINUING DISCLOSURE AGREEMENT

NOTICE TO THE MSRB
OF CHANGE IN AUTHORITY'S FISCAL YEAR

Name of Obligated Person:	Salt Lake City, Utah
Name of Bond Issue:	Airport Revenue Bonds, Series 2021A (AMT) Airport Revenue Bonds, Series 2021B (Non-AMT)
Date of Bonds:	_____________ __, 2021

NOTICE IS HEREBY GIVEN that the fiscal year of the [City/Department] changed. Previously, the [City/Department]'s fiscal year ended on __________________. It now ends on __________________.

SALT LAKE CITY, UTAH

By: ____
Name: ____________________________________
Its:

Dated: ___________________________

EXHIBIT C TO CONTINUING DISCLOSURE AGREEMENT

MUNICIPAL SECONDARY MARKET DISCLOSURE
INFORMATION COVER SHEET

This cover sheet should be sent with all submissions made to the Municipal Securities Rulemaking Board, pursuant to Securities and Exchange Commission Rule 15c2-12 or any analogous state statute.

***

Issuer's and/or Other Obligated Person's name: Salt Lake City, Utah

CUSIP Numbers (attach additional sheet if necessary):
Nine-Digit CUSIP Number(s) to which the information relates:

Information relates to all securities issued by the City having the following six-digit number(s):

***

Number of pages of attached information: ____

Description of Material Events Notice/Financial Information (Check One):

1. ______ Principal and interest payment delinquencies

2. ______ Material non-payment related defaults

3. ______ Unscheduled draws on debt service reserves reflecting financial difficulties

4. ______ Unscheduled draws on credit enhancements reflecting financial difficulties

5. ______ Substitution of credit or liquidity providers or their failure to perform

6. ______ Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the bonds, or other material events affecting the tax status of the bonds

7. ______ Material modifications to rights of securities holders

8. ______ Bond calls, if material, or tender offers

9. ______ Defeasances

10. ______ Material release, substitution, or sale of property securing repayment of the bonds

11. ______ Rating changes

12. ______ Bankruptcy, insolvency, receivership or similar event of the Department or the City

13. ______ The consummation of a merger, consolidation, or acquisition involving the Department or the City or the sale of all or substantially all of the assets of the Department or the City, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material

14. ______ Appointment of a successor or additional trustee or the material change of name of a trustee

15. ______ Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material

16. ______ Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties

17. ______ Failure to provide annual financial information as required

18. ______ Other material event notice (specify)

19. ______ Financial Information: Please check all appropriate boxes:

CAFR (a) __ includes __ does not include Annual Financial Information
(b) __ audited __ unaudited

Annual Financial Information: Audited? Yes __ No __

Fiscal Period Covered: _______________

I hereby represent that I am authorized by the City or its agent to distribute this information publicly:

Signature: ______________________________
Name: ______________________________ Title: ______________________________
Employer: ______________________________
Address: ______________________________
City, State, Zip Code: ______________________________
Voice Telephone Number: (______) _______________

EXHIBIT F

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that Salt Lake City (the "City") shall hold a public hearing with respect to the City's plans to issue and/or incur, from time to time (i) the City's Airport Revenue Bonds, Series 2021 (with any other or additional series or title designation determined by the City, the "Bonds") and (ii) the City's Subordinate Airport Revenue Short-Term Revolving Obligations (the "Subordinate Revolving Obligations").

PURPOSE, TIME, PLACE AND LOCATION OF PUBLIC HEARING

[The City shall hold a public hearing on [July 13], 2021, at the hour of [7:00 p.m.] via electronic means or in person at the City and County Building located as 451 South State Street, Room 315, Salt Lake City, Utah, pursuant to the Council Chair's determination. The purpose of the hearing is to receive input from the public with respect to (a) the issuance and/or incurrence of the Bonds and the Subordinate Revolving Obligations, from time to time, and (b) the potential economic impact that the Bond Projects (as hereinafter defined) and the Subordinate Obligation Projects (as hereinafter defined) to be financed or refinanced with the proceeds of the Bonds and the Subordinate Revolving Obligations, respectively, will have on the private sector. All members of the public are invited to attend and participate.]

