



AIR LINE PILOTS ASSOCIATION INTERNATIONAL

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March 11, 2019

San Jose, CA City Council

San Jose, CA Airport Commission

SJC Airport Director

Sent by email to all recipients

Dear San Jose Officials:

By letter dated February 27, 2019, the Air Line Pilots Association, Int'l (ALPA), which represents more than 61,000 airline pilots who fly for 33 airlines in the U.S. and Canada, made you aware of potential concerns with proposals related to land use and development within the city of San Jose. We requested, and were promptly provided with, access to documents related to these proposals from the office of the SJC Aviation Director, which includes analysis of possible impacts on airline operations.

After reviewing these materials with the aviation safety chairs at each of the ALPA airline pilot groups whose respective companies operate into SJC, it is our view that the land use proposals under consideration will not impact available safety margins for commercial operations. Given that the preponderance of the approximately 12% of the airport's annual operations which are conducted toward the south occur in cooler winter months, the economic impacts on the airlines by the proposals under consideration may be minimal.

We appreciate the opportunity to review and provide comments on the subject development proposals.

Sincerely,

Capt. Steve Jangelis
Aviation Safety Chair
Air Line Pilots Association, Int'l



701 Lenzen Ave. San José, CA. 95126 • info@siliconvalleydebug.org • 408.971.4965

March 11, 2019

SUBJECT: Actions-Related to the Downtown Airspace and Development Capacity Study

Mayor Sam Liccardo
Vice-Mayor Chappie Jones
Councilmember Sergio Jimenez
Councilmember Raul Peralez
Councilmember Lan Diep
Councilmember Magdalena Carrasco
Councilmember Dev Davis
Councilmember Maya Esparza
Councilmember Sylvia Arenas
Councilmember Pam Foley
Councilmember Johnny Khamis

Silicon Valley De-Bug asks you to reject adopting staff recommendations on your forthcoming decision to raise height limits downtown and in the Diridon station area. The expediency of this decision appears to serve and be driven by the economic interests Google and other agencies have in the Diridon station. After the city's own airport commission and individual members have raised serious concerns about incomplete analysis, secrecy, and exclusion in this process the city's decision to move ahead quickly only casts more doubt. This is a disturbing pattern for the city of San Jose to continue, further deteriorating any confidence that city representatives act in the best interests of San Jose residents. Policies that affect our daily lives should not be driven by corporate interests prioritizing economic measures over FAA safety measures and approved general plan process.

Including public engagement after you vote, as laid out in the memo signed by the Mayor and other councilmembers defeats the purpose of meaningful community engagement, and is another troubling pattern the city is also repeating: exclusion by design. As San Jose residents, we also want a prosperous future for the city and we want to help drive those decisions, not be repeatedly shut out by business interests.

Respectfully,
Cecilia Chavez
Charisse Domingo
Fernando Perez
Glen Maxwell
Liz Gonzalez
Theotis Golden
Silicon Valley De-Bug

To: City Clerk, Mayor, City Council

March 10th, 2019

From: Dan Connolly, Catherine Hendrix, Ray Greenlee, Ken Pyle (Airport Commissioners, D10, 9, 6 & 1)

Subject: 3/12 Council Meeting, Agenda Item 6.2, *Actions Related to the Downtown Airspace and Development Capacity Study*

Table 2 from the March 8th, 2019 Memorandum from Airport Director John Aitken has inconsistent data and prompts several questions, many of which have been asked by the Airport Commission in writing, but that have never been addressed.

HONORABLE MAYOR AND CITY COUNCIL
March 8, 2019
Subject: **Downtown Airspace and Development Capacity Study Report**
Page 8

Table 2 – Development Impacts of Various Airspace Protection Scenarios

	Scenario 4	Scenario 10B	Scenario 10D
Height Increase: Downtown Core	5' to 35'	None	None
Height Increase: Diridon Station Area	70' to 150'	30' to 56'	62' to 118'
Net New Square Footage Diridon Station Area*	9.5M	3.3M	7.3M
Potential New Jobs	30,600	10,200	22,800
Potential New Housing Units	2,800	1,000	2,200

*Assumes buildout at 65% commercial and 35% residential ratio, comparable to the current Diridon Station Area Plan.

