



SAN FRANCISCO INTERNATIONAL AIRPORT

FIVE-YEAR STRATEGIC PLAN
2017-2021



SFO continues to be an economic engine for our region, powering jobs, tourism, and revenue. I congratulate the Airport for their achievements, and wish the team continued success as they embark on their 5-Year Strategic Plan.

San Francisco Mayor
Edwin M. Lee

Airport Commission



Larry Mazzola
President



Linda S. Crayton
Vice President



Eleanor Johns



Richard J. Guggenheimer



Peter A. Stern

Senior Staff

John L. Martin

Airport Director

Shauna Marie Rose

Executive Assistant to the Airport Director

Sheryl L. Bregman

Airport General Counsel

Ivar Satero

Chief Operating Officer

Kandace Bender

Chief Marketing and Communications Officer

Leo Fermin

Chief Business and Finance Officer

Julian Potter

Chief Administrative and Policy Officer

Ian Law

Deputy Airport Director/CIO

Blake Summers

Director and Chief Curator

Jeff Littlefield

Deputy Airport Director
Operations & Security

Geoffrey W. Neumayr

Deputy Airport Director
Design & Construction

John Bergener

Airport Planning Director

Peter Acton

Director of Facilities

Linda Yeung

Director
People, Performance & Development

Jean Caramatti

Commission Secretary



A Message from the Director

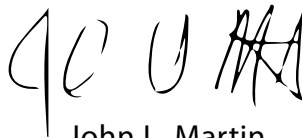
I am pleased to present San Francisco International Airport's new Strategic Plan, 2017-2021, which along with our core values and task force committee recommendations, provides a solid road map for SFO for the next five years.

The Plan was a truly collaborative venture. Its months-long development was led by SFO's Senior Staff and included significant input from several hundred SFO employees, who participated in numerous brainstorming sessions.

The Plan includes seven major goals supported by 32 objectives, as outlined in this document. More than 160 initiatives were created by employees to support these objectives and goals. The process of supporting SFO's overall goals will be extended to individual employees as they prepare their personal goals. In this way, we are all working as one team.

In addition, this document includes a policy statement on SFO's overall philosophy on doing business with the Airport and another statement that reiterates our commitment to work collaboratively with all departments in the City family to deliver services in an efficient and innovative manner.

I am extraordinarily proud of the work that went into creating this new strategic plan. SFO continues to be an exceptional Airport, delivering an outstanding guest experience, strong business performances, top-rated safety and security practices and demonstrating a genuine devotion to environmental leadership. SFO has a world class dream team, and I am confident the Airport is in good hands as we move forward into the next five years.

A handwritten signature in black ink, appearing to read 'John L. Martin'.

John L. Martin

Airport Director (1995-2016)