[or]

[The City shall hold a public hearing on [July 13], 2021, at the hour of [7:00 p.m.] via electronic means pursuant to the Council Chair determination that conducting a City Council meeting at a physical location presents a substantial risk to the health and safety of those who may attend in person. This hearing will not have a physical location at the City and County Building. All attendees will connect remotely. The purpose of the hearing is to receive input from the public with respect to (a) the issuance and/or incurrence of the Bonds and the Subordinate Revolving Obligations, from time to time, and (b) the potential economic impact that the Bond Projects (as hereinafter defined) and the Subordinate Obligation Projects (as hereinafter defined) to be financed or refinanced with the proceeds of the Bonds and the Subordinate Revolving Obligations, respectively, will have on the private sector. Members of the public are encouraged to participate in the hearing and may visit www.slc.gov/council/ or call 801-535-7654 to learn how to participate by phone or on the Webex platform. The public may also watch the meeting using the following platforms:

Facebook Live: www.facebook.com/slcCouncil/

YouTube: www.youtube.com/slclivemeetings

Web Agenda: www.slc.gov/council/agendas/

SLCtv Channel 17 Live: www.slctv.com/livestream/SLCtv-Live/2]

Please visit the City's website (www.slc.gov/council) or email council.comments@slcgov.com or call 801-535-7654 to learn how you can share your comments live during the hearing. Persons wishing to make comments in writing about the Bonds, the proposed plan of financing related to the Bonds, the Bond Projects, the Subordinate Revolving Obligations, the proposed plan of financing related to the Subordinate Revolving Obligations and the Subordinate Obligation Projects shall do so within fourteen (14) days following the publication hereof to: Attention: Executive Director of Airports, P.O. Box 145550, Salt Lake City, Utah, 84114-5550. This Notice is the notice required by Section 11-14-318 of Utah Code Annotated 1953, as amended, and Section 147(f) of the Internal Revenue Code of 1986, as amended (the "IRC").

ISSUANCE OF BONDS

Purpose for Issuing the Bonds

The public hearing with respect to the Bonds is being held in accordance with Section 11-14-318 of Utah Code Annotated 1953, as amended, and Section 147(f) of the IRC. Pursuant to the provisions of the Local Government Bonding Act, Title 11, Chapter 14 Utah Code Annotated 1953, as amended (the "Act") on June 1, 2021 the City Council of the City (the "Council"), adopted a resolution in which it authorized, among other things, a plan of financing involving the issuance of the Bonds.

The Bonds will be issued pursuant to a plan of finance to provide proceeds to (a) finance the Bond Projects (as described in the following paragraph), (b) repay all or a portion of the outstanding Subordinate Revolving Obligations, (c) fund capitalized interest on all or a portion of the Bonds, (d) fund any required deposits to a debt service reserve fund, and (e) pay costs of issuance of the Bonds (including, but not limited to, the purchase of one or more municipal bond insurance policies)

The "Bond Projects" to be financed and refinanced with the proceeds of the Bonds include the acquisition, construction, reconstruction, development, expansion, improvement, equipping and/or modification, as appropriate, of various capital improvement projects at the Salt Lake City International Airport, including: [(a) runway, taxiway, apron and other airfield improvements, (b) utility, roadway and ground access infrastructure improvements, (c) replacement of substantially all of the Salt Lake City International Airport's landside and terminal complex facilities, including, but not limited to, parking facilities, terminal buildings and concourses, and (d) other related improvements at the Salt Lake City International Airport.]

The Bond Projects will be located at the Salt Lake City International Airport. The City will be the owner of the Bond Projects to be financed and refinanced and also will be the initial operator, except to the extent the use thereof is permitted by leases and other agreements with air carriers and other tenants utilizing the Bond Projects. The proposed Bonds will be paid solely from revenues and other moneys derived by the City from or with respect to the Salt Lake City International Airport and the other facilities of the Salt Lake City Airport System (as defined in the hereinafter defined Senior Indenture).

Parameters of the Bonds

The City intends to issue the Bonds in one or more series, in the aggregate principal amount of not more than $1,000,000,000, to mature in not more than 40 years from their date or dates, to be sold at a price not less than 98% of the total principal amount thereof, and bearing interest at a rate or rates not to exceed 6.00% per annum. The Bonds are to be issued and sold by the City pursuant to a Master Trust Indenture (previously executed and delivered by the City) and a Third Supplemental Trust Indenture (collectively, the "Senior Indenture").

