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San Diego County Regional Airport Authority Completes Bond Sale to Help Finance the New Terminal 1 Project

Sale Marks eighth Airport Bond Sale since 2005

SAN DIEGO – October 12, 2023 – The San Diego County Regional Airport Authority (Airport Authority) has completed a major bond financing totaling \$1.062 billion.

The combination of the bond sales in 2021 and 2023 have provided \$2.35 billion towards the projected \$3.4 billion cost of the Terminal 1 project, whose first phase is set to open in late summer 2025.

“The bond sale will help us realize our collective purpose to create an exceptional airport experience for the community and the world,” said Kimberly Becker, Airport Authority President & CEO. “This will also help San Diego International Airport to continue to serve as an economic driver for the region in terms of jobs and tourism.”

The 2023 bond sale was a combination of \$74.675 million in Senior Series A (Non-AMT) bonds, and \$987.305 million in Series B (AMT) bonds with a true interest cost of 5.18 percent. The proceeds will provide funding for terminal and roadway construction, as well as airside projects as part of the New T1 program.

Investor outreach and one-on-one investor discussions by the Airport Authority and its banking and financial advisory team garnered very strong interest for the bonds. Despite a volatile market and increasing interest rates, investors placed more than \$3.4 billion of orders for the bonds. The bond sale’s strong performance during a challenging market environment was due to several factors, including the Airport Authority’s strong financial profile as evidenced by favorable credit ratings for Airport Authority bonds from Fitch Ratings and Moody’s Investor Services. Proceeds from this bond sale and remaining proceeds from the 2021 bond sale are expected to fund ongoing construction at least through mid-2025, at which time the Airport Authority anticipates another bond sale for additional New T1 funding.

ABOUT SAN DIEGO INTERNATIONAL AIRPORT (SAN)

Owned and operated by San Diego County Regional Airport Authority (Airport Authority), San Diego International Airport (SAN) is one of the busiest single-runway commercial service airports in the world and the third-busiest airport in California. SAN contributes nearly \$12 billion in economic activity for the region by connecting the world to San Diego and San Diego to the world. In November 2021, the Airport Authority began construction on the New T1 which includes the replacement of the current Terminal 1, improvements to the airfield, improved transportation connectivity to the airport, and a new administration building. The New T1 program’s total project budget is \$3.4 billion and is estimated to create between 15,000 to 20,000 construction-related jobs. For more information about the New T1 please visit newt1.com. For more information about SAN please visit san.org.