SAN FRANCISCO INTERNATIONAL

MISSION

We provide an exceptional airport in service to our communities



VISION

Reaching for #1



OVERALL GOALS

7 New Goals



OBJECTIVES

32 New Key Objectives

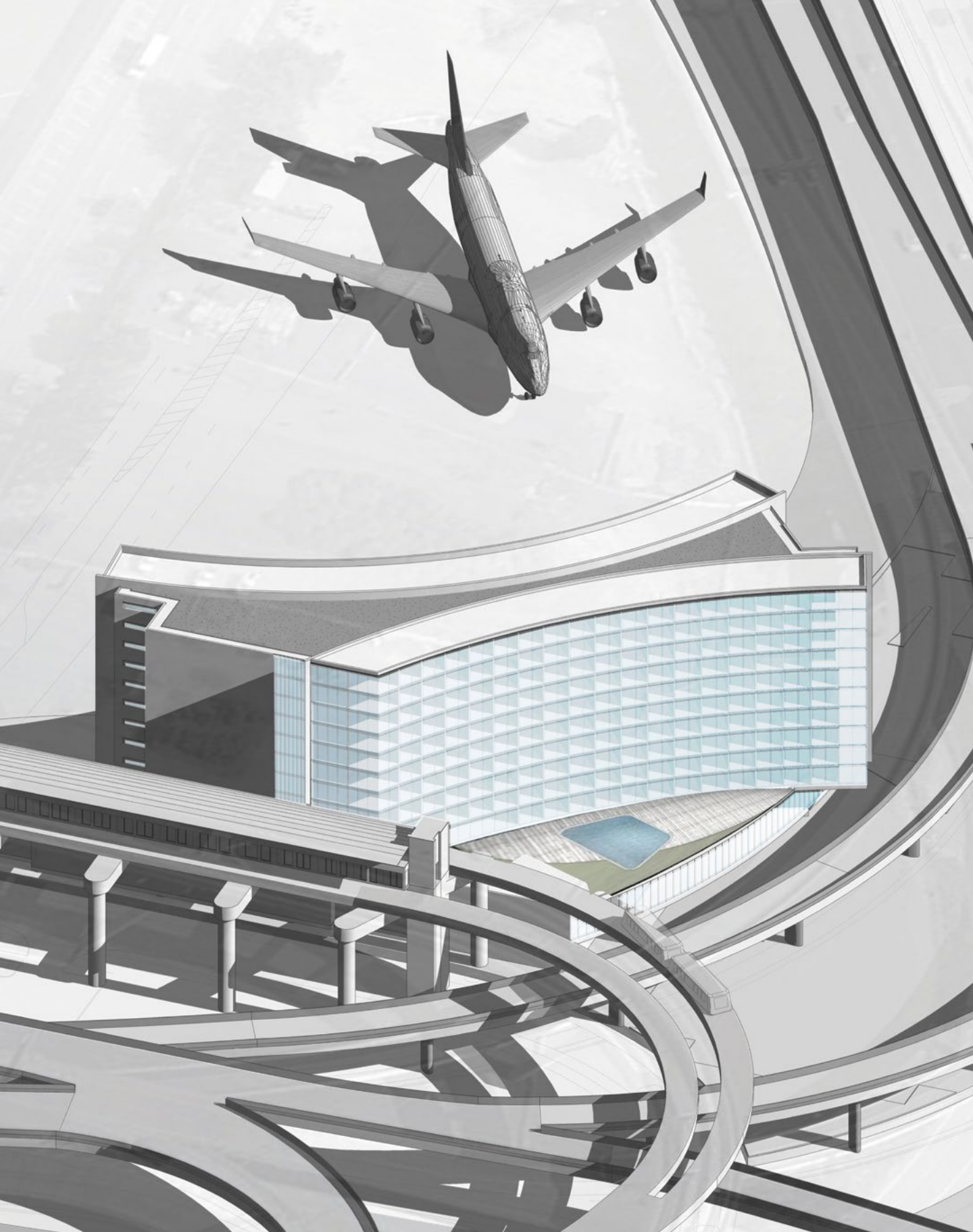


STRATEGIC INITIATIVES



CORE VALUES

Safety and security is our first priority	We are open to new ideas
We are one team	We are committed to SFO being a great place to work for all employees
We treat everyone with respect	We are each responsible for the Airport's success
We communicate fully and help one another	We take pride in SFO and in our accomplishments
We strive to be the best	
We are innovative	



Goals and Objectives

Our new Strategic Plan includes seven high-level goals which will guide us in the next five years. The seven goals are supported by 32 key objectives. These are supported by more than 160 initiatives created by individual divisions working together. In a seamless fashion, the initiatives, objectives, and goals help SFO achieve its mission “To provide an exceptional Airport in service to our communities.”