1. First, the Net New Square Footage for the Diridon Station Area is given as 9.5M square feet. This is a new figure, as Page 5 of the November 2018 presentation indicated 8.6M net new square feet. Additionally, what was presented to the Airport Commission was a 10% commercial and 90% residential mix, instead of the 65/35 given above. **Why the difference in net new square feet between what was presented on 3/8/19 (9.5M) and 11/5/18 (8.6M)?**
2. The existing Diridon Station Area Plan assumes 5.37M square feet of commercial industrial, retail and/or restaurant, along with 2,588 residential and 900 hotel rooms, while *existing building height limits are between 85 to 166 above ground level.* **Why doesn't Scenario 10B have at least 5.37M square feet?**
3. Another huge inconsistency is the difference between Scenario 4 and Scenario 10B in terms of the number of Net New Square Feet for the Diridon Station Area; 9.5M versus 3.3M square feet. **Why isn't this difference more on the order of 9.5M for Scenario 4 versus 6.67M for Scenario 10B, since Scenario 10B is between 70 to 74% the height of Scenario 10B?**

The following table provides the logic as to why Table 2 from Airport Director Aitken's memo do not make sense.

	Scenario 4	Scenario 10B	Scenario 10D
Existing Height Limits (AGL)	85' to 166' AGL	85' to 166' AGL	85' to 166' AGL
Height Increase	70' to 150'	30' to 56'	62' to 118'
Proposed Height Limits (AGL)	155' to 316'	115' to 222'	147' to 284'
% of Scenario 4	100%	74% to 70%	94% to 90%
Potential New Jobs	30,600	22,644 to 21,420	28,764 to 27,540
Potential New Housing Units	2,800	2,072 to 1,960	2,632 to 2,520

Table 1 – Number of Square Feet, Jobs & Housing based on linear relationship between heights

¹ See <https://www.diridonsj.org/diridon-stationarea-plan>

From: Bill Souders <

Sent: Tuesday, March 12, 2019 10:26 AM

To: Bill Souders; The Office of Mayor Sam Liccardo; Tran, David; Ramos, Christina M; Connolly, Dan; ken.pyle@viodi.com; Greenlee, Raymond; Hendrix, Catherine; District1; District2; District3; District4; District5; District 6; District7; District8; District9; District 10; City Clerk

Cc: ; Emily DeRuy; Ramona Giwargis; Jennifer Wadsworth

Subject: URGENT: Remember - COMPROMISE is COURAGEOUS!

Mayor & City Council Members:

COMPROMISE is COURAGEOUS, and in this case, it's also SMART! Please think VERY CAREFULLY before voting to add UNNECESSARY risk to our extremely unique, center-of-the-city, long-haul, INTERNATIONAL AIRPORT.

As many Councilmembers have already pointed out, there are other alternatives which actually OPTIMIZE benefit versus risk. Even just a slight pause, to regroup and reassess the Scenario 4 recommendation given the new feedback and great questions, seems quite prudent for SUCH an important decision. Additionally, looking at the timelines for ALL of the OTHER complex station area planning efforts underway, with SO MANY stakeholders (including outside of San José), why must we finalize this decision right NOW? Let's not push aside the UNCERTAINTY that must be addressed regarding both weather patterns and the "fund" that is presented simultaneously as both the economic "safety net" and "a concept only!" that may never materialize.

Refusing to take the time to do a more thorough and unbiased analysis of weighted pros & cons of ASSUMPTIONS and ALTERNATIVES could be construed as irresponsible, illogical, or even suspicious.

We are better than that! Thank you for your COURAGE!

Respectfully,

Bill Souders

Downtown Homeowner, SJC Frequent Flier, and "Density Pioneer"

From: Bill Souders < >

Sent: Monday, March 11, 2019 1:06 AM

To: ; mayoremail@sanjoseca.gov; Tran, David <david.tran@sanjoseca.gov>; Ramos, Christina M <christina.m.ramos@sanjoseca.gov>; ACSATM, Inc. < >; District1@SanJoseca.gov; District2@SanJoseca.gov; District3@SanJoseca.gov; District4@SanJoseca.gov; District5@SanJoseca.gov; District6@SanJoseca.gov; District7@SanJoseca.gov; District8@SanJoseca.gov; District9@SanJoseca.gov; District10@SanJoseca.gov; cityclerk@sanjoseca.gov

Cc: Emily DeRuy < Ramona Giwargis < >

Subject: URGENT PUBLIC COMMENT: OEI COMPROMISE Considerations [6.2 19-055 Actions Related to the Downtown Airspace and Development Capacity Study.]

Importance: High

PLEASE SUBMIT INTO THE PUBLIC RECORD.

