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Board Chair and Board Member  
San Diego County Regional Airport Authority

# The Airport Authority & San Diego International Airport

# Presentation

- A Look at the Airport Authority
- San Diego International Airport
- Air Service: *Connecting San Diego to the World*
- The Green Build: *Building for the Future*
- New Shops & Restaurants at the Airport
- Future Development
- Quieter Home Program
- Q & A



# A Look at the Airport Authority

# Airport Authority Overview



- Created as independent agency by the State legislature on January 1, 2003 to:
  - 1) Operate San Diego International Airport
  - 2) Plan for future air transportation needs of the region
  - 3) Serve as region's Airport Land Use Commission
    - Ensure adoption of land use plans that protect public health & safety surrounding all 16 airports in SD County
- Appointed 9-member Board represents all areas of the County
- President/CEO Thella F. Bowens
  - Responsible for management oversight of Authority, annual budget, staff
- Staff of approximately 385 aviation professionals

# The Airport Authority



*We will plan for and provide air transportation services to the region with safe, effective facilities that exceed our customer expectations.*

*We are committed to operating San Diego's air transportation gateways in a manner that promotes the region's prosperity and protects its quality of life.*

# Airport Authority Employees

- FY 13 number of positions – 385
- Gender – current employees
  - Male – 57%
  - Female – 43%
- Diversity makeup – current employees
  - Caucasian – 57%
  - People of Color – 43%



# Sustainability Initiatives

## General

- First major U.S. airport with formal Sustainability Policy – 2008
- First major U.S. airport with annual Sustainability Report based on Global Reporting Initiative Guidelines – 2012

## Air Quality

- Air Quality Management Plan
- Greenhouse gas reduction agreement
- Airport Transit Plan
- Alternative fuel vehicles program
- Green Taxis Initiative

## Energy Efficiency

- LED Airfield lighting
- Performance-Based Energy Contracts
- Photo-voltaic panels in Green Build & Rental Car Center

## Environmental Protection

- California Least Tern Endangered Species Protection Program
- Stormwater Management

## Green Buildings

- LEED certification for all new construction
- Life Cycle Asset Management Program

## Water Conservation

- Satellite Water Tracking System
- Xeriscape landscaping

## Waste Management

- Award-winning recycling program
- Electronic Waste Collection events



## Budget and Major Expenses – FY14

Total Operating Budget	\$213,078,000
Capital Improvement Program (FY14 - FY18)	\$731,753,000
The Green Build Program	\$820,000,000
Financing Costs	\$117,770,000

# Responsible Financial Stewardship

- *Airport Authority, including SDIA, is funded through user fees, not local taxes.*
- Positive ratings for Airport Authority bonds – \$379.6 million
- Bonds issued for:
  - Continued funding of The Green Build program
  - Funding for a variety of projects in the SDIA Capital Improvement Program
- Ratings above median for all U.S. airports:

**FitchRatings**

**A+**

**STANDARD  
& POOR'S**

**A+**



**Moody's Investors Service**

**A1**

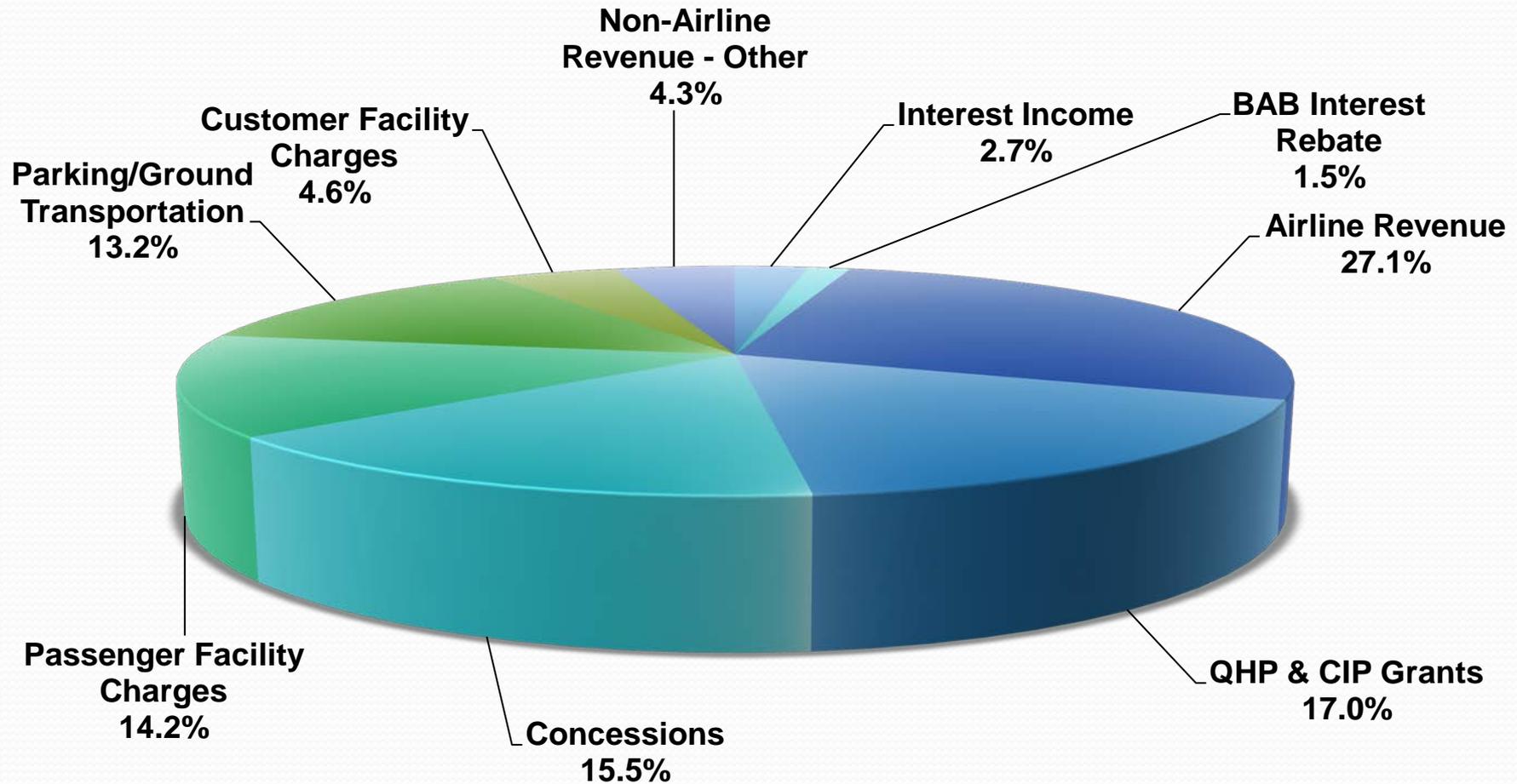


# San Diego International Airport

# Airport Layout



# Airport Revenue Breakdown – FY13

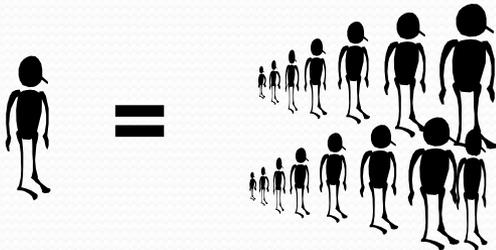


# SDIA as Economic Engine



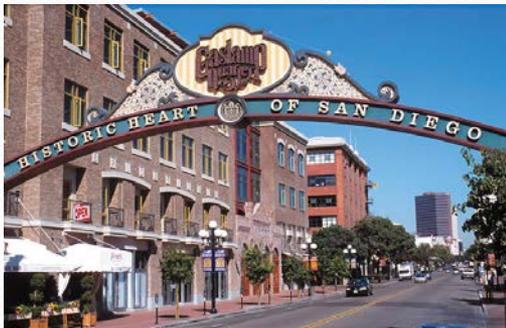
SDIA generates  
\$10 billion a year for  
the regional economy

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Every job at the airport  
equates to 16 other jobs  
in the San Diego region

