



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Kim Walesh

SUBJECT: SEE BELOW

DATE: May 9, 2019

Approved

Date

5/10/19

COUNCIL DISTRICT: 5

SUBJECT: COUNTY OF SANTA CLARA REPORT ON POTENTIAL CLOSURE OF REID-HILLVIEW AIRPORT

RECOMMENDATION

Accept the report from the County of Santa Clara on potential closure of Reid-Hillview Airport.

OUTCOME

The City Council will have information about actions taken by the Santa Clara County Board of Supervisors on December 4, 2018 to consider potential closure of Reid-Hillview Airport after Federal Aviation Administration (FAA) grant obligations expire in 2031.

BACKGROUND

Reid-Hillview Airport is a general aviation airport purchased by Santa Clara County in 1961, and is located near the Evergreen district of San José on 180 acres. Reid-Hillview is used heavily for flight training, with a number of fixed-base operators (FBOs) providing aircraft services, flight training and aircraft rentals. San Jose State University (SJSU) operates their Aviation Program at Reid-Hillview, which moved over from Norman Y. Mineta San José International Airport (SJC) when their 50-year lease at SJC expired on June 30, 2010. FAA classifies Reid-Hillview as a reliever airport for SJC. FAA grants previously accepted by the County require the County to keep the airport open through 2031. The County operates a second general aviation airport in San Martin.

On December 4, the County Board of Supervisors adopted a motion by a 3 to 2 vote to take 11 steps to toward potential closure of Reid-Hillview. This followed a year-long process by County staff in the Roads and Airport Department to create a [draft Business Plan](#).

In February, County staff presented these steps to City staff, and to the Morgan Hill City Council. The May 21 meeting provides opportunity for the City Council and interested members of the public to receive the information. The Council will receive the attached Santa Clara County Airports Status Report presentation.

ANALYSIS

While City staff has not conducted an extensive analysis of potential effects of Reid-Hillview closure, there are at least four connection points to the City of San José.

Norman Y. Mineta San José International Airport (SJC)

Reid-Hillview functions as a reliever airport for SJC, playing an important role so that small planes have an alternate airport for take-off, landing, and various training flight operations instead of SJC. If this type of aircraft operations doesn't transfer to the County's other airport at San Martin, per FAA rules SJC would have to accept this traffic, thus potentially reducing airside capacity on the existing runways and effecting commercial aircraft operations.

Land Use Planning

As part of the December 4 action, the County voted to not accept new FAA grant funding for the airport in order to explore alternative land uses. The motion included, "Invite the City of San José to engage in a joint planning process within the next two years related to use of the Reid-Hillview and Eastridge areas, including possible alternative uses after 2031." On April 30, the City Administration received a letter (attached) requesting assistance and partnership to prepare a high-level conceptual site planning document for both Reid-Hillview (200 acres) and the Eastridge Mall Area (105 acres), with a request that work begin in June 2019 and complete in February, 2020. City staff will be meeting with County staff prior to the May 21 Council meeting to understand this request, including the requested scope, timing, and City staff involvement. Adding this project to the existing Community and Economic Development inter-departmental workplan for 2019-2020 could require delaying staff action on previously established City Council priorities.

Emergency Management

Reid-Hillview plays a role in emergency and disaster response, including the Disaster Assistance Response Team (DART). Reid-Hillview houses the Civil Air Patrol and Cal Fire, which help provide disaster relief during emergencies. Emergency managers anticipate that Reid Hillview could be used for humanitarian aid, medical evacuations, Red Cross flights by private pilots, and

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other similar uses. They also anticipated that FEMA, USGS and others would use it for a base of operations for aerial damage surveys, fire watch, med-evacuation and other disaster services needed in emergency response and immediate recovery.

Lead Levels

The County has reported that the lead monitor at Reid-Hillview detects airborne lead levels below the federal and state thresholds. Aviation gasoline contains lead. In addition, the County reports that children in surrounding zip codes have detectible lead blood levels, although the source has not been determined. The Board of Supervisors directed the County Executive to report back to the Board with a recommended plan to analyze and address any concerns regarding airborne lead and associated concerns

EVALUATION AND FOLLOW-UP

The Administration will provide future communication with Council as required.

PUBLIC OUTREACH

This memorandum will be posted on the City's website for the May 21, 2019 City Council meeting.

COORDINATION

This memo has been coordinated with the Airport, Planning, Building, and Code Enforcement, Office of Emergency Management, and the City Attorney's Office.

COMMISSION RECOMMENDATION

No commission recommendation or input is associated with this action.

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CEQA

Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action.

