



Memorandum

TO: TRANSPORTATION AND ENVIRONMENT COMMITTEE **FROM:** Kimberly J. Becker
SUBJECT: AIRPORT STRATEGIC PLAN **DATE:** October 18, 2016

Approved D. DSyl Date 10/22/16

RECOMMENDATION

Accept the staff report on the Airport Strategic Plan.

BACKGROUND

During the last 10 years, Mineta San Jose International Airport (SJC) has focused its efforts on completing the Terminal Area Improvement Program and learning to operate the new facilities as efficiently and effectively as possible. As we successfully close that 10-year strategic planning period, we have begun looking forward to our next strategic planning cycle.

In Fiscal Year 2015/16 passenger traffic increased by almost 7%, elevating our passenger traffic to 10.2 million annual passengers. As FY 2016/17 begins, the Airport continues to show strong potential for continued growth, driven by a resurgent economy, new markets and increased frequencies on domestic routes, and new international flights to London, Frankfurt, Vancouver, Beijing and Shanghai.

ANALYSIS

With this recent passenger growth, SJC is now positioned to commence a new chapter in its evolution, which is to increase the Airport's contribution to the local economy, to set a new standard for passenger convenience, and to strengthen the business foundation of the Airport enterprise.

The Strategic Plan for SJC calls on the Airport to work toward ambitious but achievable goals related to growth, innovation, financial strength and organizational efficiency.

Development of the Plan was coordinated by the Strategic Plan Design Team, comprised of 15 SJC staff, representing all functions and all levels within our organization. The Design Team considered input received from our key stakeholder groups, and worked with staff Focus Groups to test ideas and develop priorities which reflect the collective needs of our organization. In this context, SJC developed a strategic plan for the next 10 years based on the achievement of an exciting and transformational Vision designed to create an Airport that drives regional

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growth, provides more and better travel choices for residents and businesses and offers a stimulating Silicon Valley airport experience. Our Strategic Plan defines a common purpose for our organization, an ambitious 10-year future vision, and a structure of goals, objectives, action plans and performance measures to engage and galvanize the whole organization to achieve the full potential of the Airport, both as a primary economic driver of the Silicon Valley economy, and as a valued community asset representing the best of our local culture and lifestyle.

There are six key elements that make up our Strategic Plan:

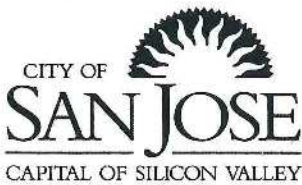
- Mission – “To connect, serve and inspire”
- Vision – “To transform how Silicon Valley travels”
- Strategic Goals –
 - Drive Growth
 - Innovate
 - Fund the Future, and
 - Reinvent the Organization
- Strategic Objectives – key priorities which, taken together, build toward realization of our Strategic Goals
- Action Plans - outline detailed steps that must be taken to achieve our Strategic Objectives
- Performance Measures – dashboard that includes the most important metrics that would be actively managed to ensure that the Airport achieves its goals.

This Strategic Plan will guide the Airport’s decisions, budget and initiatives, while ensuring it remains a globally competitive airport, offering first class facilities at reasonable cost to users, and maximizing its economic contribution to the local community.

/s/

Kimberly J. Becker
Director of Aviation

For questions, please contact Kim Becker, Director of Aviation, at (408) 392-3610.



Memorandum

TO: COMMUNITY AND ECONOMIC
DEVELOPMENT COMMITTEE

FROM: Kimberly J. Becker

SUBJECT: AIRPORT STRATEGIC PLAN

DATE: October 11, 2016

Approved

Lia Walsh

Date

10/12/16

RECOMMENDATION

Accept the staff report on the Airport Strategic Plan.

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The Strategic Plan for SJC calls on the Airport to work toward ambitious but achievable goals related to growth, innovation, financial strength and organizational efficiency.