Net Revenues Proposed to be Pledged

The City proposes to pledge Net Revenues (as defined in the Senior Indenture) derived by the City from the operations of the Salt Lake City Airport System (as defined in the Senior Indenture), and certain funds and accounts established under the Senior Indenture.

The Bonds will be limited obligations of the City, payable solely from and secured by a pledge of Net Revenues derived by the City from the operations of the Salt Lake City Airport System and certain funds and accounts. None of the properties of the Salt Lake City Airport System will be subject to any mortgage or other lien for the benefit of the owners of the Bonds, and neither the full faith and credit nor the taxing power of the City, the State of Utah (the "State") or any political subdivision or agency of the State will be pledged to the payment of the principal of, premium, if any, or interest on the Bonds.

ISSUANCE AND/OR INCURRENCE OF SUBORDINATE REVOLVING OBLIGATIONS

The public hearing with respect to the Subordinate Revolving Obligations is being held in accordance with Section 147(f) of the IRC. Pursuant to the provisions of the Act, on January 19, 2021 the Council, adopted a resolution in which it authorized, among other things, a plan of financing involving the establishment of a short-term borrowing program for the benefit of the Department of Airports of the City, which program is implemented through the issuance and/or incurrence, from time to time, of the Subordinate Revolving Obligations.

The City established the short-term borrowing program for the benefit of the Department of Airports of the City, which is implemented through the issuance and/or incurrence, from time to time, by the City of the Subordinate Revolving Obligations. The Subordinate Revolving Obligations may be outstanding, at any one time, in an aggregate principal amount not exceeding $300,000,000. The Subordinate Revolving Obligations are issued and/or incurred pursuant to a Master Subordinate Trust Indenture, a First Supplemental Subordinate Trust Indenture and a Revolving Credit Agreement entered into by the City and JPMorgan Chase Bank, National Association (the "Subordinate Bank"). The Subordinate Revolving Obligations bear interest at variable rates, calculated pursuant to the methods set forth in the Revolving Credit Agreement. The Subordinate Revolving Obligations are issued and/or incurred, from time to time, at a price of 100%.

The Subordinate Revolving Obligations will be issued and/or incurred, from time to time, pursuant to a plan of finance to provide proceeds to (a) finance and refinance the Subordinate Obligation Projects (as described in the following paragraph), (b) finance certain costs of issuance, and (c) finance any other needs of the Department of Airports of the City permitted under the Act and the Master Subordinate Trust Indenture (including, but not limited to, the refunding and restructuring of indebtedness of the City issued for the benefit of the Department of Airports of the City). The City may issue and/or incur Subordinate Revolving Obligations, from time to time, in an aggregate principal amount not to exceed $300 million until March 1, 2024, provided that at no time shall more than $300 million in aggregate principal amount of Subordinate Revolving Obligations be outstanding at one time.

The "Subordinate Obligation Projects" to be financed and refinanced with the proceeds of the Subordinate Revolving Obligations include the acquisition, construction, reconstruction, development, expansion, improvement, equipping and/or modification, as appropriate, of various capital improvement projects at the Salt Lake City International Airport, including: [(a) runway, taxiway, apron and other airfield improvements, (b) utility, roadway and ground access infrastructure improvements, (c) replacement of substantially all of the Salt Lake City International Airport's landside and terminal complex facilities, including, but not limited to, parking facilities, terminal buildings and concourses, and (d) other related improvements at the Salt Lake City International Airport].

The Subordinate Obligation Projects will be located at the Salt Lake City International Airport. The City will be the owner of the Subordinate Obligation Projects to be financed or refinanced and also will be the initial operator, except to the extent the use thereof is permitted by leases and other agreements with air carriers and other tenants utilizing the Subordinate Obligation Projects. The proposed Subordinate Revolving Obligations will be paid solely from the Subordinate Revenues (as defined in the Master Subordinate Trust Indenture) derived by the City from the operations of the Salt Lake City Airport System, and certain funds and accounts established under the Master Subordinate Trust Indenture and the First Supplemental Subordinate Trust Indenture.