GOALS AND OBJECTIVES

GOAL #1: REVOLUTIONIZE THE PASSENGER EXPERIENCE	GOAL #2: ACHIEVE ZERO BY 2021	GOAL #3: BE THE INDUSTRY LEADER IN SAFETY AND SECURITY	GOAL #4: NURTURE A HIGHLY COMPETITIVE AND ROBUST AIR SERVICE MARKET
<p>1. Ensure Terminal 1 is rated as the best terminal in the world by Skytrax and Airport Service Quality (ASQ) Surveys</p> <p>2. Create seamless door-to-door airport experience for passengers who want leisurely dwell time and passengers who want a speedy and efficient process and achieve overall airport score of 4.4 on ASQ survey</p> <p>3. Bring the innovative flair of San Francisco and Silicon Valley with revolutionary technology solutions</p>	<p>1. Achieve Net Zero Energy at SFO</p> <p>2. Achieve Zero Waste</p> <p>3. Achieve carbon neutrality and reduce greenhouse gas emission by 50% (From 1990 Baseline)</p> <p>4. Implement a Healthy Buildings strategy for new and existing infrastructure</p> <p>5. Maximize water conservation to achieve 15% reduction per passenger per year¹</p>	<p>1. Achieve an exceptional safety culture and superior regulatory inspections through a robust Safety Management System (SMS)</p> <p>2. By 2020, be the safest and most secure Airport in the U.S. with the lowest number of breaches and incursions</p> <p>3. Implement international standards for cyber-security</p> <p>4. Be excellent in the operation and maintenance of our airfield</p> <p>5. Enhance partnerships with local/federal regulators and law enforcement agencies (FAA, TSA, CBP, etc.)</p>	<p>1. Goal of maintaining and controlling CPE through 2021²</p> <p>2. Increase international carrier service by 25% and ensure maintenance of 24% low-cost carriers (LCC)</p> <p>3. Ensure a competitive environment by providing sufficient operational capacity for new and current airlines</p> <p>4. Educate stakeholders on value of SFO airline services</p> <p>5. Create the most welcoming and efficient Federal Inspection Services (FIS) area by ASQ survey</p> <p>6. Provide for an innovative and friendly environment for airlines</p>
<p>R4N1 Committees:</p> <ul style="list-style-type: none"> · Disrupters · Universal Access 	<p>R4N1 Committees:</p> <ul style="list-style-type: none"> · Sustainability · Water Conservation 	<p>R4N1 Committees:</p> <ul style="list-style-type: none"> · Safety & Security Best Practices 	<p>R4N1 Committees:</p> <ul style="list-style-type: none"> · CBP Processing

¹ Baseline year: 2013

² Final amount TBD upon approval of Capital Improvement Plan

GOAL #5: BE A WORLD CLASS DREAM TEAM	GOAL #6: DELIVER EXCEPTIONAL BUSINESS PERFORMANCE	GOAL #7: CARE FOR AND PROTECT OUR AIRPORT AND COMMUNITIES
<ol style="list-style-type: none"> 1. Be the Employer of Choice and achieve 85% overall employee satisfaction in bi-annual Work Climate survey 2. Ensure diversity of people, ideas, socio-economic and cultural backgrounds across entire Airport community 3. Engage Airport community to embrace SFO's standard of excellence 4. Provide a work climate that supports wellness, health and work/life balance 	<ol style="list-style-type: none"> 1. Have the highest per passenger spend rate for combined food & beverage, retail and duty free in the U.S. 2. Achieve an airport wide goal of 40% small business participation 3. Introduce new technology to improve and streamline business performance 4. Own and maintain superior technological infrastructure to support airport stakeholder business needs 5. Maximize non-airline revenues 	<ol style="list-style-type: none"> 1. Maintain Airport's infrastructure to the highest standard of excellence to ensure no interruption in operations 2. Ensure that on site airport employers meet the safety, security, and employee benefit standards of SFO 3. Promote safe & healthy working conditions for Airport-based employees 4. Support and promote giving back to the communities we serve
R4N1 Committees: <ul style="list-style-type: none"> · Great Place to Work · Team SFO · Wellness 	R4N1 Committees: <ul style="list-style-type: none"> · Performance Management 	R4N1 Committees: <ul style="list-style-type: none"> · MVP · Airport Business Continuity

Implementing the Strategic Plan

SFO's five-year strategic plan will be overseen by the Airport Director and Senior Staff. It is the responsibility of these groups to ensure all Airport staff work toward achieving the goals that have been established in a collaborative and collegial fashion.