Councilmembers Jones, Khamis, Foley, Esparza, Arenas, Jimenez: I greatly appreciate each of you really drilling in on the motivations, the logic, and the single recommendation to build as high as possible in both the Council meeting and the Community & Economic Development Committee. This decision will have implications for generations. I hope you find my lines of inquiry (my WHAT IFs) useful as you ponder your decisions. I strongly believe that there is a better alternative (compromise) than the “go-for-broke” Scenario 4.

I will not be available for the meeting on Tuesday, unfortunately, but I am happy to answer any clarifying questions as necessary.

Good luck, Bill

Live as if you were to die tomorrow.

Learn as if you were to live forever.

--Mahatma Gandhi, 10/02/1869 - 01/30/1948

March 12, 2019



The Honorable Sam Liccardo
200 E. Santa Clara Street, 18th Floor
San Jose, CA 95113

Re: APPROVE SCENARIO 4 City Council Agenda Item 6.2: Changing the Height Limits for San Jose

Honorable Mayor Sam Liccardo and Councilmembers:

I am writing on behalf of the Santa Clara Valley Open Space Authority (Authority) to encourage the Council's approval of the staff's recommendation (Scenario 4) for increasing heights limits in the areas of the Diridon Station Area and Downtown Core. The Authority is a public land conservation agency and special district created in 1993 to balance growth in the Silicon Valley through the permanent protection of open space, wildlife habitat, water resources and working lands.

The Authority supports the Mayor and City Council's leadership on multiple public policy fronts to create an environmentally and economically sustainable city and region through climate-smart land use policy decisions. According to Stephen Levy of the Center for Continuing Study of the California Economy, "San Jose is poised for substantial future job growth (200,000+) as a result of announced plans, a surge in land purchases, expansions in air travel and related jobs, and the development of a new high amenity Diridon station complex. Raising height limits would allow even more jobs."

We support the City's policies and actions to increase infill development for jobs and housing in the Downtown Core which reinforces efforts to protect from development the irreplaceable natural green infrastructure of the Coyote Valley. By increasing height and density of development downtown, close to transit, and by encouraging bicycle and pedestrian use, the City furthers key strategies included in its adopted Climate Smart San Jose (CSSJ) plan instead of contributing to continued suburban sprawl. Implementing Scenario 4 will reduce Vehicle Miles Traveled (VMT) and GHG by decreasing the number of auto trips to and from outlying areas, with attendant environmental, health, and economic benefits. The Authority is also working with the City on a Phase 2 Climate Smart San Jose element to evaluate the contributions that natural and working lands within the City's sphere of influence bring to the implementation of the goals of CSSJ through carbon sequestration and avoided vehicle miles traveled (VMT). The proposed increase in height limits, as recommended in Scenario 4, can be a significant catalyst to achieving both climate-smart infill and community conservation goals.

Thank you for the opportunity to comment.

Sincerely Yours,

Andrea Mackenzie
General Manager

Cc: Board of Directors, Santa Clara Valley Open Space Authority

33 Las Colinas Lane
San Jose, CA 95119

openspaceauthority.org

To: City Clerk, Mayor, City Council

March 10th, 2019

Subject: 3/12 Council Meeting, Agenda Item 6.2, *Actions Related to the Downtown Airspace and Development Capacity Study*

This letter is in response to the March 8th, 2019 memorandum from Mayor Sam Liccardo, Vice Mayor Chappie Jones, Councilmember Raul Peralez and Councilmember Magdalena Carrasco, as well as comments made at various public meetings since the 1/14/19 Airport Commission.

Their memorandum is encouraging in that it seems to suggest that the city should retain flexibility and be able to make a mid-course correction in the next year, if further study suggests that Scenario 4 does not meet the expectations anticipated in draft OEI study.

With that said, please consider the following before voting for Scenario 4 on Tuesday:

What Does SJC Want to Be When It Grows Up?

What is the bigger vision for the airport? This question is more than whether SJC becomes a regional or continues to grow as an International airport serving markets in Asia (where 15 of the top fastest growing airports are located).¹ That is, we are missing an opportunity to integrate the airport into the larger urban fabric, as is being done by leading international airports that have a strategic vision that maximizes the value of the real estate for the airport and community.

Max Hirsh (PhD, Harvard), a professor at the University of Hong Kong, suggests airports can be part of the larger community and can diversify their income at the same time.²

“If you superimposed the average airport over a map of the city that it serves, you’d find that it’s about the same size as the entire downtown core....The world’s leading airports view these real estate holdings as a critical source of non-aeronautical revenue. They’ve transformed that land into a variety of profitable commercial developments, including hotels, office parks, and shopping centers. Still, others have built concert arenas, university campuses, and tourist attractions.”