The Subordinate Revolving Obligations will be limited obligations of the City, payable solely from and secured by a pledge of Subordinate Revenues derived by the City from the operations of the Salt Lake City Airport System and certain funds and accounts. None of the properties of the Salt Lake City Airport System will be subject to any mortgage or other lien for the benefit of the owners (including the Subordinate Bank) of the Subordinate Revolving Obligations, and neither the full faith and credit nor the taxing power of the City, the State or any political subdivision or agency of the State will be pledged to the payment of the principal of, premium, if any, interest on or other amounts payable on the Subordinate Revolving Obligations.

OUTSTANDING BONDS SECURED BY NET REVENUES AND OUTSTANDING OBLIGATIONS SECURED BY SUBORDINATE REVENUES

In addition to the proposed Bonds, the following airport revenue bonds of the City secured by Net Revenues on parity with the Bonds are currently outstanding: (a) Salt Lake City, Utah Airport Revenue Bonds, Series 2017A (AMT) outstanding in the aggregate principal amount of $826,210,000; (b) Salt Lake City, Utah Airport Revenue Bonds, Series 2017B (Non-AMT) outstanding in the aggregate principal amount of $173,790,000; (c) Salt Lake City, Utah Airport Revenue Bonds, Series 2018A (AMT) outstanding in the aggregate principal amount of $753,855,000; and (d) Salt Lake City, Utah Airport Revenue Bonds, Series 2018B (Non-AMT) outstanding in the aggregate principal amount of $96,695,000 (collectively, the "Series 2017/18 Bonds").

Other than the Subordinate Revolving Obligations (and certain obligations of the City set forth in the Revolving Credit Agreement) the City has no other bonds or obligations secured by the Subordinate Revenues.

OTHER OUTSTANDING BONDS OF THE CITY

Additional information regarding the City's outstanding bonds may be found in the City's financial report (the "Financial Report") at: https://reporting.auditor.utah.gov/SearchReport. For additional information, including any information more recent than as of the date of the Financial Report, please contact the office of the Salt Lake City Treasurer at (801) 535-7946.

Dated this [___] day of June, 2021.

By ______________________________
City Recorder

EXHIBIT G

NOTICE OF BONDS TO BE ISSUED

NOTICE IS HEREBY GIVEN pursuant to the provisions of the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, that on June 1, 2021 the City Council (the "Council") of Salt Lake City, Utah (the "City"), adopted a resolution (the "Resolution") in which it authorized the plan of financing involving the issuance of the City's Airport Revenue Bonds, Series 2021 (with any other or additional series or title designation determined by the City, the "Bonds").

PURPOSE FOR ISSUING THE BONDS

The Bonds will be issued pursuant to a plan of finance to provide proceeds to (a) finance the Projects (as described in the following paragraph), (b) repay all or a portion of the City's outstanding Subordinate Airport Revenue Short-Term Revolving Obligations, (c) fund capitalized interest on all or a portion of the Bonds, (d) fund any required deposits to a debt service reserve fund, and (e) pay costs of issuance of the Bonds (including, but not limited to, the purchase of one or more municipal bond insurance policies)

The "Projects" to be financed and refinanced with the proceeds of the Bonds include the acquisition, construction, reconstruction, development, expansion, improvement, equipping and/or modification, as appropriate, of various capital improvement projects at the Salt Lake City International Airport, including: [(a) runway, taxiway, apron and other airfield improvements, (b) utility, roadway and ground access infrastructure improvements, (c) replacement of substantially all of the Salt Lake City International Airport's landside and terminal complex facilities, including, but not limited to, parking facilities, terminal buildings and concourses, and (d) other related improvements at the Salt Lake City International Airport.]

The Projects will be located at the Salt Lake City International Airport. The City will be the owner of the Projects to be financed and refinanced and also will be the initial operator, except to the extent the use thereof is permitted by leases and other agreements with air carriers and other tenants utilizing the Projects. The proposed Bonds will be paid solely from revenues and other moneys derived by the City from or with respect to the Salt Lake City International Airport and the other facilities of the Salt Lake City Airport System (as defined in the hereinafter defined Indenture).

PARAMETERS OF THE BONDS

The City intends to issue the Bonds in one or more series, in the aggregate principal amount of not more than $1,000,000,000, to mature in not more than 40 years from their date or dates, to be sold at a price not less than 98% of the total principal amount thereof, and bearing interest at a rate or rates not to exceed 6.00% per annum. The Bonds are to be issued and sold by the City pursuant to a Master Trust Indenture (previously executed and delivered by the City) and a Third Supplemental Trust Indenture (collectively, the "Indenture"), which Third Supplemental Trust Indenture was before the Council in substantially final form at the time of the adoption of the Resolution.