/s/

KIM WALESH

Deputy City Manager

Director of Economic Development

For questions, please contact Kim Walesh, Deputy City Manager at (408) 535-8177.

Attachment

Letter from the County of Santa Clara dated April 25, 2019
Santa Clara County Airports Status Report

County of Santa Clara
Roads and Airports Department



101 Skyport Drive
San Jose, California 95110-1302
1-408-573-2400

April 25, 2019

Kim Walesh
Deputy City Manager and
Director of Economic Development
200 E. Santa Clara St. 17th floor
San Jose CA 95113

Dear Ms. Walesh,

SUBJECT: REID-HILLVIEW AIRPORT / EASTRIDGE CONCEPTUAL SITE PLANNING

This letter is to advise the City of San Jose of our interest in preparing a high-level conceptual site planning document, which would include site capacity analysis and potential land uses so that we may create a vision for the Reid-Hillview (RHV) / Eastridge area and to request assistance and partnership with the City of San Jose in this endeavor. County staff were given direction by the Board of Supervisors on December 4, 2018 to implement a series of actions related to the future of RHV. The motion that the Board approved is attached and contains eleven individual actions. Action item four directs the County Administration to invite the City of San Jose to engage in a joint planning process relating to use of the Reid-Hillview and the Eastridge Mall, including possible alternative uses of the airport after 2031.

County staff is prepared to begin the planning process and would like to invite the City of San Jose to partner in the effort particularly as it relates to the Eastridge Mall property. We understand that the Eastridge Mall is subject to City of San Jose land use regulations and is an important part of the City's economic development strategy. We also know that the mall's land use has been severely constrained by the adjacent airport use. These constraints include building heights, site layout, and uses other than those typical of a shopping mall. The total area of both the airport and mall combined is nearly 300 acres.

An additional factor to consider is that the VTA has begun design work on a light rail (LRT) extension on Capitol Expressway directly adjacent to both the airport and mall. County and City staff have been very involved with the preliminary planning for the project and are intimately familiar with the details of the plan. This train, which will connect the future

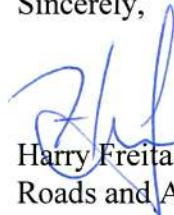
Eastridge LRT Station to the Milpitas BART station will also leverage the investment the community has already made in the BART system.

As we all know, carefully planned land use in conjunction with high quality transit investments is a significant factor in the success of the transit facility, promotes mode shift, and contributes to vibrant, walkable communities. The Board direction is an opportunity to evaluate the potential for land uses that will contribute to transit ridership, may help alleviate the housing crisis, provide needed recreational, educational and community-supporting uses for all our constituents.

The County contemplates engaging a land use consultant to develop a plan for the Airport and Eastridge that includes community outreach and property owner engagement to envision possible alternate uses for both properties. The study would include a site capacity analysis for building square footage and potential land uses, conceptual site planning, and public outreach. The County does not currently envision that this study would result in General Plan or Zoning Designation changes. We would appreciate the opportunity to discuss these in more detail by arranging a meeting to discuss a path forward. We envision this effort requiring eight months to complete, commencing in June 2019 and concluding in February of 2020.

In addition, we would like to thank you for the opportunity to present the current status and future of Reid-Hillview Airport (RHV) to the San Jose City Council on May 21, 2019. We look forward to the opportunity to partner on our efforts to evaluate possible alternate uses for the airport property.

