

NEWS RELEASE

City of San José Rewards SJC Airlines for Passenger Growth with \$478,753 Incentive

-- Mineta San José International Airport Traffic Grows Faster than the National Average for Third Consecutive Year --

San José, Calif. – Airlines serving Mineta San José International Airport (SJC) recently received a rent rebate of \$478,753 from the City of San José in recognition of passenger traffic growth that exceeds the national average.

City Manager Norberto Dueñas and Director of Aviation Kim Becker presented a ceremonial check to members of SJC's Airline Affairs Committee. The check represented an incentive that was built into SJC's airline agreements back in 2007. This is the third consecutive year that SJC airlines have received incentive payments, now totaling more than \$1.8 million.



City of San José Manager Norberto Dueñas (seated far left) and SJC's Director of Aviation Kim Becker (standing second from right) presented a ceremonial check for \$478,753 to airlines on Jan. 20, 2016.

Also attending the SJC Airline Affairs Committee quarterly meeting were (standing l to r) Mark Lin of Hainan, José López-Aguilar of Volaris, Donnell Harvey of Delta, David Sellers of Southwest, (seated l to r) Amy Fuller-Lyman of Alaska, and Kelly Eickenhorst of American.

(more)

The incentive rewards carriers when enplanements at SJC grow faster than the national average, which was the case during the 2014-15 fiscal year. SJC's enplanements grew by 5.5 percent in the previous fiscal year, while the FAA projected a national enplanement growth of 2.6 percent in fiscal year 2014-15.

The City of San José, which owns the airport, charges indirect costs for support services such as legal, human resources, finance and IT, that are in turn passed along to carriers in their landing fees and terminal rents. Under SJC's airline agreements, when passenger enplanements increase beyond the FAA's national forecast, San José support service costs charged to airlines are reduced.

"Our incentive included in the SJC 2007 airline lease agreements is clearly paying off," said Dueñas. "We've seen Silicon Valley's airport grow by 1.5 million passengers between 2012 and 2015 – a change of 18.1 percent.

"We greatly appreciate the success of our airlines, along with the great support from our Mayor and Council, Airport and City staff, and community and business leadership who together have effectively encouraged our current and future airlines to add more nonstop domestic and international destinations to serve Silicon Valley passengers and businesses."

"Southwest Airlines' growth to become the largest carrier at San José is testament to vital relationships we've built among our People and Customers across the Silicon Valley during the past 22 years," said David Sellers, property manager for Southwest Airlines, and chair of the SJC Airline Affairs Committee. "That's been possible in part by much appreciated support from the airline incentive program underscoring our strong partnership with Silicon Valley's airport.

"The incentive payments received from the City of San José over the past three years is recognized at the highest levels at Southwest and contribute to lower operating costs and our ability to offer Southwest's famously low fares."

SJC carriers will each receive a check in an amount based upon individual passenger market share during fiscal year 2014-15.

The ceremonial check was presented during SJC's quarterly Airline Affairs Committee meeting held at the Airport on Jan. 20, 2016.

SJC airlines also received rent rewards from the City in previous years as follows: \$941,736 in 2014 and \$419,833 in 2013.

About Mineta San José International Airport

Mineta San José International Airport (SJC) is Silicon Valley's airport, a self-supporting enterprise owned and operated by the City of San José. SJC served 9.8 million passengers in Calendar Year 2015, a 4.4 percent increase year-over-year. SJC offers approximately 150 peak daily flights on 13 domestic and international carriers to 36 nonstop destinations.

SJC's five-star customer service experience sets it apart from other Bay Area and US airports. Airlines and passengers respond positively to SJC's customer amenities, including modern terminal buildings, free and fast WiFi, comfortable seating with built-in power outlets, a luxurious, award-winning lounge open to all travelers, a duty free store offering the ultimate experience in luxury shopping, a rental car center conveniently located across from the terminals and Global Entry kiosks to expedite arriving international passengers. Silicon Valley's airport is located in San José, California's third largest city and the nation's tenth largest city. SJC facts can be found [here](#). For more airport information, visit www.flysanjose.com.