



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: William F. Sherry, A.A.E.
Director of Aviation

SUBJECT: SEE BELOW

DATE: July 25, 2011

Approved

Date

8/1/11

Council District: City Wide

SUBJECT: APPROVAL OF DEVELOPMENT PRINCIPLES ASSOCIATED WITH DEVELOPMENT ON LANDS ON THE WEST SIDE OF THE NORMAN Y. MINETA SAN JOSE INTERNATIONAL AIRPORT

RECOMMENDATION

Adopt a resolution to establish development principles associated with development of lands on the west side of the Airport, including new facilities serving general aviation and options for the future of Runway 11-29.

OUTCOME

Adoption of a set of development principles would help guide decision-making for implementing the redevelopment of the Airport's west side, including new facilities serving general aviation and options for the future of Runway 11-29.

BACKGROUND

The adopted Airport Master Plan, as amended over time, serves as the City's guide to development of the Airport. The current Master Plan designates the west side of the Airport for development of facilities accommodating projected general aviation demand, including conversion of the recently-closed interim public long-term and employee parking lot north of the Federal Aviation Administration (FAA) Air Traffic Control Tower, reconfiguration of existing facilities and the former San José State University leasehold south of the Control Tower, and several taxiway improvements to expedite aircraft access to and from the runways. General aviation is characterized as all flights other than military and scheduled airline and cargo flights, ranging from small propeller-driven aircraft to large corporate jets.

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Since late 2009, the Airport has been proceeding with the multi-year, phased construction of a full-length parallel Taxiway W to the west of Runway 12R-30L which, for construction and safety reasons, has required the temporary closure of the shorter west side Runway 11-29. Runway 11-29 is restricted by the City's Noise Control Program policy to non-jet aircraft and has traditionally served smaller general aviation aircraft. At the same time, the layout and operational efficiency of landside facilities on the west side of the Airport are constrained by the required separation distances between Runway 11-29 and its parallel taxiways. With the recent completion of the Terminal Area Development Program on the east side of the Airport, removal of the San José State University facilities at the southeast corner of the airfield, the relocation of public and employee parking from the northwest side, and the ongoing phased development of the Taxiway W project, the City now has the opportunity to focus more specifically on how to proceed with redevelopment of the west side lands and related modifications to the airfield needed to best serve the west side, including consideration of the future of Runway 11-29. A map depicting the various elements of the Airport referred to in this report is attached as Exhibit A.

At the April 8, 2011, meeting of the Mayor's Ad Hoc Committee on Airport Competitiveness, staff reported on three potential options for Runway 11-29: permanent closure and removal of the runway; conversion of the runway to a taxiway; or retention and rehabilitation of the runway once construction of Taxiway W is complete.

At the May 23, 2011, Airport Commission meeting, staff reviewed the information presented at the April 8th Ad Hoc Committee and presented a set of "Development Principles" for discussion and approval. The Commission approved the draft Development Principles subject to one modification and with a statement regarding a perceived safety concern.

At the June 14, 2011, meeting of the Mayor's Ad Hoc Committee on Airport Competitiveness, staff reviewed the proposed Development Principles and reported out on the discussion and action taken at the May 23rd Airport Commission meeting. The Ad Hoc Committee accepted the Development Principles and recommended they be agendized for full City Council review and action.

ANALYSIS

Staff's interest in formulating a set of "West Side Development Principles" was initiated upon receiving a variety of stakeholder opinions regarding future development of the west side. The adoption of a set of development principles would provide policy direction to guide decision-making for implementing the redevelopment of the west side, including new facilities serving general aviation and options for the future of Runway 11-29. These development principles will also serve to provide transparency to stakeholders on the criteria used in making these decisions.

The proposed development principles reflect the goals and objectives of the City for the Airport's west side, and align with the expected service delivery stated in the budget adopted by Council. The development principles also closely align with the strategic competitiveness principles for the Airport adopted by Council on May 25, 2010.

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The proposed West Side Development Principles are:

1. Maintain or enhance the safety of the airfield in compliance with FAA standards.
2. Develop facilities in support of the forecasts for general aviation operations and based-aircraft demand stated in the adopted Airport Master Plan.
3. Minimize short-term and long-term investment expenses by the Airport needed to ensure highest and best use of Airport property.
4. Use competition to improve the range, quality, and level of services available for general aviation.
5. Strengthen the overall economic development of Silicon Valley and support of Silicon Valley businesses with appropriate general aviation services.
6. Maximize the long-term revenue potential of the West Side property to the City and the Airport, and increase the share of non-airline revenue to the Airport.
7. Avoid actions that could impair the ability of the Airport to support commercial air service.
8. Preserve the ability to accommodate future transit connections between the Airport terminals and regional transportation modes such as BART, Caltrain, High-Speed Rail, and other systems.
9. Implement development in a manner that is consistent with the Airport's stated goal of being a good neighbor to the surrounding community.

The recommended principles focus on safety, the Airport's role as a driver of the San José and Silicon Valley economy, its place as an important component of the regional transportation system, and its financial contributions to the City and its own financial stability. As noted earlier in this report, the Airport Commission approved the Development Principles with two concerns. First, they asked that the draft language for principle #9 be stated such that being a "good neighbor" would not preclude moving forward with development. The language proposed in this recommendation is responsive to that concern. Second, the Commission also noted a concern that a potential closure of Runway 11-29 may adversely impact safety, air traffic control, and future west side development as set forth in the current Airport Master Plan. These concerns will be evaluated as part of the airfield capacity and ground movement analyses that are currently being conducted by the Airport with technical consultant assistance.