"Reaching for Number 1" (R4N1) is our aspirational vision that guides us to achieve the strategic plan. Established in 2011, R4N1 comprises 12 ad hoc task force committees, consisting of several hundred Airport employees, who provide recommendations and suggestions as the Airport works toward achieving its goals.

SFO'S REACHING FOR #1 TASK FORCE COMMITTEES:

- **Airport Business Continuity** – Utilize the Airport's Business Continuity Plan to further refine organizational structure and training programs that will support post-event recovery efforts.
- **Customs and Border Protection Processing** – Create a superior customer experience in the customs and immigration hall using facility upgrades, technology enhancements and collaboration with CBP officers.
- **Disrupters** – Identify and monitor new trends that could increase efficiency and the guest experiences at SFO; and conversely, evaluate those trends for risks to current business models.
- **Universal Access** – Research and recommend ideas that will make SFO the most accessible airport in the world for guests with unique traveling needs, disabilities and those whose first language is not English.
- **Safety and Security Best Practices** – Implement one new safety and one new security best practice that is industry-leading.
- **Performance Management** – Facilitate continuous organizational improvement and collaboration through the use of Airport data.
- **Sustainability** – Increase community awareness of airport-wide principles of sustainability. The following are subcommittees:
 - **Transit** – Establish SFO as a leader in airport transit and sustainability.
 - **Solid waste** – Achieve Zero waste by 2020.
 - **Social-economic responsibility** – Establish SFO's framework and priorities for social-economic programs.
 - **Net Zero Energy** – Achieve Net Zero Energy throughout the SFO campus.
- **Water Conservation** – Use education, new procedures and technologies to achieve a 15 percent water reduction per passengers by December 2016.
- **Great Place to Work** – Create new programs that celebrate and strengthen SFO as a great place to work.
- **Wellness** – Promote existing wellness programs and expand curriculum with additional stress-relieving activities.
- **Team SFO** – Create innovative programs and events that build camaraderie and teamwork.
- **MVP** – Motivate and maximize employee volunteer participation, such as Human Trafficking Awareness fundraising and training programs.

The SFO Way

SFO has been highly successful in achieving its mission of providing an exceptional airport in service to our communities through collaboration and fairness, creating a level playing field for all tenants, encouraging excellence in all areas and maintaining Airport control of its assets.

SFO adheres to three guiding principles in doing business with its hundreds of tenants and stakeholders:

- Ensuring high standards of Safety and Security
- Maintaining full control of all Airport assets and infrastructure
- Fostering a high level of market competition

Several Airport Commission policies help frame the management and operation of SFO while following the guiding principles. The policies include:

1. Wi-Fi Policy

- SFO is committed to providing exceptional Wi-Fi services to guests, airlines and concessionaires. This policy documents the approach for setting the standards and controlling SFO's Wi-Fi system.

2. Shared Use Policy

- This policy describes SFO's method of managing systems, infrastructure and services shared by multiple airline tenants, concessionaires and other Airport partners. This policy gives SFO the greatest flexibility in managing its operations.

3. Policy on Control of Data and Digital Assets

- This policy acknowledges the value of SFO data and digital assets and mandates that SFO retains ownership and control its data and digital assets and that such data and digital assets be used exclusively for the benefit and protection of SFO. SFO data includes all internal metrics, measures, counts and information concerning any aspect of SFO property, facilities or operations. SFO digital assets include all outward-facing media including but not limited to SFO's Wi-Fi splash pages, social media outlets, and information display units (FIDs).

4. Policy on Control of International Air Service Marketing

- This policy recognizes SFO as the lead agency in all international aviation development programs undertaken in partnership with the San Francisco Chamber of Commerce, SF Travel, Bay Area Council and other organizations. This policy also provides for the use of SFO's digital media in providing incentives to air carriers.

