

#### San Francisco International Airport

# **MEMORANDUM**

July 23, 2013

TO:

AIRPORT COMMISSION

Hon. Larry Mazzola, President

Hon. Linda S. Crayton, Vice President

Hon. Eleanor Johns

Hon. Richard J. Guggenhime

Hon. Peter A. Stern

FROM:

Airport Director

**SUBJECT:** 

Authority to Establish a Special Fund to Receive Donations and Authorize

**Expenditures for Airport Special Events** 

DIRECTOR'S RECOMMENDATION: ADOPT RESOLUTION RECOMMENDING THAT THE BOARD OF SUPERVISORS ADOPT AN ORDINANCE ESTABLISHING A SPECIAL FUND TO RECEIVE DONATIONS TO OFFSET THE COST OF AIRPORT SPECIAL EVENTS RELATED TO THE OPENING OF SFO'S CAPITAL IMPROVEMENT PLAN PROJECTS AND AUTHORIZING THE AIRPORT COMMISSION TO MAKE EXPENDITURES FROM THE FUND FOR THAT PURPOSE.

# **Executive Summary**

SFO's \$4.1 billion 10-Year Capital Improvement Plan provides for a number of long-term infrastructure projects including the Boarding Area E Renovation, Air Traffic Control Tower, Terminal 1 Redevelopment and On-Airport Hotel. The completion of these major Capital Improvement Plan facilities will offer significant, unique promotional opportunities for the Airport. The Airport plans to leverage these opportunities by holding opening events for key audiences. The Airport expects to conduct fundraising and receive donations from stakeholders in support of the events. This resolution recommends that the Board of Supervisors adopt an ordinance establishing a special fund to accept donations from key stakeholders, and authorizing the Airport to expend them, for the purpose of defraying the costs of Capital Improvement Plan opening events.

## **Background**

During the course of SFO's \$4.1 billion 10-Year Capital Improvement Plan, significant facilities including the renovated Boarding Area E, Air Traffic Control Tower, redeveloped Terminal 1 and On-Airport Hotel are planned to open. The launch of each of these facilities will provide a

THIS PRINT COVERS CALENDAR ITEM NO

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

EDWIN M. LEE MAYOR

PRESIDENT

LARRY MAZZOLA

LINDA S. CRAYTON **VICE PRESIDENT** 

**ELEANOR JOHNS** 

RICHARD J. GUGGENHIME

PETER A. STERN

JOHN L. MARTIN AIRPORT DIRECTOR unique opportunity for the Airport to showcase its state-of-the-art facilities and passenger service programs to the Airport's local, regional and international customer base, aviation industry, local community, partners and media.

The Airport plans to host special opening events as each major Capital Improvement Plan facility is completed. The Airport will involve its airlines and other key stakeholders in these events. In particular, the Airport anticipates that donations from key stakeholders will substantially defray the cost of the Capital Improvement Plan projects opening events. We recommend that the Board of Supervisors establish a special fund for the Capital Improvement Plan opening events, which will authorize the Airport to accept donations and expend them – with Airport Commission approval – for the purpose of holding the events.

The Airport Commission has previously approved a contract with The M-Line for marketing services, including development and execution of events in support of the Airport. As a plan is created for each Capital Improvement Plan project opening event, I will return to the Commission with a detailed scope of work and budget for each of the opening events.

### Recommendation

I recommend that the Commission adopt a resolution recommending that the Board of Supervisors adopt an ordinance establishing a special fund to receive donations to offset the cost of Airport special events related to the opening of projects included in SFO's 10-Year Capital Improvement Plan and authorizing the Airport Commission to make expenditures from the fund for that purpose.

John L. Martin Airport Director

Prepared by: Kandace Bender
Deputy Airport Director
Communications and Marketing

Attachment

### **AIRPORT COMMISSION**

### CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 13\_0167

ADOPT RESOLUTION RECOMMENDING THAT THE BOARD OF SUPERVISORS
ADOPT AN ORDINANCE ESTABLISHING A SPECIAL FUND TO RECEIVE
DONATIONS TO OFFSET THE COST OF AIRPORT SPECIAL EVENTS RELATED
TO THE OPENING OF MAJOR PROJECTS INCLUDED IN SFO'S 10-YEAR CAPITAL
IMPROVEMENT PLAN AND AUTHORIZING THE AIRPORT COMMISSION TO
MAKE EXPENDITURES FROM THE FUND FOR THAT PURPOSE

- WHEREAS, the Airport has entered into a \$4.1 billion 10-Year Capital Improvement Plan through which major projects including the renovated Boarding Area E, Air Traffic Control Tower, redeveloped Terminal 1 and On-Airport Hotel will be completed; and
- WHEREAS, the Airport anticipates holding opening events for major projects completed through the Capital Improvement Plan; and
- WHEREAS, these opening events will provide the Airport with significant and unique opportunities to promote SFO to the aviation industry, local community, the media, its partners, and local, regional and international customers; and
- WHEREAS, Airport Commission Resolution 11-0247 approved the contract for marketing services, with a scope of work to produce events that support the Airport; and
- WHEREAS, Airport staff will develop fundraising plans to offset the costs of opening events associated with these projects; now, therefore, be it
- RESOLVED, that the Commission hereby adopts this resolution recommending that the Board of Supervisors adopt an ordinance to establish a special fund to receive donations to offset the cost of Airport special events related to the opening of major Capital Improvement Plan projects and authorizing the Airport Commission to make expenditures from the fund for that purpose.

I hereby certify that the foregoing resolution was adopted by the Airport Commission
at its meeting of JUL 2 3 2013

Secretary