

To: Deanna Jonovich Deputy City Manager Date: December 6, 2018

From: James E. Bennett, A.A.E. Director of Aviation Services

Subject: AIRPORT CONCESSION STREET PRICING POLICY

On November 27, 2018, Aviation Department Staff presented to the Aviation and Transportation Subcommittee regarding concession pricing Item 17 – "Airport Concession Street Pricing Policy."

After discussion, the Subcommittee unanimously voted to recommend to discontinue the Airport Street Pricing policy at Phoenix Sky Harbor International Airport (Airport) and instead allow market competition between food and beverage operators to guide the pricing. The Subcommittee also requested that the food and beverage operators submit revised pricing menus to Aviation staff by January 30, 2019 and that the new pricing menus be effective by July 15, 2019.

On December 5, 2018, at the City Council Formal Meeting, the Council approved Item 82 – "Airport Concession Street Pricing Policy" to discontinue Airport Street Pricing Policy for food and beverage operators and that new pricing be effective February 15, 2019. The Council further requested that an item discontinuing the Airport Street Pricing Policy for Airport retail concessions be placed on the City Council Formal Meeting agenda on December 12, 2018.