Please see this link for more details

<https://winchesterurbanvillage.wordpress.com/2019/01/14/comments-on-sjc-eir-2037-master-plan/>

What Is the Overall Economic Impact – Especially When It’s Spires Instead of Affordable Housing?

The study suggests a total economic impact for Scenario 4 of between -\$26M to - \$203M depending upon load factor. As has been mentioned in earlier correspondence the study considers a 100% buildout of the Downtown and Diridon Station Area.



A Famous Spire

¹ According to this March 7th, 2019 San Jose Inside column <http://www.sanjoseinside.com/2019/03/08/adobes-proposed-north-tower-panned-as-flat-bulky-boxy/>

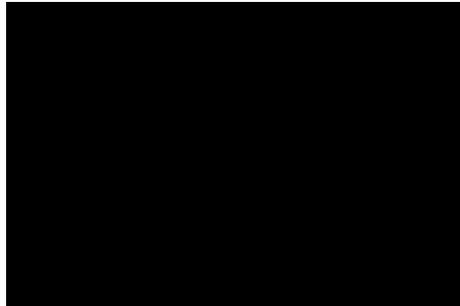
² See <https://airporturbanism.com/articles/how-can-airports-develop-their-landside-real-estate>

What was not done in the study was a sensitivity analysis to understand the potential financial impact with a lower percentage buildout and/or different temperature assumptions (again, the 2007 report assumed 88°F versus 81.3°F for the 2018 study). Appendix A is a rough estimate of the economic impact, based varying the amount of new space that is constructed above current OEI. A similar analysis should be done where temperature is the variable.

Further, what wasn't considered, but which could be significant, is what if the space above **current OEI is used for decorative purposes** and not for additional housing or commercial space? What is really a concern is that some are already calling to penetrate the current OEI spaces with decorative additions to structures.³

"To break up the blocky skyline, design reviewers recommended taking advantage of increased height limits to create an "articulated roofline" or amenity space."

Although decorative additions might improve the look of the skyline, they would not add to the economic benefit, but would trigger all the negative effects. And, these could be added conceivably to existing buildings, meaning they could have an impact sooner than 5-years. Assistant Director of Aviation, Judy Ross points out that once the first obstruction pierces current OEI, all the negative impacts will occur (as documented in this video by from the 1/28/19 CED meeting).



Please see the following link, if the above video is not viewable - <https://youtu.be/ieFLtaK9Ct8?t=1390>

Questions About Square Footage and Net Jobs

In several of the presentations to Council it has been mentioned the 30,000 jobs will be created. This appears to be the total potential, which includes a reported 20,000 jobs based on current conditions.⁴ **The incremental number of jobs based on Scenario 4 would be between 4,700 to 4,873 and 1,600 to 2,400** based on Scenario 4 and Scenario 10b, respectively.⁵

Table 3, Incremental Commercial & Residential Square Footage, summarizes a combination of data from the November 2018 presentation, as well calculated data based on assumptions from that presentation and/or other data sources. As reference, the 2014 Diridon Station Area Plan approved by the City

³ See this March 8th, 2019 San Jose Inside article <http://www.sanjoseinside.com/2019/03/08/adobes-proposed-north-tower-panned-as-flat-bulky-boxy/>

⁴ According to this 11/28/18 San Jose Mercury article <https://www.mercurynews.com/2018/11/28/google-village-could-bring-24000-jobs-to-downtown-san-jose-study/>

⁵ See page 23 and page 8 of the 12/18 and the 11/18 presentations, respectively.

Council assumed a build out of 5.37M square feet of commercial industrial, retail and/or restaurant, along with 2,588 residential and 900 hotel rooms.⁶

How is it that the net additional square feet could more than double (5.37M to 13.97M square feet) without doubling the height of the buildings?

Table 1 Incremental Commercial & Residential Square Footage

Incremental Commercial & Residential Square Footage		Airspace Scenario 4	Airspace Scenario 10B
	Net New Square Feet ⁷	8,600,000 square feet	3,100,000
	Net New Commercial ⁸	869,500 square feet	296,000
	Net New Residential ⁹	7,730,500 square feet	2,804,000

What is the baseline square footage that is assumed for the Diridon Station Area and for the Downtown area? Is it the same square footage (5.37M) as what is assumed in the 2014 Diridon Station Area Plan?

The number of net residential units in the Diridon Station Area would increase by 9,095 units in Scenario 4 and 3,299 for Scenario 10B, respectively. In both cases, these numbers are additive to and significantly larger than the estimated 2,588 residences that were assumed in the 2014 Diridon Station Area Plan¹⁰.

