

# 2023



## YEAR IN REVIEW



NORFOLK INTERNATIONAL AIRPORT



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## A MESSAGE FROM THE PRESIDENT AND CEO

In April 2023, Norfolk International Airport (ORF) commemorated its 85th year of operations as a commercial service airport. From modest beginnings in 1938 to today's status as the primary link between Hampton Roads and the global air transportation network, ORF continues to grow and adapt to meet the ever-changing aviation needs of our community.

There are more changes on the horizon. We are in the process of developing a comprehensive program to modernize and enhance the terminals and other facilities.



Passenger traffic increases resulted in more than 4.5 million passengers served in 2023. Month after month, we continually saw record-breaking numbers. We are thankful to Norfolk Airport Authority staff and our entire airport community for their commitment and performance in accommodating this growth in demand.

To meet those needs, Norfolk Airport Authority added 15 full-time positions across the organization during the 2023/24 fiscal year, with a particular focus on critical work areas to ensure adequate staff coverage is available across all shifts.

Employees are our greatest asset and a new Employee Incentive Bonus Plan was launched. Important elements include identifying key performance metrics that tie directly into our Strategic Plan, along with our continued ability to achieve our targets metrics. These include areas such as Financial Performance, Customer Service, Safety and Compliance, Community Outreach, being an Employer of Choice, plus other annual goals set by Norfolk Airport Authority.

Staff Forums were also implemented in 2023 to better connect the executive management team and employees. Feedback from these forums led to enhancements in staff well-being, with more suggestions soon to be implemented. We are committed to putting words into action – everyone in every department is valued, important and critical to the mission of serving our region's travelers.

Looking ahead, several airfield and airport projects will soon begin to reshape the traveler experience. More than \$850 million in improvements are on tap in the coming years under a program we're branding as Transform ORF.

Projects scheduled to begin in 2024 include:

- The second and final phase of Runway 5/23's rehabilitation
- A relocated and expanded Park and Wait lot for easier passenger pickups
- Three more gates, new restrooms and a common hold room to enlarge Concourse A
- A modern Federal Inspection Services space to better serve international arrivals
- An onsite Courtyard by Marriott to be built by local hotelier LTD Hospitality Group

And by popular demand, we'll also bring back the moving walkways along the pedestrian bridge between ORF's garages and terminal.

With the support of our stakeholders and the community, we are shaping the future of air travel in the region for years and years to come. Let's fly!