5. Policy on Maintaining a Competitive Air Service Environment

- This policy underscores SFO's commitment to provide a level playing field for all air carriers in order to foster competitive air service choices and competitive air fares for the travelling public.

6. Policy on Controlling, Developing and Financing of Airport Assets

- SFO is committed to the control, development and financing of Airport assets and infrastructure to meet the changing needs of the aviation industry in the future. This policy outlines SFO's need, as a land-constrained entity, to manage its assets without resorting to public-private partnerships. The policy also ensures SFO reaps the greatest financial benefit of development on behalf of the City and County of San Francisco.

7. Policy on Partnering

- Collaborative, structured partnering in all development programs is key to SFO's successful delivery of its projects. This policy outlines the elevated role of integrating partnering into all of the airports business processes to influence the exceptional outcome of all Airport development projects.



Collaboration with other City & County of San Francisco Departments

SFO has identified various initiatives that demonstrate how the Airport will work interdependently with other City Departments to achieve citywide goals in an innovative and efficient manner.

Department of Environment

Partner in support of the Airport's strategic goal to Achieve Zero and our adoption of the airport-specific EONS (Economic Viability, Operational Efficiency, Natural Resource Conservation, Social Responsibility).

Department of Public Works

Continue to share best practices in project delivery through our Partnering Program and Small Business/LBE Participation Program.

Department of Technology and Committee on Information Technology (COIT)

Collaborate to establish citywide Information Technology & Telecommunications (ITT) policies and standards to ensure technology sustainability and compliance, as well as manage risk.

Department of Human Resources

Continue to partner in support of improving HR processes and growing of talent to ensure operational excellence.

Office of the Controller and Office of Contract Administration

Collaborate to support the Airport's growing capital program by adding resources in the Purchaser's office, as well as streamlining financial and contracting processes through new technology systems.

Planning Department

Partner in support of our capital improvement program to obtain environmental determination in accordance with CCSF Chapter 31 Code and California Environmental Quality Act (CEQA) implementing procedures.

Public Utilities Commission

Collaborate to drive further water conservation efforts.

San Francisco Fire Department, San Francisco Police Department and Department of Emergency Management

Partner in support of the Airport's Core Value: Safety and Security is our first priority, and the Airport Business Continuity Plan.



San Francisco International Airport **Fact Sheet**

Passengers (Calendar Year 2015)

Total Airport Passengers (7th in U.S., 21st in the world in 2014)	50,067,094	Bay Area Market Share	70.4%
Domestic Enplaned & Deplaned Passengers (77.5%)	38,824,059	Bay Area Market Share	65.7%
International Enplaned & Deplaned Passengers (22.5%)	11,243,035	Bay Area Market Share	94.0%
Traffic by Region (Share of SFO International Passengers)	Asia		43.4%
	Europe		28.5%
	Canada		13.9%
	Mexico/Caribbean/ Central America		10.6%
	Australia/Oceania		3.6%
Average Number of Passengers per Day (2015)	137,170		
Most Passengers in a Calendar Year (2015)	50,067,094		

Most Operations in a Calendar Year (2015)

Total Operations	429,815
Total Air Carrier Operations (82.4%)	354,151
Total Commuter Operations (13.9%)	59,556
Total General Aviation Operations (3.2%)	13,686
Total Military Operations (<1.0%)	2,422
Most Operations in a Calendar Year (2000)	438,685

San Francisco International Airport **Fact Sheet**

Cargo (Calendar Year 2015)

Total Loaded and Unloaded Cargo (Air Mail & Freight)	459,468 metric tons	Bay Area Market Share	44.0%
Total Domestic Cargo (Air Mail & Freight)	185,390 metric tons	Bay Area Market Share	25.0%
International Cargo (Air Mail & Freight)	274,078 metric tons	Bay Area Market Share	92.0%