NET REVENUES PROPOSED TO BE PLEDGED

The City proposes to pledge Net Revenues (as defined in the Indenture) derived by the City from the operations of the Salt Lake City Airport System (as defined in the Indenture), and certain funds and accounts established under the Indenture, to the payment of the principal of and interest on the Bonds.

The Bonds will be limited obligations of the City, payable solely from and secured by a pledge of Net Revenues derived by the City from the operations of the Salt Lake City Airport System and certain funds and accounts. None of the properties of the Salt Lake City Airport System will be subject to any mortgage or other lien for the benefit of the owners of the Bonds, and neither the full faith and credit nor the taxing power of the City, the State of Utah (the "State") or any political subdivision or agency of the State will be pledged to the payment of the principal of, premium, if any, or interest on the Bonds.

OUTSTANDING BONDS SECURED BY NET REVENUES AND OUTSTANDING OBLIGATIONS SECURED BY SUBORDINATE REVENUES

In addition to the proposed Bonds, the following airport revenue bonds of the City secured by Net Revenues on parity with the Bonds are currently outstanding: (a) Salt Lake City, Utah Airport Revenue Bonds, Series 2017A (AMT) outstanding in the aggregate principal amount of $826,210,000; (b) Salt Lake City, Utah Airport Revenue Bonds, Series 2017B (Non-AMT) outstanding in the aggregate principal amount of $173,790,000; (c) Salt Lake City, Utah Airport Revenue Bonds, Series 2018A (AMT) outstanding in the aggregate principal amount of $753,855,000; and (d) Salt Lake City, Utah Airport Revenue Bonds, Series 2018B (Non-AMT) outstanding in the aggregate principal amount of $96,695,000 (collectively, the "Series 2017/18 Bonds").

In addition to the bonds secured by Net Revenues, the City established a short-term borrowing program for the benefit of the Department of Airports of the City which has been implemented through the issuance and/or incurrence, from time to time, by the City of its "Salt Lake City, Utah Subordinate Airport Revenue Short-Term Revolving Obligations" (the Subordinate Revolving Obligations"). The Subordinate Revolving Obligations may be outstanding at any one time not to exceed an aggregate principal amount of $300,000,000. The Subordinate Revolving Obligations are secured by Subordinate Revenues (Net Revenues remaining after (i) the payment of debt service on the Bonds, the Series 2017/18 Bonds and any additional bonds issued with a lien on Net Revenues, and (ii) the funding of any debt service reserve funds for the Bonds, the Series 2017/18 Bonds and any additional bonds issued with a lien on Net Revenues).

OTHER OUTSTANDING BONDS OF THE CITY

Additional information regarding the City's outstanding bonds may be found in the City's financial report (the "Financial Report") at: https://reporting.auditor.utah.gov/SearchReport. For additional information, including any information more recent than as of the date of the Financial Report, please contact the office of the Salt Lake City Treasurer at (801) 535-7946.

TOTAL ESTIMATED COST

Based on the City's current plan of finance and a current estimate of interest rates, the total principal and interest cost of the Bonds, if held until maturity, is approximately $[___].

A copy of the Resolution and the Indenture are on file (print and electronic) in the office of the Salt Lake City Recorder, temporarily located at 349 South 200 East, Salt Lake City, Utah, where they may be examined by appointment during regular business hours of the City Recorder from 8:00 a.m. to 5:00 p.m. for a period of at least thirty (30) days from and after the date of publication of this notice. To schedule an appointment, please call (801) 535-7671. Additionally, a protected, pdf copy of the Resolution and the Indenture may be requested by sending an email to the City Recorder at SLCRecorder@slcgov.com.

NOTICE IS FURTHER GIVEN that a period of thirty (30) days from and after the date of the publication of this notice is provided by law during which any person in interest shall have the right to contest the legality of the Resolution, the Indenture (but only as it relates to the Bonds), or the Bonds, or any provision made for the security and payment of the Bonds, and that after such time, no one shall have any cause of action to contest the regularity, formality, or legality thereof for any cause whatsoever.

Dated this [___] of June, 2021.

By ______________________________
City Recorder