



AIR CARRIER USE AND LEASE AGREEMENTS

NOVEMBER 15, 2023

PENNY MAY, CHIEF COMMERCIAL OFFICER
GEORGE KARAYIANNAKIS, SENIOR VICE PRESIDENT, AIRLINE AND COMMERCIAL AFFAIRS

DENVER INTERNATIONAL AIRPORT



REQUESTED COUNCIL ACTION



- DEN is seeking City Council approval of the following contracts:
 - Short term Use and Lease Agreements (ULAs) with 15 air carriers that would like to continue to operate at DEN as Signatory Air Carriers after their current ULA expires on December 31, 2023
 - Term will be for one year, with two additional one-year extension options
 - Rates and Charges apply

Contract No	Air Carriers
202370533	Air Canada Use and Lease Agreement
202370535	Aerovias de Mexico (Aeromexico) Use and Lease Agreement
202370523	Alaska Airlines Use and Lease Agreement
202370518	Societe Air France Use and Lease Agreement
202370509	Compania Panamena de Aviacion (COPA) Use and Lease Agreement
202371114	Delta Air Lines, Inc Use and Lease Agreement
202370517	Key Lime Air Corporation dba Denver Air Connect Use and Lease Agreement
202370515	Edelweiss Air AG Use and Lease Agreement
202370520	Icelandair Use and Lease Agreement
202370514	JetBlue Airways Corporation Use and Lease Agreement
202370519	Deutsche Lufthansa AG Use and Lease Agreement
202370536	Southern Airways Express Use and Lease Agreement
202370505	WestJet Airlines Ltd Use and Lease Agreement
202370504	Conseccionaria Vuela Compania de Aviacion (Volaris) Use and Lease Agreement
202370586	British Airways Use and Lease Agreement

- DEN is required by the Federal Aviation Administration to allow any air carrier who wishes to operate at the airport to be able to do so
- All air carriers at DEN have a choice to sign a Use and Lease Agreement (ULA) and become signatory, which offers them the opportunity to have preferential access to gates and pay reduced Rates and Charges
- Domestic air carriers can generally become signatory at DEN by agreeing to operate a certain number of flights and leasing space at the airport, and all International air carriers can become signatory at DEN if they wish to do so
- Air carriers who do not meet the requirements or do not wish to become signatory can still operate at DEN via a permit

- The air carrier Use and Lease Agreement (ULA) has defined the business terms and the support space that they occupy while operating at DEN since the airport opened in 1995
- Our three largest air carriers currently have long-term leases at DEN, all previously approved by City Council
 - In 1992, United Airlines signed a long-term ULA and has amended that lease multiple times to occupy a total of 90 gates in Concourses A and B with a term ending in February 2035
 - In 2020, Southwest Airlines signed a ULA expanding their leasehold to include 40 gates and extending their term to be the same as with United
 - In 2022, Frontier Airlines signed a ULA that will last for ten years after they move to a 14-gate Ground Load Facility on the East side of Concourse A
- Other carriers have ULAs that expire on December 31, 2023

- DEN seeks to provide every opportunity for air carriers who wish to take advantage of ULAs to do so
- DEN values these contracts, as they illustrate the commitment of these carriers to Denver as well as overarching economic development and opportunity for the global community we serve
- Contractual lease and payment terms provide stability in airline revenue and instills confidence from rating agencies and bondholders in DEN's financial future

- We are seeking City Council approval for fifteen ULAs:
 - Domestic air carriers: Alaska, Delta, Denver Air Connection, JetBlue, and Southern
 - International air carriers: Aeromexico, Air Canada, Air France, British Airways, COPA, Icelandair, Edelweiss, Lufthansa, Volaris, and WestJet
- One year term, starting on January 1, 2024, with two one-year extension options

QUESTIONS?



APPENDIX AIR CARRIER USE AND LEASE AGREEMENTS



- Air Canada is an International Carrier
 - Air Canada will not be leasing any space at DEN
- Given the information above, Air Canada can be a signatory carrier at DEN

- Aeromexico is an International carrier
 - Aeromexico will be leasing 250 square feet of support space at DEN
- Given the information above, Aeromexico can be a signatory carrier at DEN

- Alaska Airlines is a Domestic Carrier
 - Alaska Airlines will be operating out of one preferentially leased gate at DEN
 - Alaska Airlines will be leasing approximately 5,037 square feet of space at DEN
- Given the information above, Alaska Airlines can be signatory at DEN

- Air France is an International carrier
 - Air France will be leasing 107 square feet of support space at DEN
- Given the information above, Air France can be a signatory carrier at DEN

- COPA is an International carrier
 - COPA will be leasing 370 square feet of support space at DEN
- Given the information above, Air France can be a signatory carrier at DEN

- Delta Air Lines is a Domestic Carrier
 - Delta Air Lines will be operating out of six preferentially leased gate at DEN
 - Delta Air Lines will be leasing approximately 38,816 square feet of space at DEN
- Given the information above, Delta Air Lines can be signatory at DEN



- Denver Air Connection is a Domestic Carrier
 - Denver Air Connection does not qualify for a preferential gate lease
 - Denver Air Connection operates at least two flights daily at DEN
 - Denver Air Connection will be leasing approximately 731 square feet of space at DEN
- Given the information above, Denver Air Connection can be signatory at DEN

- Edelweiss is an International carrier
 - Edelweiss will not be leasing any support space at DEN
- Given the information above, Edelweiss can be a signatory carrier at DEN

- Icelandair is an International carrier
 - Icelandair will not be leasing any support space at DEN
- Given the information above, Icelandair can be a signatory carrier at DEN

- JetBlue is a Domestic Carrier
 - JetBlue does not qualify for a preferential gate lease
 - JetBlue operates at least two flights daily at DEN
 - JetBlue will be leasing approximately 992 square feet of space at DEN
- Given the information above, JetBlue can be signatory at DEN

- Lufthansa is an International carrier
 - Lufthansa will be leasing approximately 1,950 square feet of space at DEN
- Given the information above, Lufthansa can be a signatory carrier at DEN

- Southern Airways is a Domestic Carrier
 - Southern Airways does not qualify for a preferential gate lease
 - Southern Airways operates at least two flights daily at DEN
 - Southern Airways will be leasing approximately 592 square feet of space at DEN
- Given the information above, Southern Airways can be signatory at DEN

- WestJet is an International carrier
 - WestJet will be leasing approximately 290 square feet of space at DEN
- Given the information above, WestJet can be a signatory carrier at DEN

- Volaris is an International carrier
 - Volaris will be leasing approximately 195 square feet of space at DEN
- Given the information above, Volaris can be a signatory carrier at DEN

- British Airways is an International carrier
 - British Airways will be leasing approximately 742 square feet of space at DEN
- Given the information above, British Airways can be a signatory carrier at DEN