Another implication in the assumptions is that these domiciles, on average, would not house families with children, as the number of residents per household is assumed to be 1.43, compared to the existing 2.4 to 2.9 residents per household in the 95126 and 95110 ZIP codes, respectively.¹¹ At 596 square feet per resident, the average dwelling size would be 850 square feet.¹²

⁶ See <https://www.diridonsj.org/diridon-stationarea-plan>

⁷ Page 5 of the November 2018 presentation.

⁸ Calculated based on the number of projected additional employees (4,700 for Scenario 4 or 1,600 for Scenario 10B as per page 8 of the November 2018 presentation) and assumes 1 employee per 185 square feet per page 33 of the November 2018 presentation.

⁹ Calculated by subtracting the commercial space from the net new space.

¹⁰ 2,588 being the potential number of units that could be developed as indicated in the 2014 Diridon Station Area Plan.

¹¹ City-data/census data for the 95126 and 95110 ZIP codes can be found at: <http://www.city-data.com/zips/95126.html> and <http://www.city-data.com/zips/95110.html>. As another point of reference, according to the City-Data.com site, the average California household size is 3.0.

¹² The 1.43 people per unit figure is consistent with the 1.51 people per unit that the typical downtown residential unit has according to SJ Economy <http://sjeconomy.com/downtown-progress-report-mid-year-2018/>

Density Doesn't Always Have to Mean Taller

Some of the most desirable cities in the world are those that design for people and not cars. Removing and reducing parking from the core of a downtown and building over roads provide ways is an effective alternative to increasing heights. By closing off its central core during the Christmas 2018 Madrid found that retail sales increased by 9.5%, according to a recent Forbes article.¹³

As referenced in earlier submittals, these sorts of alternatives, where the existing space is used more efficiently were not explored in the 2018 study.

What are the Legal Ramifications of Adopting Scenario 4?

There was no legal opinion provided as part of the study. This question has been out there since Airport Director Aitken mentioned issues in Las Vegas at the Airport Commission's 1/14/19 meeting. It wasn't clear what those issues are based on his explanation from that meeting, but it raises the question of what potential legal ramifications the City of San Jose might face. For instance, What, if any, legal ramifications are there if:

1. The council effectively increases height limits based on a vote on 3/12/19, but then reduces them later, if it is found that the heights need to be lower to minimize overall negative economic impact? Will property owners start making development plans that will have to be scaled back?
2. Noise considerations. A group of citizens from the Sunnyvale-Cupertino expressed concern that raising building heights could potentially increase the amount of south flow traffic. The report did not address this question.

Lastly, we appreciate the efforts of airport staff, council staff and council in the many hours spent studying this complex issue. We wish the best for the airport and the city.

Sincerely,

Dan Connolly, Airport Commissioner, District 10

Ray Greenlee, Airport Commissioner, District 6

Cathy Hendrix, Airport Commissioner, District 9

Ken Pyle, Airport Commissioner, District 1



*Hotel over Street in
San Diego*

¹³ <https://www.forbes.com/sites/carltonreid/2019/03/08/closing-central-madrid-to-cars-resulted-in-9-5-boost-to-retail-spending-finds-bank-analysis/>

Appendix A – Economic Impacts Based on Different Buildouts

100% Buildout (assumed in the 2018 OEI Study)

Total Economic Impact Summary (2038) Gain/Loss ¹		Airspace Scenario 4	Airspace Scenario 10B
	Aviation Impact	-\$26M to – \$203M ²	\$0 ³
	Real Estate Impact	\$747M ⁴	\$438M ⁵
	Net Impact	\$544M - \$721M	\$438M

50% Buildout

Total Economic Impact Summary (2038) Gain/Loss		Airspace Scenario 4	Airspace Scenario 10B
	Aviation Impact	-\$26M to – \$203M	\$0
	Real Estate Impact	\$374M ⁶	\$219M
	Net Impact	\$171M - \$348M	\$219M

10% Buildout (e.g. First Few Buildings)

Total Economic Impact Summary (2038) Gain/Loss		Airspace Scenario 4	Airspace Scenario 10B
	Aviation Impact	-\$26M to – \$203M	\$0
	Real Estate Impact	\$75M ⁷	\$44M
	Net Impact	-\$128M - \$49M	\$44M

From: Ken Pyle [mailto:]