PUBLIC OUTREACH/INTEREST

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**

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- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**

- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach). **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

The proposed Development Principles have been presented and discussed at the Airport Commission meeting held on May 23, 2011 and the Mayor's Ad Hoc Committee on Airport Competitiveness held on June 14, 2011.

COORDINATION

This memo has been coordinated with the City Attorney's Office.

CEQA

Statutorily Exempt, File No. PP10-066(d), CEQA Guidelines Section 15262, Feasibility and Planning Studies.

/s/ Kimberly B. Aguirre for
WILLIAM F. SHERRY, A.A.E.
Director of Aviation
Airport Department

For more information, contact David Maas, Deputy Director for Planning & Development, at (408) 392-3630.

FORMER SAN JOSE
STATE UNIVERSITY LEASE

FAA
AIR TRAFFIC
CONTROL TOWER

FORMER PUBLIC LONG TERM PARKING
POTENTIAL DEVELOPMENT AREA 44.5 ACRES

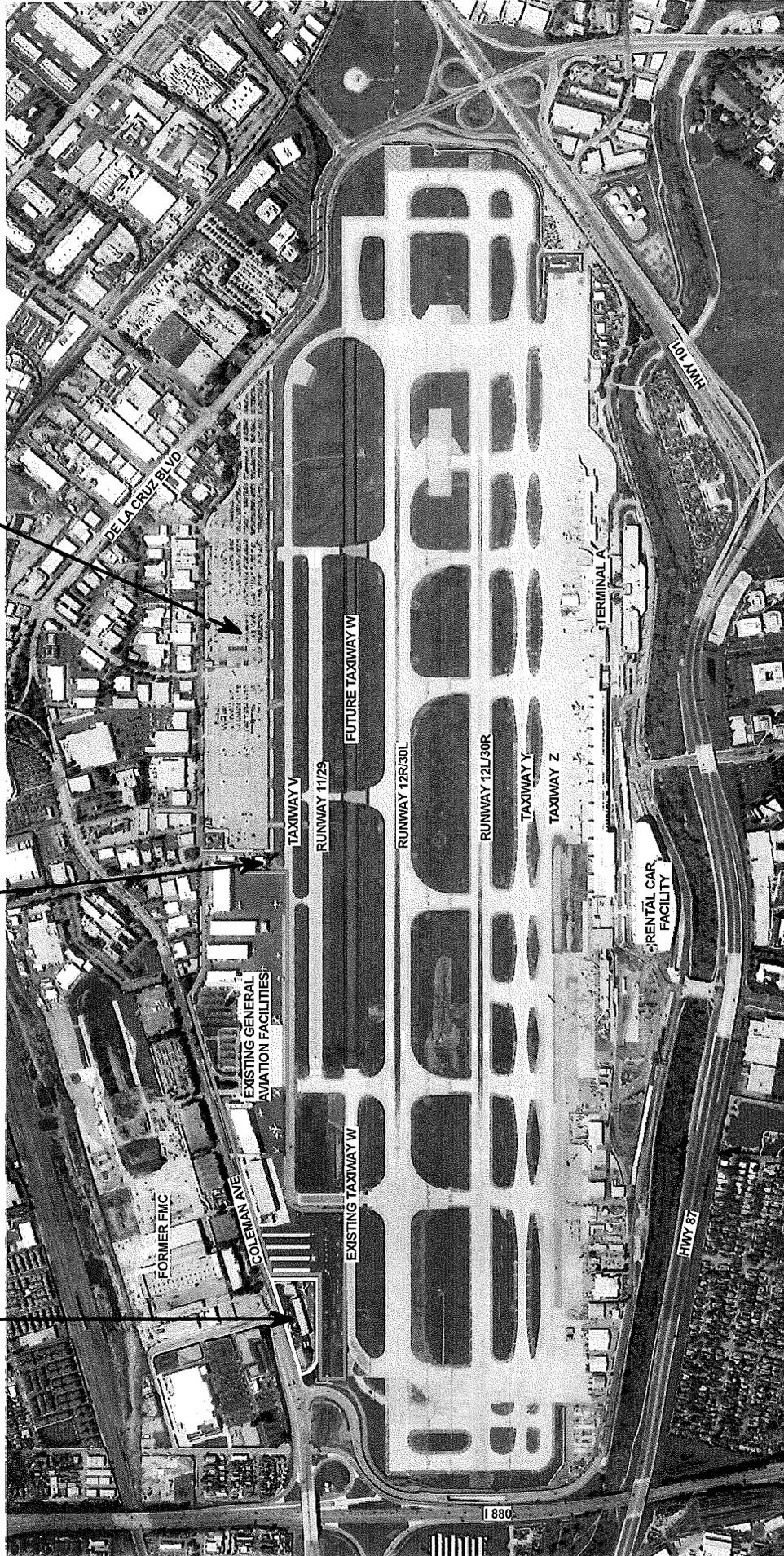


EXHIBIT A