



# Tucson Airport Authority Three-Year Strategic Plan FY 2021 – 2023

October 1, 2020

## FOREWORD

The Tucson Airport Authority (TAA), formed in 1948, is dedicated to providing Tucsonans and visitors to Southern Arizona with excellence in aviation services and facilities, hallmarked by unparalleled safety, security and customer service. Running airports is our passion and we are great at it!

We are in the midst of an unprecedented time in our history; one that has devastated our economy and impacted airports and air service in ways we are yet to fully realize. That said, the TAA, operator of Tucson International Airport (TUS) and Ryan Airfield (RYN), is proactive and has charted a plan to navigate through these difficult times.

The Three-Year Strategic Plan for FY 2021-2023 outlines the path which best allows us to adapt to changing circumstances and immerse ourselves in recovery in 2021, capitalize on opportunities and adjust to the new reality of the known and unknown in 2022, and to dream big in 2023 and beyond. Throughout this process, we will ensure that the TAA continues to be self-sustaining and delivers operational success for the benefit of the metro Tucson community and Southern Arizona.

We look to our Board of Directors and our community leaders and partners to engage fully and supportively with us on this important journey forward.

Our plans are ambitious but achievable. Together, we commit to deliver results, work smart, remain curious, and play for the team! Tucson's future is bright, and we are excited to continue our work.

Sincerely,



Danette M. Bewley, A.A.E.  
President/Chief Executive Officer  
Tucson Airport Authority



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<b>Mission, Vision and Guiding Principles</b>	
<b>Our Mission</b>	<b>Provide a sustainable airport system and constantly pursue initiatives that promote and grow business opportunities.</b>
<b>Our Vision</b>	<b>Landing Prosperity in Southern Arizona.</b>
<b>Our Guiding Principles</b>	<p><b>Our guiding principles shape our culture; who we are and who we want to be. The members of the Executive Team are ambassadors of our culture, and will engage everyone in these expectations.</b></p> <hr/> <p><b>We deliver results.</b></p> <ul style="list-style-type: none"> <li>➔ We manage an airport system where safety, security and customer service are our top priorities.</li> <li>➔ We are accountable. We do what we say we will do.</li> <li>➔ We clearly communicate expectations and listen to make sure others understand and agree with them.</li> <li>➔ We work collaboratively for the greater good of travelers, customers, employees, business and community partners.</li> </ul> <hr/> <p><b>We work smart.</b></p> <ul style="list-style-type: none"> <li>➔ We are good at what we do, and we learn from each other.</li> <li>➔ We are critical thinkers who anticipate, analyze, prioritize, and act with urgency.</li> <li>➔ We move quickly with what works and commit to continuous improvement.</li> <li>➔ We not only identify problems, we offer solutions.</li> </ul> <hr/> <p><b>We are curious.</b></p> <ul style="list-style-type: none"> <li>➔ We embrace change, are unafraid to question our assumptions, and use mistakes for learning.</li> <li>➔ We value feedback, growth, agility and self-improvement.</li> <li>➔ We anticipate future needs and possibilities.</li> <li>➔ We see opportunities others may miss.</li> </ul> <hr/> <p><b>We play for the team.</b></p> <ul style="list-style-type: none"> <li>➔ Because we care, we contribute to the quality of the lives of our employees and the people we serve.</li> <li>➔ We embrace diversity, equity and inclusion, working in furtherance of these principles.</li> <li>➔ We are transparent and treat everyone with respect and dignity.</li> <li>➔ We are connected. We make sure everyone understands their unique contribution to our overall success.</li> <li>➔ We encourage leadership from everyone.</li> </ul>