Mark Perryman  
President and CEO  
Norfolk Airport Authority



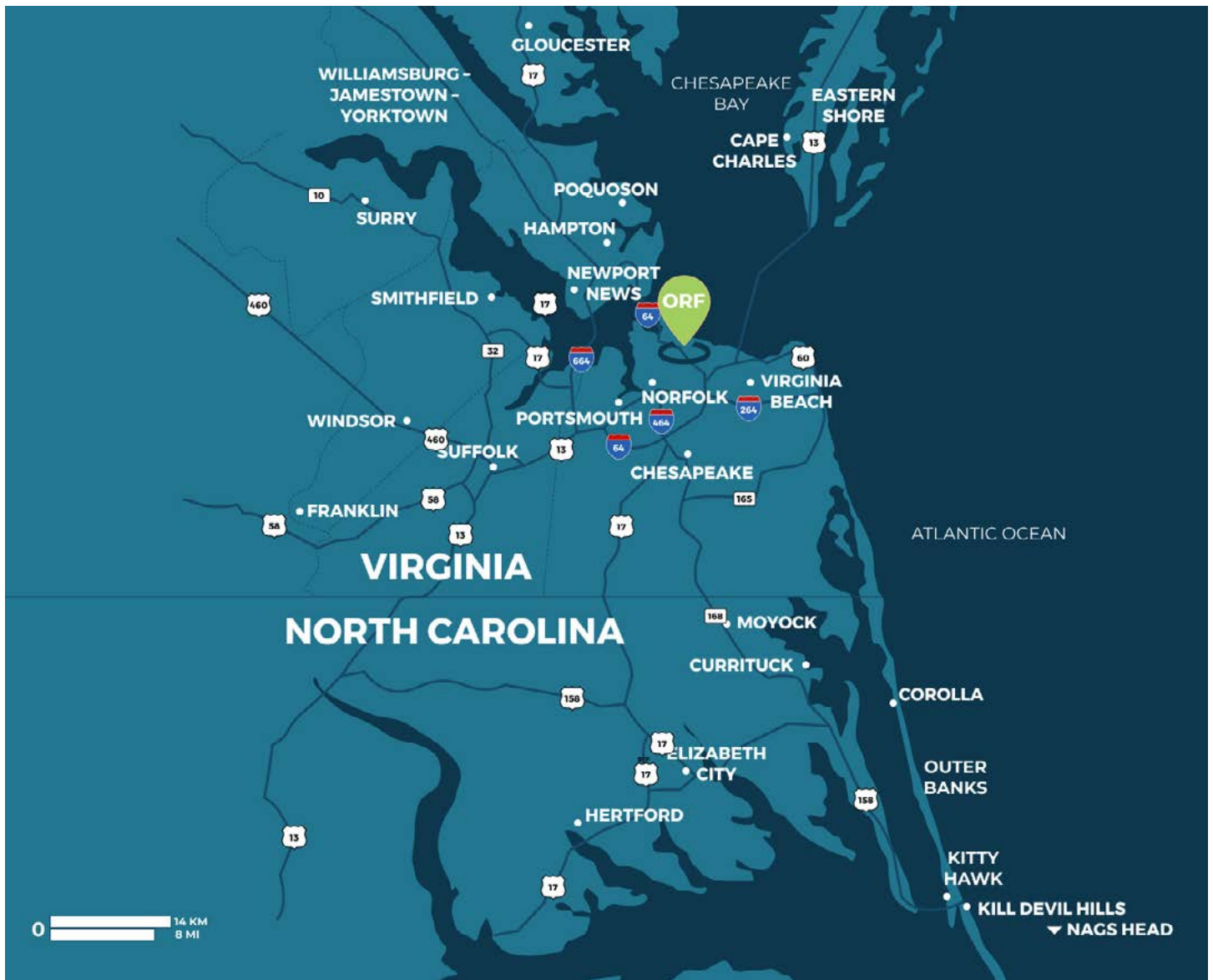
## OUR MISSION

*Norfolk International Airport is committed to providing exceptional aviation services and facilities, ensuring safety, promoting economic growth and delivering a superior passenger experience for the region's travelers.*



# AIR SERVICE DEVELOPMENT

Commercial air transportation is a major factor in a community's growth. Convenient access to the global transportation system attracts business, which in turn supports economic development and corporate growth. In addition, with tourism being a major pillar of our regional economy, robust air service is critical to serve visitors.



# AIR SERVICE DEVELOPMENT

One positive side effect of the pandemic was as visitors sought new ways to reach “The Great Outdoors,” ORF was discovered by travelers interested in experiencing Coastal Virginia and the Outer Banks. Following the pandemic, Norfolk International became one of the fastest growing airports in the country in terms of airline seat capacity recovery. Many airports lost air service, and half of U.S. domestic airports still have not recovered to pre-pandemic airline seat capacity. But Norfolk International was in the upper quartile of positive seat growth throughout 2023.

Norfolk Airport Authority maintains a robust air service development program to advocate for the community and persuade airlines to offer new or improved air service. In 2023, ORF gained a new air carrier – Spirit Airlines – plus five new cities. It now enjoys service to 41 airports, including the west coast. In addition, ORF recorded a record year handling more than 4.5 million total passengers, the highest in its 85-year history. The future is bright as growth continues. New cities already announced for 2024 include San Diego, Phoenix and a first Caribbean destination in San Juan, Puerto Rico.

With Spirit’s addition, ORF is now served by a mix of eight full-service, low-fare, or ultra-low-cost carriers who collectively offer this region direct or one-stop access to markets around the world.