Sent: Tuesday, March 12, 2019 11:52 AM

To: Bill Souders <>; The Office of Mayor Sam Liccardo <TheOfficeofMayorSamLiccardo@sanjoseca.gov>; Tran, David <david.tran@sanjoseca.gov>; Ramos, Christina M <christina.m.ramos@sanjoseca.gov>; Connolly, Dan <>; Greenlee, Raymond <>; Hendrix, Catherine <>; District1 <district1@sanjoseca.gov>; District2 <District2@sanjoseca.gov>; District3 <district3@sanjoseca.gov>; District4 <District4@sanjoseca.gov>; District5 <District5@sanjoseca.gov>; District 6 <district6@sanjoseca.gov>; District7 <District7@sanjoseca.gov>; District8 <district8@sanjoseca.gov>; District9 <district9@sanjoseca.gov>; District 10 <District10@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>

Subject: URGENT: A Brief Video Explanation of Why the Data in Table 2 Is Wrong

Please view this brief video explaining the latest concerns regarding the error in the data in the 3/8/19 memo from Airport Director Aitken.

This may have to serve as my 2-minute public comments, as I am not certain whether I will be able to attend today's council meeting.

Respectfully,

Ken Pyle, D1 Airport Commissioner (Views are my own)

<https://youtu.be/36TQ0Y1BN-Q>

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Ken Pyle
Managing Editor

WORKING PARTNERSHIPS USA

3/11/2019

The Honorable Mayor Sam Liccardo and Members of the City Council
San Jose City Hall
200 E. Santa Clara
San Jose, CA 95113

RE: Actions Related to the Downtown Airspace and Development Capacity Study.

Dear Mayor and Council:

On behalf of Working Partnerships USA, I would like to express our support for the memo by Councilmember Sergio Jimenez proposing the adoption of the staff's recommendations around the Downtown Airspace Policy and calling for developing an Incentive Zoning Policy for areas impacted by these changes. By developing an Incentive Zoning Policy, we can ensure that the benefits of the proposed upzoning of Diridon Station and the Downtown Core does not only benefit developers, landowners and corporations like Google but ultimately benefits the City's residents by generating community benefits like producing and preserving affordable housing and addressing displacement.

We also support the memo by Mayor Liccardo, Vice Mayor Jones and Councilmembers Carrasco and Perez encouraging additional outreach to stakeholders and land use changes are considered.

While we believe increased development Downtown and surrounding Diridon Station presents an opportunity to pursue goals on affordable housing, creating good jobs, and adding transit ridership we also believe the City has a duty to do everything within its power to ensure such development is done without promoting further displacement. Too many working families are seeing their housing costs rise and have to make tough choices of whether to leave San Jose or reach for other unhealthy coping mechanisms, from living in overcrowded conditions, to sleeping in vehicles to skipping meals or delaying medical attention. We believe we can achieve development goals while advancing a suite of policies and investments to strengthen and protect working families and communities of color, particularly as the proposed Google project and other development in Diridon and the Downtown Core moves forward. Pursuing an Incentive Zoning Policy in tandem with upzoning detailed under the staff recommendations could be an important step towards embedding the concept of development without displacement as part of the City's decision-making.

To date in the Diridon Station Area and Downtown Core, the City's planning has restricted private development from building above heights that align with One Engine Inoperative rules, maintaining this airspace for the goal of promoting public safety and supporting operations of the San Jose International Airport. Now that the City has conducted the necessary research to determine we can safely increase maximum building heights with minimal impact to airport operations, the staff is proposing zoning and planning changes to allow private developers to build projects that potentially reach into what was formerly public airspace. This transfer of these rights from the public to private landowners will not only allow developers to build higher and denser than before but it will also increase the value of the land in this area significantly, regardless whether landowners choose to build, because of the new development capacity allowed by the new policy.

In some corners of the Diridon Station Area, maximum allowable heights will more than double, increasing by over 150 feet. The decision by the City Council to make changes to the General Plan, the Diridon Station Area Plan and any other land use policies or documents will generate significant additional financial value for land owners and developers in these areas. This is particularly true for Google, which could see the value of their land greatly increase in value.

Currently the City of San Jose has no public policy tools to capture this increase in land value. The City of San Jose did agree to a non-binding Memorandum of Understanding with Google which included principles outlining the City's intention to develop a Community Benefits Plan in exchange for upzoning such as this proposed new Airspace Policy, and other policy decisions that may benefit Google as a developer. Additionally, during the December 4th, 2018 Google land sale vote, Council voted to direct staff to study an incentive policy for commercial and residential developers looking to take advantage of increased heights under a future proposed Airspace Policy. Unfortunately, the staff recommendations for today's vote do not reflect this Council directive.