<b>Thematic Goals</b>	
<b>Our Thematic Goals</b>	<p>To focus and drive our Strategic Plan, we developed a thematic goal for each year. An annual thematic goal helps us answer the question:</p> <p style="text-align: center;"><b><u>What is most important, right now?</u></b></p> <p style="text-align: center;">It provides a rallying cry for our entire organization. For the remainder of 2020, our thematic goal is to <b><u>Adapt and Strategize.</u></b></p> <p>While finalizing our 5-Year Strategic Plan in February, COVID-19 appeared and changed everything in our environment, making the future for air travel and our organization extremely uncertain. Therefore, we have had to adapt to our circumstances and come together as a team to strategize a path forward into a 3-Year Strategic Plan.</p> <p>Our priority for the remainder of fiscal year 2020 is to develop our Executive Team and provide organization-wide leadership during this time of transition.</p> <ul style="list-style-type: none"> <li>➔ We will secure commitment to this Strategic Plan as a “living document” that will guide our actions and evolve as circumstances change.</li> <li>➔ The Executive Team’s role is to cascade this plan through our respective functions, and ensure that every member of the TAA team knows what is expected of them, and how they will contribute to our overall success.</li> <li>➔ We will work to align personnel and resources, and make the smart choices required to maximize our results.</li> </ul> <p>Our original Strategic Plan was to be a 5-year guiding document. In light of the challenging times we find ourselves in, we have done our best to envision and strategize for the next 3 years in a way that provides stability and focus for the TAA.</p> <p>Our Thematic Goals for the next 3 years are:</p> <ul style="list-style-type: none"> <li>➔ <b>FY2021   Align and Engage</b></li> <li>➔ <b>FY2022   Capitalize on Opportunities</b></li> <li>➔ <b>FY2023   Dream Big Together</b></li> </ul>

Thematic Goal		FY2021   Align and Engage		
<b>1 Success Means</b>				
By the end of 2021, the TAA team is engaged and understands the Strategic Plan; the organization is aligned by roles and responsibilities; a baseline model for future Airline Use Agreement (AUA) negotiations is developed; a marketing plan focused on earning confidence from travelers is in place; and, as the economy recovers, business plans and processes are updated that welcome and encourage commercial and industrial development.				
<b>2 Strategic Initiatives (Big Rocks)</b>				
	<b>Re-align Our Organization to Deliver the Strategic Plan</b>	<b>Transform “HR” into a Strategic Resource Known as People Operations</b>	<b>Develop a Sustainable Business Model Aligned to Post-COVID-19 Financial Reality</b>	<b>Inspire Travel</b>
<b>3 Key Actions and Deadlines</b>				
	<ul style="list-style-type: none"> <li>➔ Cascade the Strategic Plan through the organization by 10/20</li> <li>➔ Evaluate span of control; functionally realign the organizational structure; align resources to meet current and future demand by 10/20</li> <li>➔ Each Division and Department will develop a plan to support and align to deliver on the key actions (for the year) by 11/20</li> <li>➔ Lead behavior, have critical conversations that communicate expectations for effective teamwork, tied to updated job descriptions; follow through and achieve results by 12/20</li> </ul>	<ul style="list-style-type: none"> <li>➔ Shift our mindset, policies and practices from traditional HR into a strategic People Operations that melds HR with Talent and puts TAA on a path to becoming an Employer of Choice in our industry and region</li> <li>➔ Acquire automated Human Resources technology to support the organization and business continuity, and improve the customer (employee) experience by 12/20</li> <li>➔ Develop and roll out a People Operations (Employee Handbook) manual by 12/20</li> </ul>	<ul style="list-style-type: none"> <li>➔ Evaluate revenue forecasts (quarterly); develop low, mid and high revenue and expenditure forecasts and make adjustments to FY21 budget</li> <li>➔ Align elements TAA can control with post-COVID-19 airline business model realities (revenue and expenses) by 1/21</li> <li>➔ Manage resources, control spending, use of CARES Act funds, and guarantee break-even (per Residual Agreement, focused on FY21 and FY22; position TUS as attractive, low cost airport to retain and attract air service <i>(ongoing)</i></li> </ul>	<ul style="list-style-type: none"> <li>➔ Work with airline partners to restore air service <i>(ongoing)</i></li> <li>➔ Engage Visit Tucson, Tucson Metro Chamber and other community organizations to support and advocate for TAA/TUS air service <i>(ongoing)</i></li> <li>➔ Introduce new marketing / branding campaign by 10/20</li> <li>➔ Focus on the airport-managed “touchless journey” passenger experience by investment in health and safety measures / technologies to inspire confidence in the health and safety of the airport by 10/20</li> </ul>