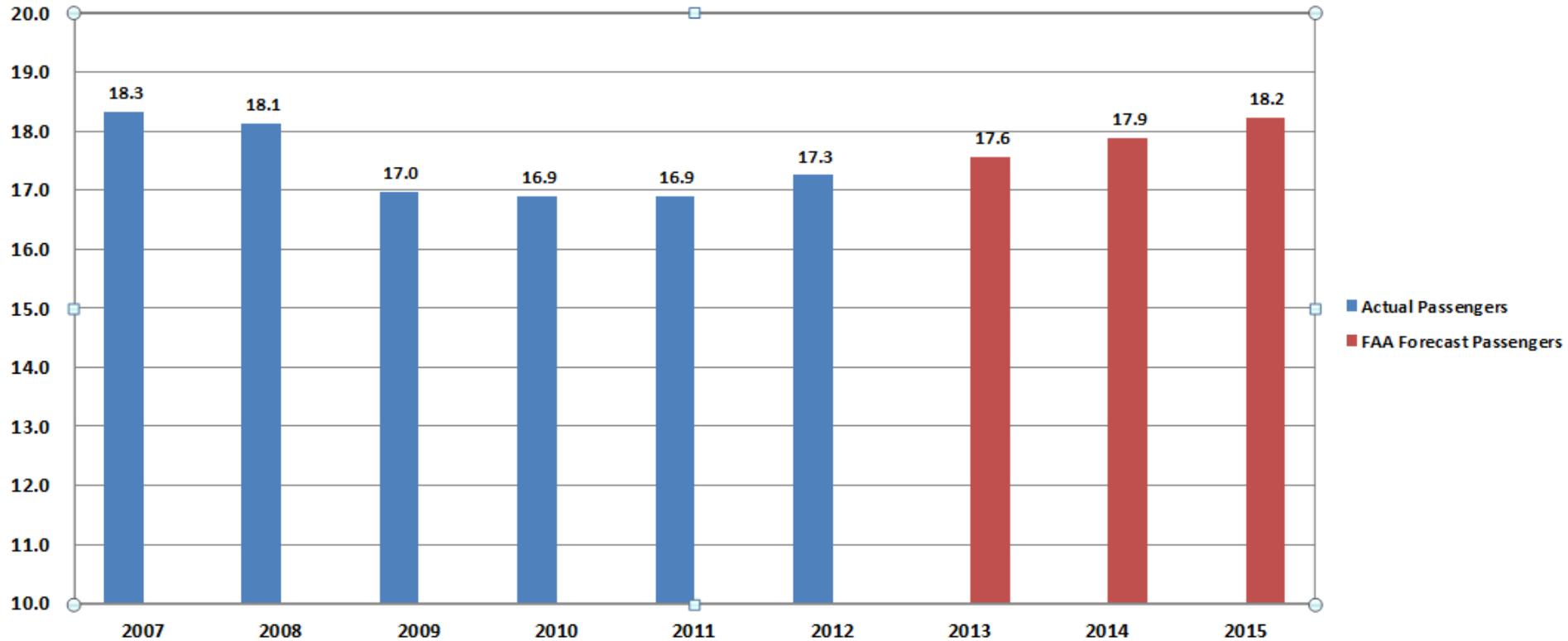
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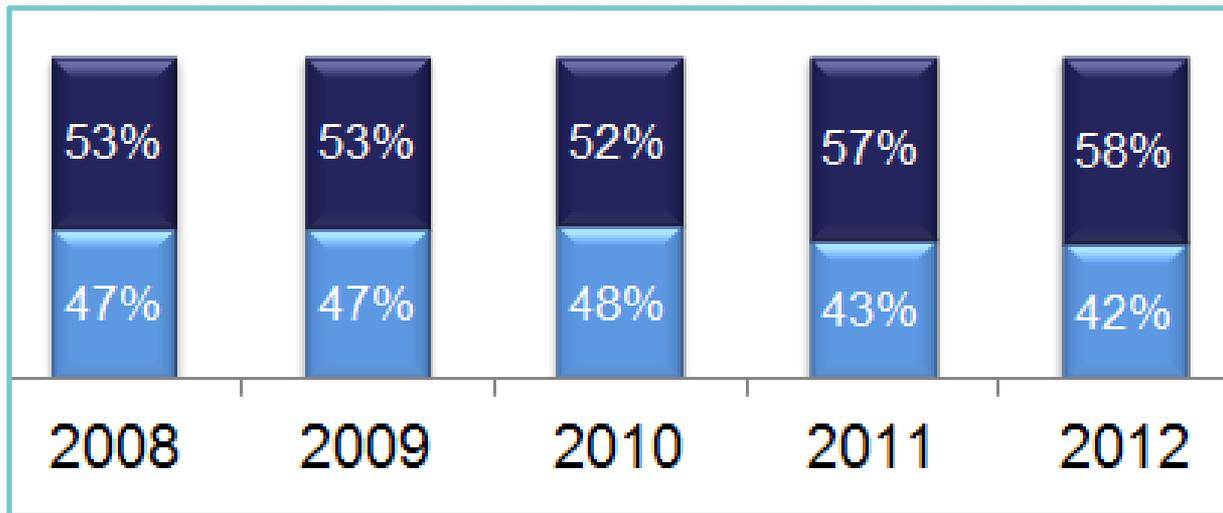
\$2.6 billion a year is spent  
by visitors who arrive by air  
to San Diego

# SDIA Passengers

Actual vs. Forecast Passengers (Millions)