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/s/

Kimberly J. Becker
Director of Aviation

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SILICON VALLEY'S AIRPORT



STRATEGIC PLAN

October 2016

Introduction



- Gallup Employee Engagement Survey
 - Q 08 – The mission or purpose of my organization makes me feel my job is important
- This Strategic Plan sets out a clear, shared vision for the City of San Jose Airport Department, and ambitious but achievable goals to achieve the vision
- Most important of all, it is a Plan developed by SJC staff, for SJC staff, to guide and direct our collaborative efforts



Strategic Plan Process – Design Team



Development of the Plan was coordinated by the Strategic Plan Design Team:

- 15 staff representing all functions and all levels within the organization
- Considered input received from key stakeholder groups
- Worked with staff Focus Groups to test ideas and develop priorities



Strategic Plan Process – Stakeholders

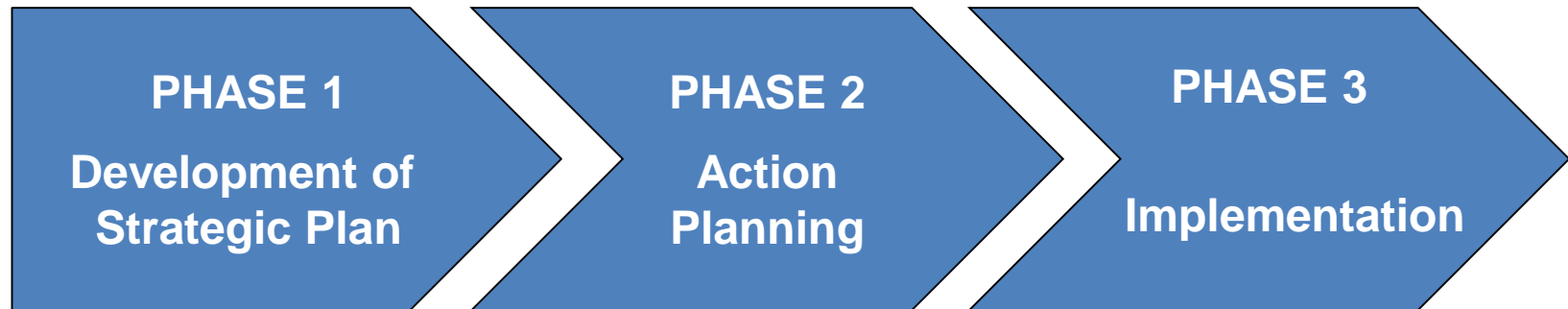


In developing the Plan we conducted extensive outreach with stakeholders, including the following:

- Alaska Airlines
- Delta Airlines
- Southwest Airlines
- Signature Flight Support
- TSA
- San Jose Airport Commission
- San Jose, City Manager's Office
- Silicon Valley Leadership Group
- Silicon Valley Chamber of Commerce
- Joint Venture Silicon Valley



Strategic Plan Process - Timeline



- Mission
- Vision
- Strategic Goals
- Strategic Objectives

- Multi-year, cross-functional plans
 - Actions
 - Outcomes
 - Responsibilities
 - Schedule

- Implementation of Action Plans
- Annual Business Plans
- Monitoring
- Periodic Refinement of Strategic Plan

**December 2015
– March 2016**

April - July 2016

August 2016 ➔



Mission Statement



Our Mission – our core purpose and reason for existence – is:

“To connect, serve, and inspire”

This Mission embraces three fundamental commitments, to:

- **Connect** – global destinations, people, stakeholders, technology
- **Serve** – our customers, our stakeholders and our community
- **Inspire** – our customers and our staff, to go “above and beyond”



Vision Statement



Our Vision – our collective ambition for the next 10 years – is to work together:

“To transform how Silicon Valley travels”

Our Vision includes three key elements:

- Direct air service to the places people want to go – no-one needs to use another airport
- Unique, innovative and convenient customer experience
- A showcase for the best of Silicon Valley



Strategic Goals, Objectives and Performance Measures



1 DRIVE GROWTH

- a) Increase direct service to underserved markets
- b) Provide infrastructure to meet demand

MEASURES

- Annual passenger volume
- Airline requirements and market changes

2 INNOVATE

- a) Leverage technology
- b) Reimagine the customer experience
- c) Foster a culture of innovation

MEASURES

- Passenger satisfaction rating
- Engagement survey Grand Mean



Strategic Goals, Objectives and Performance Measures



3 FUND THE FUTURE

- a) Increase non-airline revenues
- b) Develop innovative funding solutions
- c) Maintain a competitive cost per enplaned passenger

MEASURES

- Cost per enplanement
- Annual capital program fully funded

4 REINVENT THE ORGANIZATION

- a) Find a better way
- b) Organize to deliver success

MEASURES

- Engagement survey Grand Mean