<ul style="list-style-type: none"> <li>➔ Build succession and development for key roles to deliver the Strategic Plan and provide business continuity by 12/20</li> <li>➔ Invest in leadership development for the Executive Team; execute Year 2 of consultant contract by 1/21</li> <li>➔ Develop best practices on how to work effectively based on learning experience from COVID-19 realities by 4/21</li> <li>➔ Review performance vs. Strategic Plan monthly and adapt and adjust FY 2022 by 5/21</li> </ul>	<ul style="list-style-type: none"> <li>➔ Identify unmet personnel needs for each division; ensure each division has outlined expectations that support organizational success and the Strategic Plan by 12/20</li> <li>➔ Establish and communicate expectations to meet the goals of the Strategic Plan in 1/21</li> <li>➔ Implement a updated performance management and reward system by 2/21, for evaluations period beginning 5/21</li> <li>➔ Research options to launch a “Leadership Academy” by 9/21</li> </ul>	<ul style="list-style-type: none"> <li>➔ Incorporate Strategic Plan initiatives into the budget process (Resource Allocation Plan; O&amp;M); provide business case analyses and establish investment priorities and identify resources by 2/21</li> <li>➔ Develop a preliminary cost model, and prepare and refine the terms for the Airline Use Agreement by 5/21</li> <li>➔ Update select outward facing business processes (review and adjust TAA business processes to make them clear, transparent and business-friendly) by 7/21</li> <li>➔ Define priorities and develop a Commercial and Industrial Business Implementation Plan by 7/21</li> </ul>	<ul style="list-style-type: none"> <li>➔ Develop community outreach programs that attract the community to the airport (tours, events) by 11/20</li> <li>➔ Engage TAA Members as ambassadors for the TAA and advocates who promote travel from TUS; provide materials by 1/21</li> <li>➔ Complete Terminal Study and Development Implementation Plan for long term improvements by 4/21</li> </ul>
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Thematic Goal		FY2022   Capitalize on Opportunities			
<b>1 Success Means</b>					
By end of 2022, the TAA has created a foundation for organizational resilience, completed negotiations with the airlines for a new Airline Use Agreement, selected a partner for commercial and industrial development (partnership plan), updated the terminal with permanent post-COVID-19 improvements, and air service has expanded.					
<b>2 Strategic Initiatives (Big Rocks)</b>					
	<b>Inspire Performance-Based Culture</b>	<b>Implement Commercial and Industrial Business Plan</b>	<b>Update Terminal Complex to Meet Post-COVID-19 Norms</b>	<b>Airline Use Agreement and Air Service Growth</b>	
<b>3 Key Action and Deadlines</b>					
	<ul style="list-style-type: none"> <li>➔ Conduct an “after action” review of how work is performed; review and optimize space utilization, digital tools, and paths to improve customer service by 2/22</li> <li>➔ Develop “TAA University” using internal / external training resources; develop a curriculum for each Division to improve leadership / supervisory skills by 3/22; launch training by 4/22</li> <li>➔ Develop additional tools to search for and hire talented thought leaders; benchmark key policies against peer airports and talent competitors by 4/22</li> <li>➔ Develop comprehensive end-to-end people experience that integrates the workforce with the TAA brand, culture and customer perspective by 6/22</li> </ul>	<ul style="list-style-type: none"> <li>➔ Develop GIS datasets for commercial and industrial development promotion and opportunity by 10/21</li> <li>➔ Solicit Request for Proposal for partners in the development of commercial and industrial property by 10/21</li> <li>➔ Select commercial and industrial development partner by 2/22</li> <li>➔ Begin Phase 1 development of commercial and industrial infrastructure by 9/22</li> <li>➔ Construct Country Club Road Extension to open access for property development by 8/22</li> </ul>	<ul style="list-style-type: none"> <li>➔ Design Airside Operations and Police space by 4/22; start construction 8/22</li> <li>➔ Design Outbound Baggage System Overhaul by 5/22</li> <li>➔ Develop and implement flexible gate and ticket counter management by 6/22</li> <li>➔ Open the Far Parallel Taxiway (Airfield Safety Enhancement Project) by 7/22</li> <li>➔ Design and install new Access Control System by 9/22</li> <li>➔ Develop Sustainability Master Plan by 9/22</li> <li>➔ Identify and implement additional “touchless journey” elements and technologies to enhance the passenger journey (<i>ongoing</i>)</li> </ul>	<ul style="list-style-type: none"> <li>➔ Negotiate final terms of new Airline Use Agreement with airlines by 6/22</li> <li>➔ Update “Air Carrier Incentive Program” to attract new entrant air carriers, and encourage incumbent air carriers to start passenger routes between TUS and certain unserved or underserved targeted destinations by 6/22</li> <li>➔ Continue to improve community engagement efforts with Visit Tucson, Tucson Metro Chamber, and other community organizations; garner support / advocates for TAA/air service (<i>ongoing</i>)</li> <li>➔ Continue to adapt and drive expansion of air service; enhance/add new service to targeted destinations (<i>ongoing</i>); highlight low (competitive) cost structure (<i>ongoing</i>)</li> </ul>	



