

RESOLUTION NO.

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE TO IMPLEMENT A LANDING FEE REDUCTION PROGRAM FOR AIR CARRIERS THAT INCUR PASSENGER WEIGHT IMPACTS CAUSED BY CONSTRUCTION MEANS OR METHODS IN THE "CONSTRUCTION CRANE GUIDANCE AREA" AND TO GRANT THE DIRECTOR OF AVIATION AUTHORITY TO WAIVE LANDING FEES UP TO 75% OF THE TOTAL AIR CARRIER ANNUAL FINANCIAL IMPACTS ASSOCIATED WITH DENIED BOARDINGS DUE TO CONSTRUCTION CRANES

WHEREAS, the City of San José ("City") owns and operates the Norman Y. Mineta San José International Airport ("Airport"); and

WHEREAS, on March 12, 2019, City Council accepted the Downtown Airspace and Development Capacity Study ("DADCS") to use the Federal Aviation Administration ("FAA") obstruction evaluation determinations ("TERPS surfaces") as a maximum building height limit ("Downtown Building Height Limit") in the Downtown Core and Diridon Station Area ("Construction Crane Guidance Area"); and

WHEREAS, on March 9, 2021, City Council approved the Construction Crane Height Guidance Study, which analyzed the potential impacts of construction cranes on air carrier procedures; and

WHEREAS, concurrent with City Council's approval of the Construction Crane Height Guidance Study, City Council directed staff to perform a "Construction Crane Fee Program Study", focusing on the financial impacts to air carriers from denied passenger boardings caused by construction cranes penetrating the Downtown Building Heights Limits in the Construction Crane Guidance Area; and

WHEREAS, based on the Construction Crane Fee Program Study, City desires to develop a “Construction Crane Fee Program”, with a goal to develop a fee program that balances the financial impacts to both the air carriers and the development community, and which would only apply to developers operating construction cranes above the Downtown Building Height Limits in the Construction Crane Guidance Area; and

WHEREAS, based on the Construction Fee Program, City further desires to partner with the air carriers and development community by offsetting a portion of the potential impacts to the air carriers through a “Landing Fee Reduction Program”; and

WHEREAS, the Landing Fee Reduction Program allows air carriers to request landing fee credits if an individual flight experiences denied boardings during certain weather conditions (South Flow) due to construction cranes operating above the City’s Downtown Building Height Limits (TERPS surfaces) in the Construction Crane Guidance Area, subject to certain conditions;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

1. The implementation of a Landing Fee Reduction Program for air carriers that incur passenger weight impacts caused by a developer’s constructions means and methods in the Construction Crane Guidance Area is hereby approved.
2. The Director of Aviation is hereby authorized to waive landing fees up to 75% of the total air carrier denied boarding costs due to construction cranes.
3. The Director of Aviation is authorized to determine the estimated costs arising from the operation of construction cranes above the Downtown Building Height Limits within

the Construction Crane Guidance Area and to set the estimated crane fee deposit percentage up to 50% and fee cap on an annual basis.

ADOPTED this _____ day of _____, 2021, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

SAM LICCARDO
Mayor

ATTEST:

TONI J. TABER, CMC
City Clerk