# Reason for Travel: Leisure vs. Business

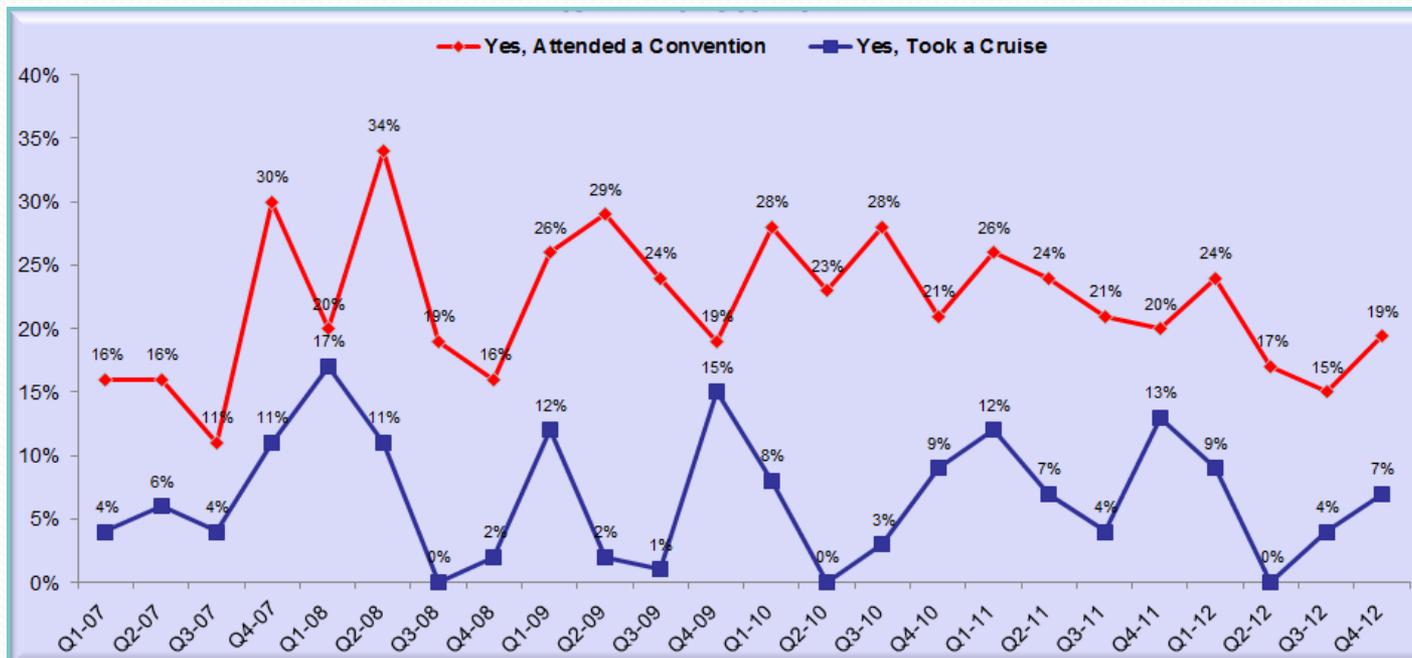


■ Leisure/Vacation/  
Visiting  
■ Business

# Reason for Travel: Conventions and Cruises

While in San Diego:

- 19% of 2012 visitors attended a convention
- 5% of 2012 visitors took a cruise

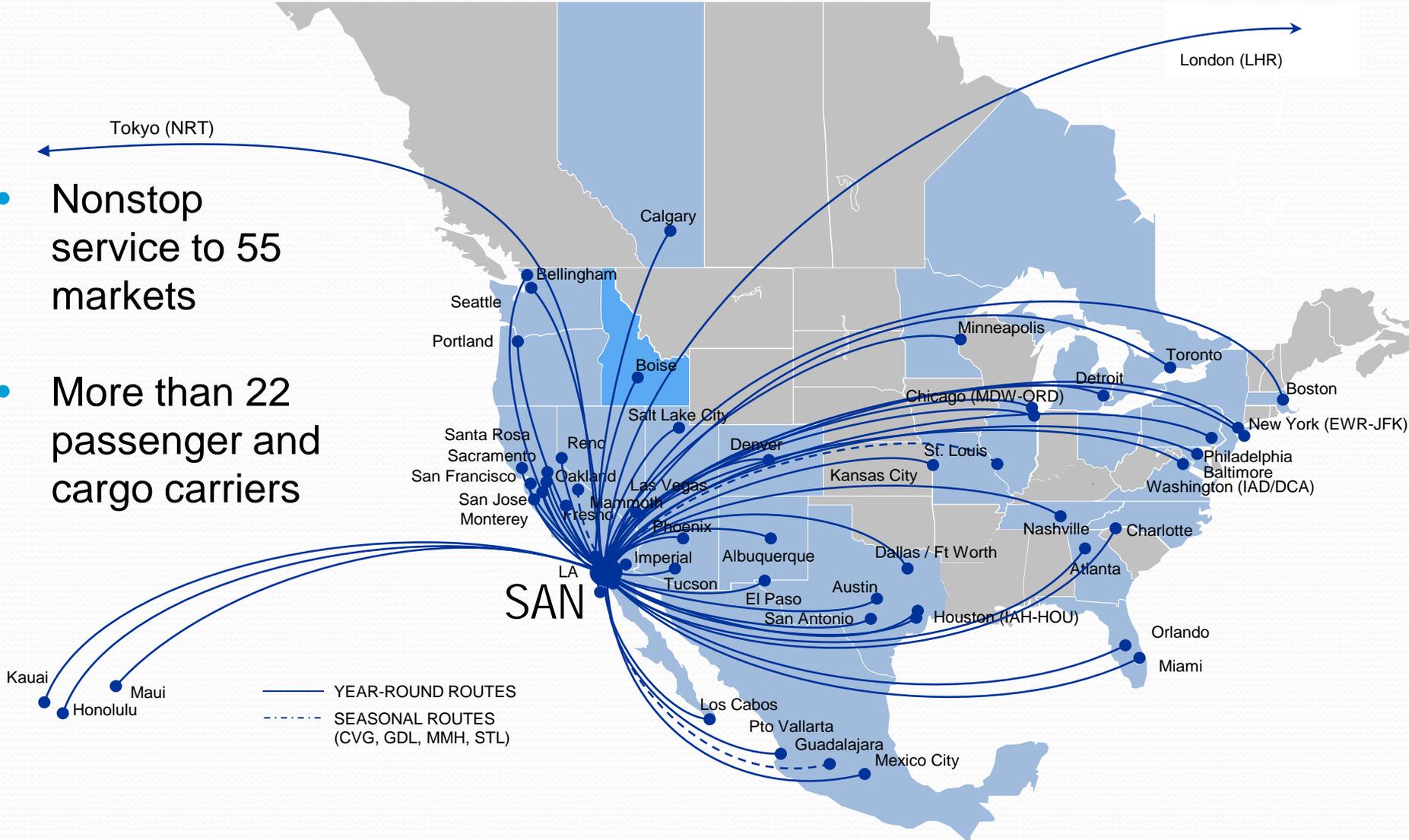




Air Service:  
*Connecting San Diego to the World*

# Nonstop Service

- Nonstop service to 55 markets
- More than 22 passenger and cargo carriers



# Recent Air Service Successes

Since beginning of 2012, 14 new routes

- JAPAN AIRLINES Tokyo (Narita)
- ALASKA AIRLINES Boston  
Fresno  
Boise, Idaho  
Bellingham, Wash.  
Kauai, Hawaii  
Monterey, Calif.  
Orlando  
Santa Rosa/Sonoma
- SPIRIT AIRLINES Dallas / Ft. Worth  
Los Cabos, Mexico  
Portland
- US AIRWAYS Washington (National)
- AMERICAN AIRLINES Miami