# CUSTOMER EXPERIENCE

Norfolk International Airport was awarded a 4-Star Regional Airport Rating by London-based Skytrax at the Passenger Terminal EXPO 2023 in Amsterdam, Netherlands. Skytrax annual ratings are known as a global benchmark for airport standards, developed through many years of professional experience and qualitative knowledge of the airport industry. Skytrax applies ratings between 1-Star and 5-Star for up to 800 customer-facing areas of airports' products and services. Its 2023 report concluded, "ORF is presently delivering a 4-Star customer experience in overall assessment of the various categories of frontline product and service, and we see clear potential for Norfolk to achieve the 5-Star Regional Airport Rating in the future."

Norfolk Airport Authority also instituted several new programs to enhance customer experience. These include Hidden Disabilities Sunflower Lanyards made available to travelers at the Information Center. These identifiable lanyards help staff to recognize that persons wearing these items may need more assistance and additional patience. All airport employees will be trained to support this program. Separately, tourism counselors from the Norfolk Convention & Visitors Bureau recently began staffing the Information Center in the Main Lobby during evenings and weekends to provide extended coverage to serve travelers.



# COMMERCIAL ACTIVITY

As a result of record-breaking passenger traffic, Hudson's revenue increased nearly 11 percent in 2023. It rebranded Bayside Market on Concourse A to offer grab-and-go options alongside a permanent Hudson kiosk. In addition to its Main Lobby and concourse Hudson stores, specialty offerings at FAO Schwarz and Tech-on-the-Go were introduced on both concourses. Self-checkouts were also added to all stores to increase traveler convenience.

In 2023, HMS Host welcomed new management. With this team in place, improvements followed to include expanded operating hours at all restaurants; a new menu at the Main Lobby restaurant, The Local @ ORF; a renovation of the Concourse A Starbucks store; and the addition of self-serve grab & go/self-pay kiosks on Concourse B, and in the Arrivals Terminal.

Strong passenger traffic during 2023 gave HMS Host a nearly 12 percent increase in revenue.





# FINANCIAL PERFORMANCE

The Finance Department plays a critical role in ensuring the Norfolk Airport Authority's funds are well maintained. These professionals are responsible for certifying that all revenues and expenses are properly authorized and accounted; members work with departments to safeguard assets and ensure each unit receives the resources needed to best serve airport users.

Parking fees remained the airport's top source of revenue, up 15 percent compared with 2022. The number of passengers who

pre-booked parking accommodations grew by 44 percent in 2023. Additionally, membership in the Parking Perks loyalty program increased more than 150 percent over the previous year. Parking Perks is supported by advertising campaigns and email blasts offering members earned rewards, upgrades and discounts on parking stays.

Fiscal Year 2023 was the most successful year in Norfolk Airport Authority history. Revenues were at an all-time high and the organization is positioned to further its success again this year.





# OPERATIONS

Norfolk Airport Authority successfully completed the FAA Part 139 Airport Certification Inspection with no discrepancies for a second consecutive year in 2023. This achievement demonstrated a strong standard of excellence and professionalism.

The FAA requires commercial service airports to meet strict and specific requirements to ensure public safety. Inspections include a comprehensive review of the airfield including runways, taxiways, lights, signs and markings. Maintenance and training records are also reviewed for all personnel qualified to operate on the airfield. The FAA also inspects fuel trucks,

facilities, airport fire equipment and procedures, and looks into winter operation plans and wildlife programs.

The addition of staff sleeping quarters in the Field Maintenance Facility provided a much-needed space for ORF's team members during winter operations. When inclement weather hits, these men and women are often required to spend many hours – and in some cases several days – onsite as crews work around the clock. These new sleeping spaces will afford those persons a comfortable and quiet place to rest until their missions are completed.