<ul style="list-style-type: none"><li>➔ Invest and implement employee engagement measurement tools by 6/22</li> <li>➔ Review performance vs. Strategic Plan monthly and adapt and adjust FY 2023 by 7/22</li></ul>			
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Thematic Goal		FY2023 and Beyond   Dream Big Together	
<b>1 Success Means</b>			
<p>Coming in to 2023, we have proven our ability to react to challenging external circumstances, refined and upgraded our internal operations and are ready to lift off into a new era of leadership in our industry and our community. We envision a future state where we break down the barriers and silos that exist internally and externally so that we can all co-create a more compelling future out of the trials of the past. We create Centers of Excellence within the TAA and with our community and industry partners as platforms to innovate and dream big. We make connections, collaborate, and ensure that we bring excellence to all endeavors.</p>			
<b>2 Strategic Initiatives (Big Rocks)</b>			
<b>Build Connected Centers of Excellence</b>		<b>Prosper</b>	
<b>3 Key Actions</b>			
<ul style="list-style-type: none"> <li>➔ Build training platforms to focus on excellence across lines of business; ensure best practices are the norm</li> <li>➔ Enhance and build skills to break down barriers and silos; build connected functional expertise to run organization expertly</li> <li>➔ Optimize assets (physical, technological, human capital) to maximize performance</li> <li>➔ Become Employer of Choice, recognized for industry leading initiatives; others seek us out because they believe we have the capacity and leadership to make important things happen</li> <li>➔ Adopt “Lean” principles; train personnel</li> </ul>	<ul style="list-style-type: none"> <li>➔ Focus on the strength of a multi-generational, diverse organization of the future</li> <li>➔ Enhance expertise of staff through professional development and support of industry certifications and accreditation</li> <li>➔ Create an atmosphere and culture that quickly moves from ideas to action to best practices</li> <li>➔ Continue to build the skills of agility to react and respond to major external forces (pandemics, economy, social equity, etc.)</li> <li>➔ Activate work streams to analyze the future (think tanks, blending data and ideas)</li> </ul>	<ul style="list-style-type: none"> <li>➔ Maximize and accentuate the value of the airport system as an asset to the community</li> <li>➔ Drive passenger growth</li> <li>➔ Maintain a cost per enplanement (CPE) that is at or below the average of our peer airports</li> <li>➔ Complete Airfield Safety Enhancement Project</li> <li>➔ Construct Phase 1 Commercial/Industrial Site at RYN by 8/23</li> <li>➔ Support Aerospace and Defense Corridor through infrastructure development partnerships</li> <li>➔ Imagine the future with an open mind toward continuous improvement</li> </ul>	<ul style="list-style-type: none"> <li>➔ Work with our community and airline partners to recapture our annual regional \$7.4B economic impact of TUS and RYN, and then dream and plan ways to approach \$10B in the future</li> <li>➔ Accelerate property development to benefit airport activity and economic development</li> <li>➔ All levels of TAA are immersed in community and professional groups, and add value to the partnerships to improve the sustainability of our region</li> <li>➔ Embrace and implement sustainability measures; continue to invest in innovation</li> </ul>

## Conclusion

Our strategic plan is a “*living document*” that acts as a compass to guide us through the ever-changing, ever-challenging business dynamics we face in the industry and at the TAA.

Our Thematic Goals for the next 3 years are:

- ➔ **FY2021 | Align and Engage**
- ➔ **FY2022 | Capitalize on Opportunities**
- ➔ **FY2023 | Dream Big Together**

To ensure success, everyone associated with the TAA has an important role to play to help us continually:

- ➔ Focus on the priority “big rocks” and not succumb to distractions
- ➔ Live the behaviors in our guiding principles that make it easy and fun to work together
- ➔ Celebrate the positive impact of our choices and results

Running airports is our passion and we are great at it! At all times, we understand the importance to provide Tucsonans and visitors to Southern Arizona with excellence in aviation services and facilities, hallmarked by unparalleled safety, security and customer service. This is a top priority for us. When we do this well, our region prospers.

This is why our **Mission Statement** is:

**Provide a sustainable airport system and constantly pursue initiatives that promote and grow business opportunities**

And our **Vision Statement** is:

**Landing Prosperity in Southern Arizona**

We invite our Board of Directors and our community leaders and partners to fully and supportively engage with us as we embark on this important journey forward.



**NONSTOP**  
**FOR TUCSON**