**JAPAN AIRLINES**



**spirit**  
airlines

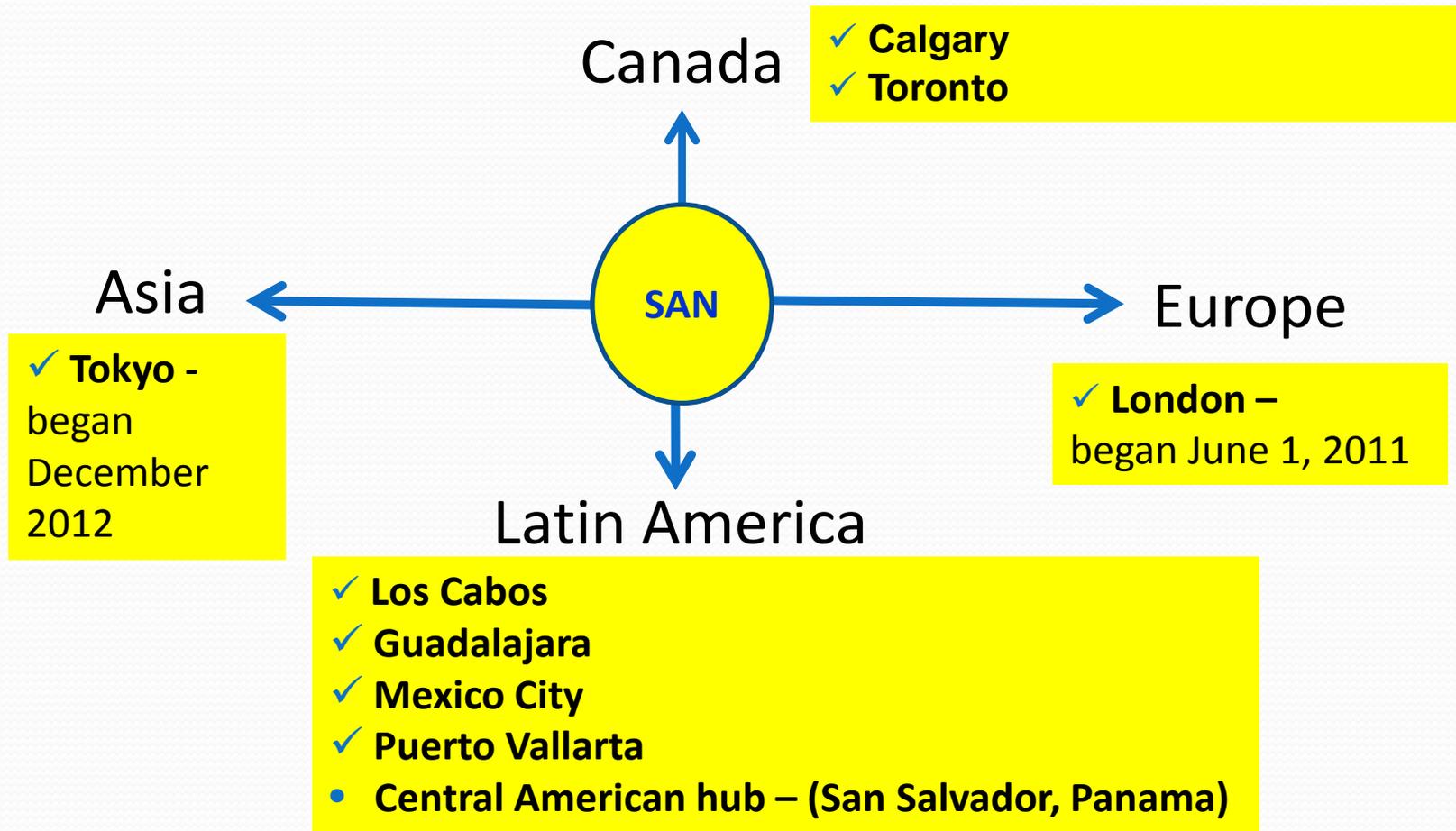


**U-S AIRWAYS**



# International Connections

- ✓ Recently added international service
- Future international service goals



## North American/ Transoceanic Incentive Programs

- **North American**-Assistance with route marketing up to \$60,000 for new destinations (México, Canada, and Caribbean), and \$35,000 for new domestic routes
  - Additional incentives up to \$35,000 for new airlines on an existing routes to increase competition
- **Transoceanic**-Assistance with route marketing up to \$750,000 over two years for new air service from to Central/South America, Asia, Oceania, Europe, and Africa
  - Landing fee credits for two years
  - Airport rental space rebates



# The Green Build

# Green Build Overview

- Largest improvement project in airport's history
- \$1 billion project
- 1,000 jobs at peak construction
- Completion: August 2013
- Project highlights
  - 10 new gates
  - Expanded, more comfortable passenger waiting areas
  - Enhanced curbside check-in
  - Dual-level roadway
  - More security lanes
  - Expanded concessions
  - LEED certification

# The Green Build



# Green Build Grand Opening Events

- August 6<sup>th</sup>: Media Day & Taste of SAN
- August 7<sup>th</sup>: Airport & Authority Employee Cookout
- August 8<sup>th</sup>: VIP Gala
- August 9<sup>th</sup>: Official Ribbon-Cutting Ceremony
- August 10<sup>th</sup>: Authority, Employee, Family and Public Tours
- August 13<sup>th</sup>: Official Public Opening

# USO Center-Opened in June



# Reaching out to Local & Small Businesses

- Concerted effort to provide opportunities for local businesses
  - Outreach & Training
    - Turner School of Construction Management
    - Monthly workshops
    - Online education – 19 modules
  - Resources
    - Bonding & Contracting Finance Assistance Program
    - Small Work Packages



# Reaching out to Local & Small Businesses

- Contracted labor force at SDIA over past two years
  - More than 75% → local businesses
  - More than 30% → small businesses
- \$467.5 million in Green Build construction opportunities
  - \$415.2 million (88.8%) → local businesses
  - \$117.6 million → small businesses
  - \$57.5 million → historically unrepresented businesses

# Contracted Labor Workforce Composition – Q3 FY13

- San Diego County Residents - 73%
- Diversity makeup
  - People of Color - 45%
  - Caucasian - 42%
  - Others/Undeclared - 13%





# New Shops & Restaurants at the Airport

# Concession Development Program

- From master concessionaire to multiple primes
- Concessions increasing from 55 to 87 at program completion in 2014
- Goal: bring best local, regional, national & international concepts to SDIA
- Inclusion of local, small & disadvantaged businesses
- Board adopted Worker Retention Program to help ensure ongoing employment of existing concessions workers



# New Concessions – Food

- **100 Wines**
- Artisan Market
- **Bankers Hill Bar & Restaurant**
- Beaudevin...All the Beauty of Wine
- Bubbles Wine and Tapas Bar
- California Pizza Kitchen
- Camden Food Co.
- Ciao Gourmet Market
- **Craft Brews on 30th St.**
- Einstein Bros. Bagels
- Emerald Express
- Firewood Cafe
- **Garden by Tender Greens**
- Jack in the Box
- Mango Taco Truck Cantina
- Pacifica Restaurant
- Panda Express
- **Pannikin Coffee & Tea**
- Peet's Coffee & Tea



- **PGA Tour Grill**
- **Phil's BBQ**
- Qdoba Mexican Grill
- Red Mango
- **Ryan Bros. Coffee**
- **Saffron**
- "Seaside" Stack Shack
- Starbucks
- **Stone Brewing Company**
- The Counter MINI
- Tommy V's Pizzeria
- Upper Crust
- Urban Crave