# TECHNOLOGY & INNOVATION

Norfolk Airport Authority's Information Technology team expanded to enable daily coverage to meet increasing service demand. These important IT projects were also completed in 2023:

- Additions to and upgrades of common-use ticketing and gate facilities for ultra low-cost carriers
- Replacement and upgrades of network switches to standardize equipment and improve network speeds and capabilities
- Partial migration of onsite IT infrastructure to a virtual IT infrastructure to support additional security and scalability
- Hardware upgrades of flight information display networks to improve reliability and monitoring capabilities
- Emergency telephone deployments to Garages B and C for greater reliability and safety

- Evolving cybersecurity efforts as cyber attacks remain a constant threat
- Implementing multifactor authentication for devices via Cisco's DUO Mobile service

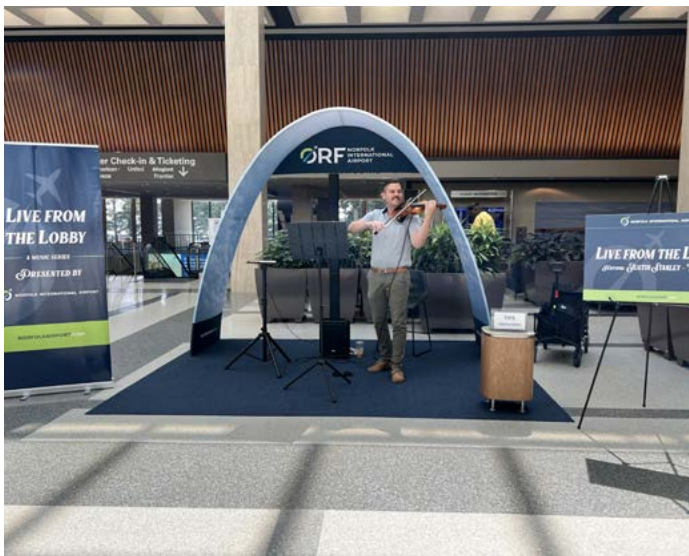
Norfolk Airport Authority also successfully transitioned all airport parking facilities to a cashless operation. This led to significant cost savings and reduced security risks for personnel, and enabled investment in future technologies to further enhance the customer service experience. Customer service attendants are now on duty to assist travelers 24 hours a day.



# TERMINAL ART & MUSIC

New features to engage travelers, visitors and employees were launched in 2023 including:

- *Live from the Lobby*, a weekly music series featuring local musicians in the Main Lobby each Friday afternoon.
- Holiday décor in the Main Lobby that featured an 18-foot tree decorated in the airport's branded color scheme along with a 10-foot illuminated ornament-shaped arch. The arch served as a stage for live holiday music and as a popular photo station.



# COMMUNITY & INDUSTRY PARTNERSHIPS

With a total of 15 installations, including Naval Station Norfolk, the world's largest naval base, and more than 80,000 active-duty military personnel, the region has one of the largest concentrations of armed forces in the United States.

To further our mutual aid partnership, a U.S. Navy F/A 18 Hornet, along with Navy Regional Fire and the Strike Fighter Squadron VFA-81 personnel, visited Norfolk International Airport to provide training to members of the Airport Fire Department. Training included aircraft familiarization, ARFF positioning and tactics, pilot access and removal, ejection seat and emergency procedures training. During May's National Travel & Tourism Week,

and again on the Friday before Thanksgiving, regional tourism partners from Coastal Virginia Tourism Alliance promoted the region by thanking travelers for visiting Coastal Virginia. Norfolk Airport Authority's Volunteer Ambassadors were also honored as Champions of Hospitality by Visit Norfolk.

Travel and tourism positively affect businesses and residents by generating visitor spending and tax revenue; the creation of jobs; and increased community services and experiences.



