RD:KWF:CAG 1/15/2020

RESOLUTION NO.

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE AUTHORIZING THE DIRECTOR OF AVIATION OR

DIRECTOR'S DESIGNEE TO PROVIDE THE CITY'S AIR SERVICE SUPPORT PROGRAM FOR NEW AIR CARRIER

SERVICE BY DELTA AIR LINES, ALASKA AIRLINES,

JETBLUE AIRWAYS, AMERICAN AIRLINES AND AIR CANADA AT THE NORMAN Y. MINETA SAN JOSE

INTERNATIONAL AIRPORT

WHEREAS, the City of San José ("City") owns and operates the Norman Y. Mineta San

José International Airport ("Airport"); and

WHEREAS, Federal Aviation Administration ("FAA") policy allows airports to establish

air service incentive programs involving waivers or discounting of fees and charges

imposed on airlines in exchange for new service, so long as the incentives are limited to

a defined promotional period and the incentives are available on a non-discriminatory

basis to all airlines that are willing to provide the same type and level of new service

consistent with the incentive program; and

WHEREAS, consistent with FAA policy, in 2006 the Airport established the Air Service

Support Program, which has been amended from time to time to take into account

changes in the industry; and

WHEREAS, application of the Air Service Support Program to assist the air carriers in

succeeding financially in serving the new destinations will benefit the City; and

WHEREAS, pursuant to its Air Service Support Program, the City desires to authorize

the Director of Aviation or the Director's designee to provide fee waivers and/or

marketing support to Delta Air Lines, Alaska Airlines, JetBlue Airways, American

Airlines and Air Canada;

T-30323\ 1683872.doc Council Agenda: 2/4/2020

DRAFT--Contact the Office of the City Clerk at (408) 535-1260 or CityClerk@sanjoseca.gov for final document.

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Item No.: 5.1

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NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN

JOSE THAT:

The Director of Aviation or the Director's designee is hereby authorized to provide the

following fee waivers and/or marketing support pursuant to the Airport's Air Service

Support Program:

1. By launching additional air carrier service to Detroit Metro Airport (DTW),

constituting a long-haul domestic destination, Delta Air Lines shall receive:

a. landing fees waived for eighteen (18) months after initial operation,

amounting to approximately \$247,034; and

b. marketing funds, amounting to \$75,000.

2. By launching new air carrier service to Puerto Vallarta International Airport

(PVR), constituting a new international destination within North America, Alaska

Airlines shall receive:

a. landing fees waived for eighteen (18) months after initial operation,

amounting to approximately \$228,510; and

b. marketing funds, amounting to \$100,000.

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- 3. By launching additional air carrier service to Boston Logan International Airport (BOS), constituting a new long-haul destination, JetBlue Airlines shall receive:
  - a. landing fees waived for eighteen (18) months after initial operation, amounting to approximately \$228,510; and
  - b. marketing funds, amounting to \$75,000.
- 4. By launching new air carrier service to Austin Bergstrom International Airport (AUS), constituting a new long-haul destination, American Airlines shall receive:
  - a. landing fees waived for eighteen (18) months after initial operation, amounting to approximately \$459,518; and
  - b. marketing funds, amounting to \$75,000.
- 5. By launching new air carrier service to Toronto Pearson International Airport (YYZ), constituting a long-haul destination, Air Canada Airlines shall receive:
  - a. landing fees waived for eighteen (18) months after initial operation, amounting to approximately \$203,375; and
  - b. marketing funds, amounting to \$100,000.

ADOPTED this day of	, 2020, by the following vote:
AYES:	
NOES:	
ABSENT:	
DISQUALIFIED:	
ATTEST:	SAM LICCARDO Mayor
TONI J. TABER, CMC City Clerk	