# New Concessions – Retail

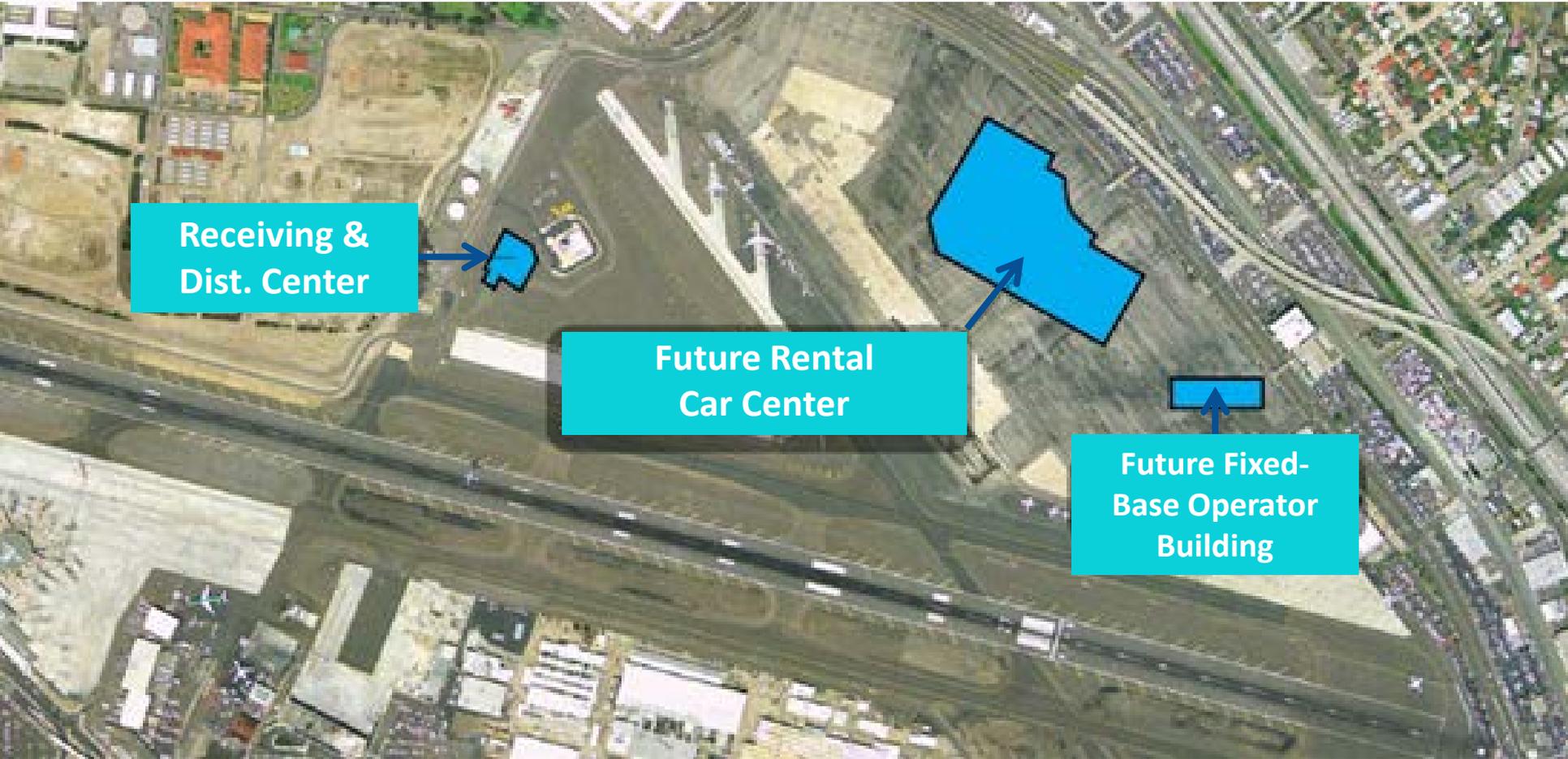


- 10News
- **Apricot Lane Boutique**
- Bay Books
- **Best Buy**
- **Be Relax Spa**
- Brighton Collectibles
- **Brooks Brothers**
- **Brookstone**
- **Clinique**
- CNBC News San Diego
- Gaslamp MarketPlace
- Gaslamp News
- Gaslamp Quarter News
- Hudson News
- InMotion Entertainment
- **Jer's Chocolates**
- Kids Love San Diego
- Lindbergh Field News
- Lindbergh News
- **Old Town News & Market**
- **PGA Tour Shops**
- San Diego Bay News and Cafe
- SANd News
- Shades of Time
- Soundbalance
- Stellar News Express
- **Sunglass Hut**
- **Swarovski**
- Tech on the Go
- The Beach House
- **The Sharper Image**
- U.S. News & World Report
- **Warwick's of La Jolla**
- Where Traveler San Diego