# LOCAL COMMUNITY ENGAGEMENT

Norfolk Airport Authority planned and participated in several initiatives to benefit the community. Events in 2023 included:

- **Wings for All** allowed those with autism or intellectual and developmental disabilities the chance to “practice” the airport to help prepare them for future air travels.
- **Fly Norfolk** let aviation enthusiasts of all ages enjoy thrilling aerial displays and interactive exhibits. The event was held in partnership with the Virginia Department of Aviation, Del. Jackie Glass, and the Aviation Institute of Maintenance.
- **The Sky’s the Limit** provided participants from the Boys & Girls Clubs of Southeast Virginia a tour of the airport, the opportunity to board a Breeze Airways jet and interact with crew, as well as exposure to exhibits by the Aviation Institute of Maintenance, Signature Flight Support, Hampton University and TSA.
- **Coffee and Cocoa-with-a-Cop** events brought together airport police officers and the residents they serve to discuss important issues in a relaxed setting.
- **757 Langley Career Summit** provided airport career information to transitioning military, veterans and military spouses.
- A **job fair** for airport tenant companies was held to assist with hiring and retention of new employees.
- For the first time, NAA participated in Downtown Norfolk’s Annual **Grand Illumination Parade** by building a float to fit the parade’s theme of “Gingerbread Dreams.” A display titled

“Gingerbread International Airport” featured a miniature terminal and FAA tower alongside a 6-foot-tall ORF logo. The float won first place in the corporate category.





# EMPLOYEE ENGAGEMENT

The success of ORF's operations result directly from the efforts of employees. Everyone in every department is valued, important and critical to the mission of serving the region's travelers. Aligned with Norfolk Airport Authority's Strategic Plan, we are committed to our core values of **PRIDE: Professionalism, Responsiveness, Innovation, Diversity and Excellence.**

Semiannual Staff Forum sessions were launched in 2023 to allow leadership to discuss upcoming initiatives and invite staff feedback and suggestions. Many suggestions have been incorporated into our operations, including a new employee break room for frontline staff.

An Employee of the Quarter program recognizes those who exemplify professionalism, hard work and dedication. Finance Supervisor Olivia Gunter was honored for the third quarter and Janitorial Attendant Kenneth Williams was the fourth quarter's honoree. Events and outings also provided an opportunity for bonding and encouraged confidence and a sense of ownership in the airport. A variety of events recently held for employees includes:

- Employee appreciation breakfast and dinner
- Picnic and Norfolk Tides baseball game
- Holiday luncheon and appreciation gifts
- Seasonal food truck visits with complimentary treats for all employees
- Aviation in Black History game night
- Memorial Day ceremony honoring those who served in Vietnam
- Women's History Month honoring the women of Norfolk Airport Authority
- Juneteenth Lunch and Learn with guest speaker Sen. Aaron Rouse of the Virginia General Assembly
- Breast Cancer Awareness Month honoring team members who fight breast cancer
- Men's Health Awareness Month luncheon with guest speaker Dr. Andrew Franklin, Assistant Director of Clinical Training at Norfolk State University
- Veterans Day luncheon honoring those who served with guest speaker Charles "Chip" W. Rock, a retired Rear Admiral from the United States Navy





# EMPLOYEE ENGAGEMENT

Norfolk Airport Authority welcomed more than 40 new employees for a total of 202 employees in 2023. There were 11 internal promotions. The average tenure was 9 ½ years, and 74 employees had more than 10 years of seniority; 30 possessed more than 20 years on the job.



# EMPLOYEES GIVING BACK

Norfolk Airport Authority staff members volunteered their time to support local organizations and events. These efforts included:

- Donating 120 Thanksgiving baskets to local families in partnership with United Way of South Hampton Roads and the Norfolk Redevelopment & Housing Authority
- Supporting the American Cancer Society's Relay for Life annual walk
- Donating funds to the Sentara Foundation Breast Cancer Awareness Month to assist in empowering and supporting the community through charitable giving
- Collecting and donating more than 900 items to support the YWCA of South Hampton Roads women's shelter
- Participating in the American Foundation for Suicide Prevention (AFSP) Community Walk to raise awareness and provide resources to aid in suicide prevention





# OUR COMMITMENT

Norfolk Airport Authority's management team is committed to strengthening and growing our region while serving as an industry leader, recognized for our professionalism and excellence.

We take pride in what we do and how we do it.

We promote diversity and inclusion for our employees, passengers, and community by embracing uniqueness, respecting differences, celebrating fairness, and cultivating equity. We arrive from different origins and may have different destinations – but our journeys are richer when we fly together.

