

**Air Service Support Program
Process for Qualifying Airlines and Routes to Receive City Council Approval
San Jose Mineta International Airport**

KEY POINTS

- The Airport's airline support program is not a subsidy to any airline, and therefore is not in violation of the Federal Aviation Administration (FAA's) Grant Assurances restrictions on uses of funds.
- The Airport does receive benefits in return for assisting qualified new airline services, and these benefits are estimated to exceed the support provided.
- Airport staff presents any qualifying air service to City Council for formal approval through a public hearing process.
- Following City Council approval and implementation of the program's support, Airport staff monitors the airline's operation to ensure compliance with the Support Program's specific requirements.
- The Airport is classified as a self-supported Enterprise Fund, drawing revenues from tenant rents, land leases, user fees, concessions and related commissions, and approved federal funds administered through the FAA. Any marketing funds allocated to a qualifying airline are from Airport financial resources and do not impact the City's General Fund or otherwise reduce monies available for public projects or services.

PROGRAM CRITERIA AND APPROVAL PROCESS

The program outlines specific minimum requirements for an airline and its new service to qualify for support from the program. Operating requirements include specifics related to minimum frequencies, geographic region of added flights, and duration of service. Route-related marketing initiatives must be specific to the qualifying destination with additional references to the Airport per FAA guidelines.

Once an airline is deemed to be qualified for the SJC program, the process of gaining approval by the Mayor and City Council formally proceeds. The final Memorandum calling for City Council action, reviewed by City's budget and legal staff, is posted for public review on the City's web site under Your Government/Agendas and Minutes and is addressed as a public hearing item during the designated City Council meeting. Results of Council actions are posted for public access along with video recordings of the proceedings.

MONITORING AND FOLLOW-UP

Airport staff, in accordance with the Air Service Support Program, monitors the number of flights to the qualified destinations supported by the program to ensure that minimum service levels are met and adherence to the program specifications is maintained throughout the application period of the support. Airport staff also coordinates the use of any appropriated

marketing funds with airline officials to ensure compliance with FAA requirements as applied to air service incentive and support programs on a national basis. The City and Airport maintain the authority to modify the program with approval by the City Council and to cancel support if an airline fails to meet the stated criteria of the program.

FUNDING REFERENCE

The Airport is classified as a self-supported Enterprise Fund, drawing revenues from tenant rents, land leases, user fees, concessions and related commissions, and approved federal funds for specified airport applications as administered through the Federal Aviation Administration. Any marketing funds allocated to a qualifying airline do not impact the City's General Fund or otherwise reduce monies available for public projects or services.

CONCLUSION

San José Mineta International Airport seeks to remain competitive with other commercial service airports while meeting the business and personal travel needs of our region. The Air Service Support program provides initial assistance for new or expanded airline services and does not compromise the FAA's national policies and restrictions on subsidies and related diversion of revenues.

The Airport follows a consistent approach for screening the qualifying routes and gaining the approval of the Mayor and City Council for any qualifying new service under the requirements of the support program, and continues to monitor the airline's flight operations during the support period to ensure compliance with the minimums stated in the program.

As airline industry conditions change, the Airport reserves the right to make appropriate alterations to the program; such changes are also taken through a consistent review process and are presented to the Mayor and City Council for their approval.

AIR SERVICE SUPPORT ITEMS

[Spirit Airlines routes](#)

[ZIPAIR Tokyo](#)

[Alaska Palm Springs](#)

[Volaris Mexico City](#)

[Alaska Guadalajara/Cabo San Lucas](#)

[British Airways London](#)

[Volaris multiple destinations](#)