# Future Development

# North Side Development



# Receiving & Distribution Center – LEED Gold Certified



# Rental Car Center

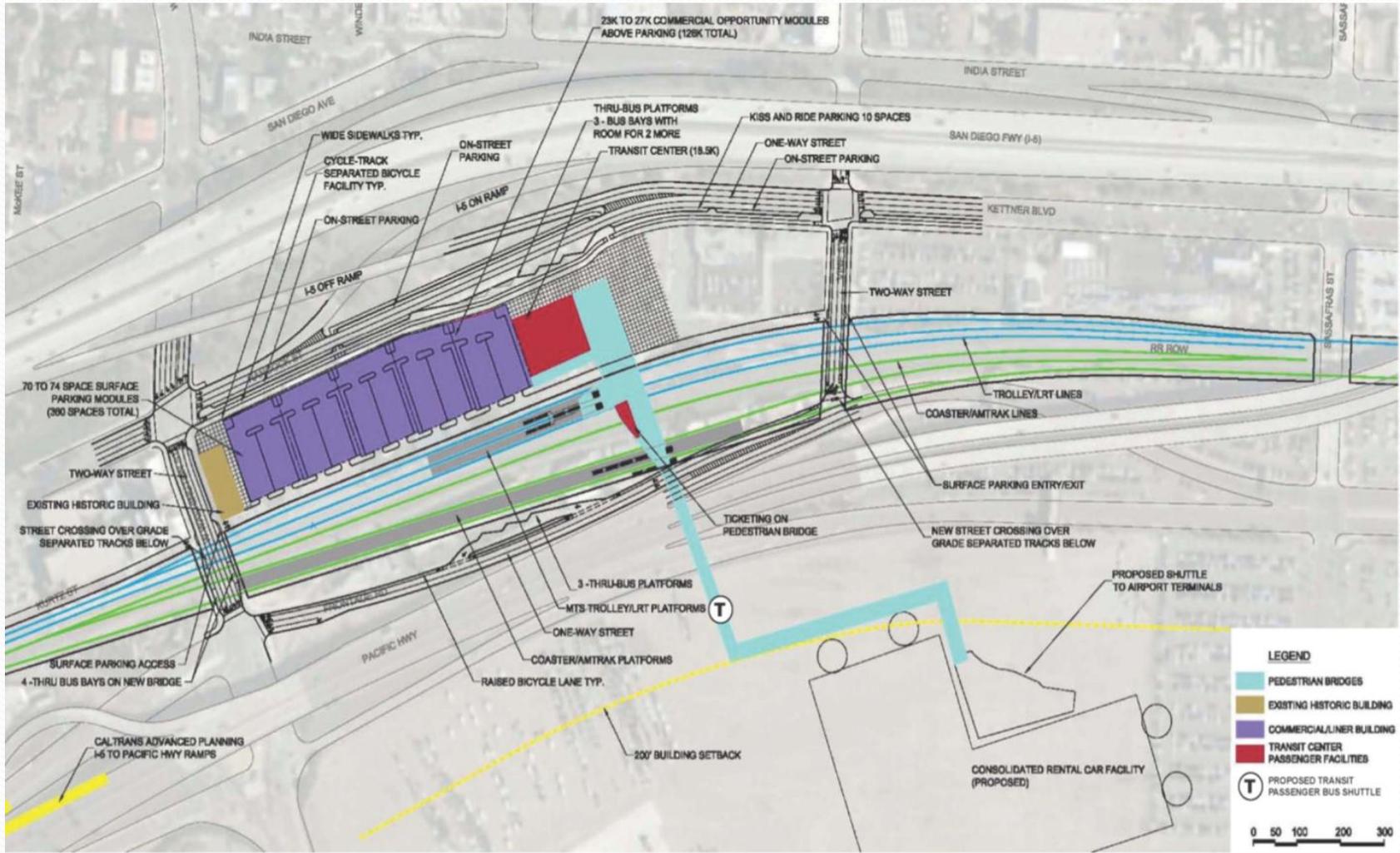


*View from the northeast*



*View from the southeast*

# Intermodal Transit Center – SANDAG Project



# Airport Development Plan

## Priorities:

- Prepare new aviation activity forecast (Year 2035)
- Maintain SDIA's excellent safety record
- Develop a plan to address Terminal 1
- Determine the highest and best use for the remaining North Side & TDY properties
- Develop ways to increase non-airline revenue
- Prepare all required environmental analyses



*Terminal 1*



*Terminal 1 Ticketing Lobby*

# Airport Development Plan

- Project to last a total of 4 years:
  - 2 years for planning analysis
  - 2 years for environmental review
- Multiple opportunities for public comments, including:
  - Alternatives development phase (2013)
  - Environmental review (2014)

# Quieter Home Program

- 2600 homes and 6 schools completed, 8000 homes remain
- 80:20 cost sharing arrangement with the FAA, we historically receive between \$10-12 million per year
- FAA recently clarified its guidance regarding project eligibility
  - Homes must be within the airport's 65 decibel (dB) Community Noise Equivalent Level (CNEL) contour, and
  - Have areas inside the home with an average noise level of 45 dB CNEL or greater measured with all windows closed
- The number of homes affected cannot be determined until FAA approves updated testing methodologies and establishes new criteria.
- We are working with the FAA to measure sound with windows open, as is commonly done in San Diego
- SDCRAA is committed to completing sound insulation projects for as many homes as possible before September 30, 2015 when new criteria goes into effect



# Stay Informed



## On the Web:

- [www.san.org](http://www.san.org)

• [email.greenbuild@san.org](mailto:email.greenbuild@san.org)



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# Questions?