

**PUBLIC NOTICE**  
**Passenger Facility Charge Application No. 10**  
**San Francisco International Airport**

**April 20, 2026**

**Introduction**

Pursuant to 14 CFR Part 158.24, the San Francisco International Airport (Airport or SFO) is posting this public notice as part of the proposed action to submit a new application to the FAA under the Airport's Passenger Facility Charge (PFC) program, (PFC #10). The FAA will review the application before issuing a final decision.

The Airport will be accepting public comments through May 20, 2026, thirty (30) days after the posting of this public notice. Comments or requests for further information on the proposed PFC #10 application should be addressed to:

Ms. Tina Ko  
Grant Development Program Manager  
San Francisco International Airport  
P.O. Box 8097  
San Francisco, CA 94128  
[Tina.Ko@flysfo.com](mailto:Tina.Ko@flysfo.com)

## I. Background – Overview of Airport PFC Approvals

The Airport Commission has imposed a PFC of \$4.50 at the Airport since 2001. The collection and use of PFCs to pay for FAA-approved capital projects and associated debt service has been a factor in controlling rates and charges at the Airport. SFO has received the FAA’s approval for a total of \$2.3 billion in collections. The applications are as follows:

Applications	FAA Approved PFC Level	Collection Period	Status	FAA Approved Amount
PFC #2 <sup>1</sup>		n/a	Closed	\$ 224,034,821
PFC #3 & #3a <sup>2</sup>		n/a	Closed	609,107,697
PFC #5 & #5a <sup>3</sup>	\$4.50	01/01/2017-10/01/2024	Active	741,744,636
PFC #8 <sup>4</sup>	\$4.50	10/01/2024-03/01/2029	Active	536,799,536
PFC #9	\$4.50	3/1/2029-12/01/2030	Active	208,629,612
<b>Total</b>				<b>\$ 2,320,316,302</b>

<sup>1</sup>PFC #1 was terminated on January 21, 2004. Collection authority was transferred to PFC #2.

<sup>2</sup>PFC #4 was renamed PFC #3a.

<sup>3</sup>PFC #5 was amended as PFC #5a on November 7, 2014 to increase the approved collection authority to \$741,744,636.

<sup>4</sup>PFC #8 combines PFC #6 and PFC #7 as well as their related approved amounts.

## II. Project Description and Justification

### Harvey Milk Terminal 1 Program

#### *Project Description*

#### **Harvey Milk Terminal 1 Program (Design and Construction)**

The Harvey Milk Terminal 1 Program was a comprehensive capital improvement initiative undertaken at San Francisco International Airport to replace outdated facilities and accommodate forecast passenger traffic growth through a strategic combination of renovation and new construction. Commenced in 2015 and completed in 2024, the Program consisted of two components, Terminal 1 Center and Boarding Area B, along with a fully integrated, shared-use Baggage Handling System.

The Harvey Milk Terminal 1 Program delivered the reconstruction and expansion of the central portion of Terminal 1 and the construction of a substantially larger, modern concourse. Collectively, Terminal 1 Center, the Terminal 1 Baggage Handling System, and Boarding Area B form a comprehensive, state-of-the-art terminal facility designed to enhance passenger experience, operational efficiency, and long-term flexibility.

#### ***Explanation of Need for the Project***

Terminal 1 presented deficiencies that limited the Airport's ability to accommodate passenger growth, support competitive carrier operations, and maintain acceptable levels of service. The facility, originally constructed in 1963 and never substantively reconstructed, had reached the end of its structural and functional design life. The building was also at seismic risk under

current building codes. Terminal 1 gate infrastructure lacked the equipment and configuration required by modern airline operations. Many of the airline passenger and baggage processing areas relied on proprietary airline systems and equipment. This resulted in more baggage handling equipment and ticket counter positions than necessary and limited the airport's ability to efficiently relocate airlines as operational needs changed. Passenger processing facilities, including the check-in lobby areas, checkpoints, and baggage claim facility were undersized for peak demand, leading to congestion, degraded levels of service, repeated delays, and service interruptions. Multiple outbound baggage systems routinely operated beyond rated capacity during normal operations, contributing to flight delay risk that constrained terminal throughput. The Harvey Milk Terminal 1 Program resolved each of these conditions through the complete demolition and ground-up reconstruction of the terminal facility, satisfying the standards of preserving the capacity of the national air transportation system through independent and complementary mechanisms, while enhancing competition among airlines both domestically and internationally.

### III. Summary of Proposed PFC #10 Terms

A summary of the proposed terms is as follows:

	<b>PFC #10 Application</b>
PFC Level (per eligible enplaned passenger) <sup>a</sup>	\$4.50
Proposed Charge Effective Date	December 1, 2030
Estimated Charge Expiration Date	October 1, 2049
Estimated Total PFC Revenue	\$2,967,312,784

<sup>a</sup> Net of air carrier collection fee at the current \$0.11 per PFC and includes estimated interest earned

Estimated allowable project costs in PFC #10 are as follows:

PFC Funds	Bond Capital	\$1,513,498,820
	Bond Financing and Interest	<u>\$1,453,813,964</u>
	PFC #10 Application Total	\$2,967,312,784
TSA Funds <sup>b</sup>		\$22,687,384
Local Funds		\$223,112,403
Total Project Cost		<u>\$3,213,112,571</u>

<sup>b</sup> Federal TSA funds for checked baggage inspection system (CBIS)