The City has still not analyzed what value will accrue to developers from such upzoning, nor has it developed a workplan for capturing a portion of this value for the public through community benefits. Such policy would be particularly important in the case of developments where the City does not intend to individually negotiate a development agreement like the Google development. The City project land use changes implementing the Airspace Policy could generate roughly 9 million additional feet across residential and commercial development, so a potential Incentive Zoning Policy could generate significant community benefits.

As we think about value capture for upzoning, its also important to think about the implication of upzoning to our most vulnerable communities. As an increasing number of potential developments downtown and at Diridon Station have emerged, many members of the community have raised their fears around how developments like the Google mega-campus could lead to rising residential rents, displacement and gentrification with significant impacts on working families, communities of color and ultimately the culture and diversity of San Jose. Evidence from economic and social science literature suggests that while upzoning in low income urban neighborhoods may help cities increase property values and meet economic development goals, it can also inadvertently lead to rising residential and commercial rents, displacement and gentrification with potential disparate impacts on people of color.¹ For instance Tom Angotti and Sylvia Morse in their book "Zoned Out" examine 76 rezonings in New York City between the years 2003 and 2007 and found in areas with higher concentrations of African American and Hispanic residents saw higher rents, a reduction in affordable housing units an increase in white residents and a noticeable reduction in the neighborhood's minority populations after upzoning.²

According to the University of California Berkeley's Urban Displacement Project, the Census Tracts covered by changes to Airspace Policy are predominantly low income (with a median income below 80 percent of area median income) and experiencing On-going Gentrification and Displacement, measured by a loss of low income families and naturally occurring affordable housing despite stable or growing population.³ Additionally, according to analysis presented to the Station Area Advisory Group in August 2018 on existing conditions

¹ Freemark, Yonah. (2019). Upzoning Chicago: Impacts of a Zoning Reform on Property Values and Housing Construction. Urban Affairs Review; Angotti, Tom & Morse, Sylvia (2016). Zoned Out! Race, Displacement and City Planning in New York City; Pough, Bradley (2014) Neighborhood Upzoning and Racial Displacement. University of Penn Journal of Law and Social Change. Neighborhood Upzoning and Racial Displacement.

² Angotti, Tom et al (2016)

³ Urban Displacement Project. SF Map, as accessed 3/11/2019: <http://www.urbandisplacement.org/map/sf>

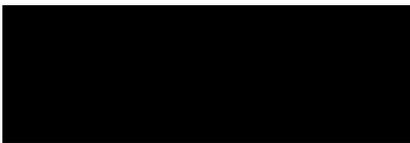
surrounding Diridon Station, the one-mile radius surrounding the Station Area (which includes the area impacted by the FAA/TERPS Airspace proposal) is home to a disproportionate number of black (4.46%) and Latino (47.35%) residents compared to Citywide.⁴ Residents in this area also include disproportionate numbers of residents living in rental housing (67%), living in poverty (18.1%), and without a high school degree compared to Citywide. Certainly these are areas that are likely to continue to face displacement pressures as development continues.

We believe Councilmember Jimenez's proposal represents an important step towards supporting development downtown and also ensuring developer who benefit from upzoning are incentivized to make significant contributions towards addressing the unintended impacts of development by investing in preserving and producing affordable housing for low and moderate income families to help prevent displacement.

Cities like Seattle, Washington and Santa Monica and Mountain View here in California have developed their own approaches to capture the increased land values that come from allowing greater density and heights through Incentive Zoning Policies. Seattle's Incentive Zoning Policy provides a good starting point for San Jose to consider. It allows developers to add additional floors above maximum allowable heights for a contribution of \$24.43 per every added square foot of floor area for low (60% AMI) and moderate (80% AMI) income housing and an additional \$3.25 for childcare facilities for commercial developers and \$18.57 per a square foot added floor area for residential developers toward affordable housing benefiting low and moderate income households. It also includes benefits around transit, open space and design. San Jose should design a policy that builds off this example and prioritizes investments that help families most at risk of displacement.

Before the City of San Jose implements the new Airspace Policy through any planning or zoning changes, staff should report back to Council on a proposal for an Incentive Zoning Policy. It will be important to develop a plan to consider an incentive program before granting this additional development capacity to landowners through General Plan amendments, changes to the Diridon Station Area Plan or any other policy documents. We hope such a policy could help to generate revenue to build or preserve affordable housing to help thousands of vulnerable residents benefit from rent-restricted housing rather than face increased displacement pressure as part of a larger suite of initiatives to address displacement as commercial and residential development ramps up in this area.