Airport & Airfield

Total Airport Property Size	5,171 acres	Useable Land :	2,383 acres
		Unused tideland:	2,788 acres
International Terminal	2,533,196 sq. ft		
Terminal 1	713,036 sq. ft		
Terminal 2	720,790 sq. ft		
Terminal 3	1,184,614 sq. ft		
Total Number of Gates	91		
Total Number of Domestic Gates	67		
Runway Lengths	28R/10L	11,870 feet	
	28L/10R	11,381 feet	
	01R/19L	8,650 feet	
	01L/19R	7,650 feet	
Runway Widths (all four)	200 feet		

AirTrain System

Number of Stations	9	Total Number of Cars	38
Total System Length (2 Independent Loops)	5 miles	Capacity (Passengers/Hour)	3,400
Top Speed	30 mph		

San Francisco International Airport **Fact Sheet**

Airlines at SFO (Calendar Year 2015)

Total Number of Airlines Operating at SFO	58
Domestic Passenger Carriers	13
International Foreign Flag Carriers	32
Commuter Air Carriers	5
Seasonal/Charter Air Carriers	1
Cargo Only Air Carriers	7

Airline Market Share at SFO

United	44.4%	Alaska	2.9%
American/US Airways	9.6%	JetBlue	2.8%
Delta	8.4%	Air Canada	1.7%
Virgin America	8.4%	Frontier	1.2%
Southwest	6.9%	Lufthansa	1.0%
		All Other Air Carriers	<1.0% each

Top Five Domestic Markets (Weekly Flights)

Los Angeles – (BUR/LAX/LGB/ONT/SNA)	577
New York – (EWR/JFK)	314
Chicago – (MDW/ORD)	224
Seattle – (SEA)	200
Las Vegas – (LAS)	161

San Francisco International Airport **Fact Sheet**

Airport Finances (Calendar Year 2015)

Sources of Revenues FY 2015/16 Budget

Terminal Rentals	\$259.0	million	26.7%
Landing Fees	\$161.3	million	16.6%
Concessions	\$89.3	million	9.2%
Parking & Ground Transportation	\$179.3	million	18.5%
Other Aviation Revenue	\$76.5	million	7.9%
Other Sales & Services	\$79.8	million	8.2%
Sales of Electricity	\$25.5	million	2.6%
Interest Income	\$5.4	million	0.6%
PFC Revenues	\$58.1	million	6.0%
Fund Balance	\$36.5	million	3.8%
Total Revenues	\$970.8	million	

Airline Rates - FY 2015-16

Landing Fees (per 1,000 lbs)	\$4.87
Average Cost per Enplaned Passenger	\$17.26

Food/Beverage/Retail Sales FY 2014/15

Gross Sales (w/o duty free)	\$328.8	million
Food & Beverage Sales	\$209.2	million
Retails Sales (w/o duty free)	\$119.6	million
Duty Free Sales	\$116.6	million
Average concession spent per passenger	\$13.68	

San Francisco International Airport **Fact Sheet**

Airport Finances (Calendar Year 2015)

FY2015/16 Approved Budget

% of Total

Debt Service	\$ 424.4	million	43.7%
Personnel Costs	\$ 218.3	million	22.5%
Non-Personnel Services	\$ 105.9	million	10.9%
Police & Fire Services	\$ 76.5	million	7.9%
Annual Service Payment	\$ 40.8	million	4.2%
Services of Other City Departments	\$ 68.6	million	7.1%
Materials & Supplies	\$ 17.4	million	1.8%
Other Transfers	\$ 17.0	million	1.8%
Equipment	\$ 2.0	million	0.2%
Total	\$ 970.8	million	

Airport Commission Staffing and Assets

Budgeted Positions	FY 2015/16	=	1,732.5
Filled Positions	FY 2015/16	=	1,512.5
Current Assets	FY 2014/15	=	\$696,316,749
Total Net Position	FY 2014/15	=	\$117,135,800



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