Sincerely,



Jeffrey Buchanan, Director of Public Policy

Working Partnerships USA

⁴ SAAG. Diridon Station Area Existing Conditions. April 2018:
<https://static1.squarespace.com/static/5c38bcfdcc8fedd5ba4ecc1d/t/5c462981f950b7a96faa45e1/1548102025059/Diridon%2BStation%2BArea%2BExisting%2BConditions%2B-%2BApril%2B6%2C%2B2018.pdf>

From: Kirk Vartan < >

Sent: Tuesday, March 12, 2019 12:51 PM

To: District1; District2; District3; District4; District5; District 6; District7; District8; District9; District 10; City Clerk; The Office of Mayor Sam Liccardo; Hendrix, Catherine; Greenlee, Raymond; Connolly, Dan; Ken Pyle

Subject: 6.2 on Tuesday, 3/12 Agenda - Airport OEI - Please delay this vote

Mayor and Council,

I ask you to please put on hold for 3-6 months the urge to approve Scenario 4 for the Airport OEI policy. While it may seem very tempting to raise the potential heights for downtown, especially Diridon Station area, it seems to me that you are not being providing complete nor accurate information.

I am not an expert in the airport or the rules and regulations, but I am a data guy. And I have spoken to a member of your Airport Commission, and Ken Pyle has done a lot of research and work. He is also a very data centric person. All of his comments have references and are supported by fact.

And the fact is: a majority your Airport Commission has many unanswered questions and concerns.

The airport is a regional asset to the area, and I see no reason to rush a decision like this tonight. Take the time to answer the questions and satisfy the Commissioners you appointed to advise you on issues like this. A decision like this will affect the airport for decades. Your **very informed** Commissioners are telling you there is a problem...please listen!!!

Thank you,

Kirk Vartan
San Jose

March 11, 2019

Mayor and City Council
City of San Jose

Re: Greenbelt Alliance Supports Staff Recommendations on Item 6.2, changing the height limits for San Jose

Dear Mayor and City Council:

Greenbelt Alliance urges the Council to pass the City Staff recommendations for Item 6.2 regarding height limits for San Jose.

Greenbelt Alliance addresses a single challenge: how the Bay Area handles growth. We are the only San Francisco Bay Area organization that holistically addresses land-use issues across our region—from land conservation to smart growth development. Around the Bay Area, our staff and board have worked locally with communities large and small to establish voter-approved urban limit lines and protections for natural and working lands, and to advocate for homes that are affordable across the income spectrum.

We have long been supportive of compact, walkable neighborhoods, and, in San Jose given its low Jobs to Employed Residents ratio, the addition of new job opportunities in the city's developed footprint. Greenbelt Alliance supports the staff recommendations in Item 6.2 that can lead to higher height limits in San Jose. The staff recommendations act as a step to bringing more commercial and residential development to the heart of San Jose. This also supports the growing consensus that San Jose's undeveloped natural and working lands on the city's periphery, like Coyote Valley, are places best retained for green infrastructure value instead of being lost to sprawl.

We look forward to General Plan proposals regarding height limits and will comment on them as they become available.

Sincerely,



Brian Schmidt
Program Director
Greenbelt Alliance





AIR LINE PILOTS ASSOCIATION INTERNATIONAL

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March 11, 2019

San Jose, CA City Council

San Jose, CA Airport Commission

SJC Airport Director

Sent by email to all recipients

Dear San Jose Officials:

By letter dated February 27, 2019, the Air Line Pilots Association, Int'l (ALPA), which represents more than 61,000 airline pilots who fly for 33 airlines in the U.S. and Canada, made you aware of potential concerns with proposals related to land use and development within the city of San Jose. We requested, and were promptly provided with, access to documents related to these proposals from the office of the SJC Aviation Director, which includes analysis of possible impacts on airline operations.

After reviewing these materials with the aviation safety chairs at each of the ALPA airline pilot groups whose respective companies operate into SJC, it is our view that the land use proposals under consideration will not impact available safety margins for commercial operations. Given that the preponderance of the approximately 12% of the airport's annual operations which are conducted toward the south occur in cooler winter months, the economic impacts on the airlines by the proposals under consideration may be minimal.

We appreciate the opportunity to review and provide comments on the subject development proposals.

Sincerely,

Capt. Steve Jangelis
Aviation Safety Chair
Air Line Pilots Association, Int'l