Sincerely,



Harry Freitas, Director
Roads and Airports Department

c: Mayor Sam Liccardo
Supervisor Cindy Chavez, Second District



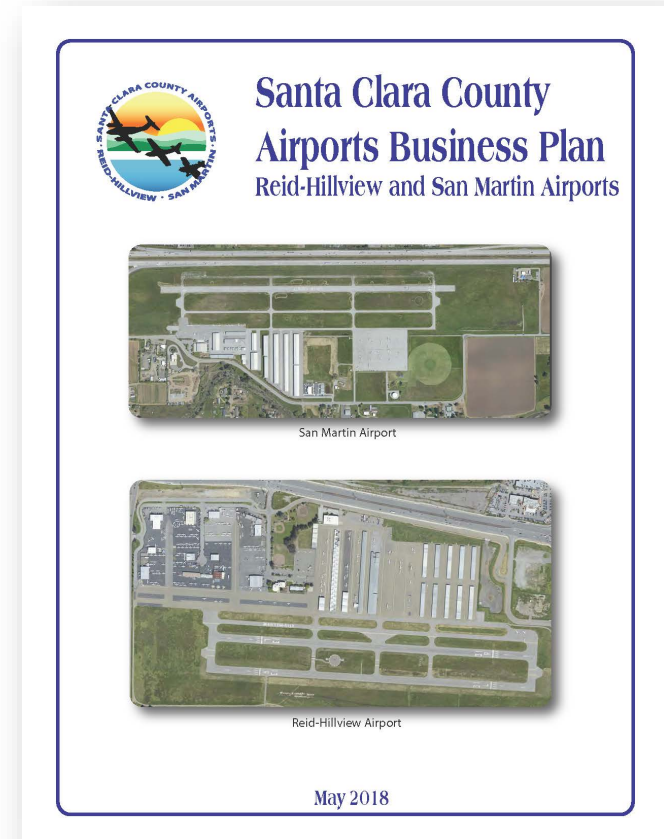
SCC Airports Business Plan Referral

At the request of Vice President Chavez, the Board approved:

1. A policy statement that the County will not apply for Airport Improvement Program grants for Reid-Hillview Airport and will make General Fund-funded improvements necessary to safely operate Reid-Hillview;
2. Directed Administration or its designee to accept \$1 million in Federal Aviation Administration (FAA) entitlement funding related to the airfield repaving project at the San Martin Airport to help pay down the outstanding General Fund loan;
3. To apply for property releases at Reid-Hillview Airport from the FAA consistent with the Business Plan Update;
4. To invite the City of San Jose to engage in a joint planning process within the next two years relating to use of the Reid-Hillview and Eastridge areas, including possible alternative uses after 2031;
5. To develop a plan, including a transparent community engagement process that includes, but is not limited to, engaging the City of San Jose, to consolidate the County's aviation uses at San Martin Airport based on the Housing, Land Use, Environment, and Transportation Committee's Option 3 identified in staff's presentation;
6. To develop a plan to implement improvements necessary to ensure adequate traffic flow and safety on East San Martin Avenue, Highway 101, and adjacent roadways;
7. To establish a Capital Plan to implement improvements at the San Martin Airport, including both General Fund-funded and FAA-funded improvements;
8. To report to the Board with a recommended plan to analyze and address any concerns regarding airborne lead and associated concerns,
9. To engage San Jose State University relating to negotiations for possible accommodation at the San Martin Airport;
10. To engage Office of Emergency Services partners relating to consideration of capacity for emergency and disaster response should a change of use occur at Reid-Hillview Airport;
11. To engage the aviation community in determining the feasibility of allowing only non-lead aviation fuel at the Reid-Hillview and San Martin Airports.

Santa Clara County Airports Status Report

Presented to
City of San Jose
May 21, 2019



www.countyairports.org



Business Plan Effort

- Directed by the Board of Supervisors
- One-year process
- Housing, Land Use , Environment, Transportation Committee November 2018
- Heard by the Board of Supervisors on December 4, 2018



Reasons to Study the Airport Business

- Costs are increasing faster than revenue
 - Less aircraft storage though more flights
- Staffing has declined
 - Currently 9 positions
- Leases are due for renewal
 - RHV leases up in 2021 SM in 2020
- Maintenance is poor
 - Airfield and facilities



Reid-Hillview Background

- Originally opened 1939 as Reid's Hillview Airport
- County purchased 1961
- Approximately 475 based aircraft
- 2017 Annual Operations, 163,000
- 1978 Annual Operations, 395,000



San Martin Background

- Constructed by the County
- Opened in 1972
- Approximately 150 based aircraft
- 2017 Annual Operations, 32,000
- 1997 Annual Operations, 60,000



Outreach and Coordination

November 2017	Airport Commission HLUET
December 2017	Airport Commission Board of Supervisors
January 2018	RHV Leaseholders SM Pilots and Neighbors
February 2018	RHV Stakeholders
March 2018	RHV Neighbors
May 2018	Airport Commission RHV Pilots and Neighbors SM Pilots and Neighbors
September 2018	Airport Commission X2
October 2018	HLUET



Stakeholder Concerns

- Neighbors concerns with noise, airborne lead, need for housing, safety of aircraft
- Students and SJSU need for aviation training and education
- Pilots concerned for preservation of airport for intended use
- FBO's concerned for preservation of airports for livelihood

The Plan

- Increase revenue
 - Non-aviation use, community benefiting parcels, FBO, solar, fees
- Increase maintenance
 - 10 year improvement plan \$20 million
- Accept AIP grants
 - Last grant accepted in 2011
 - Limited to airfield improvements



Santa Clara County Airports Business Plan Reid-Hillview and San Martin Airports



San Martin Airport



Reid-Hillview Airport

May 2018

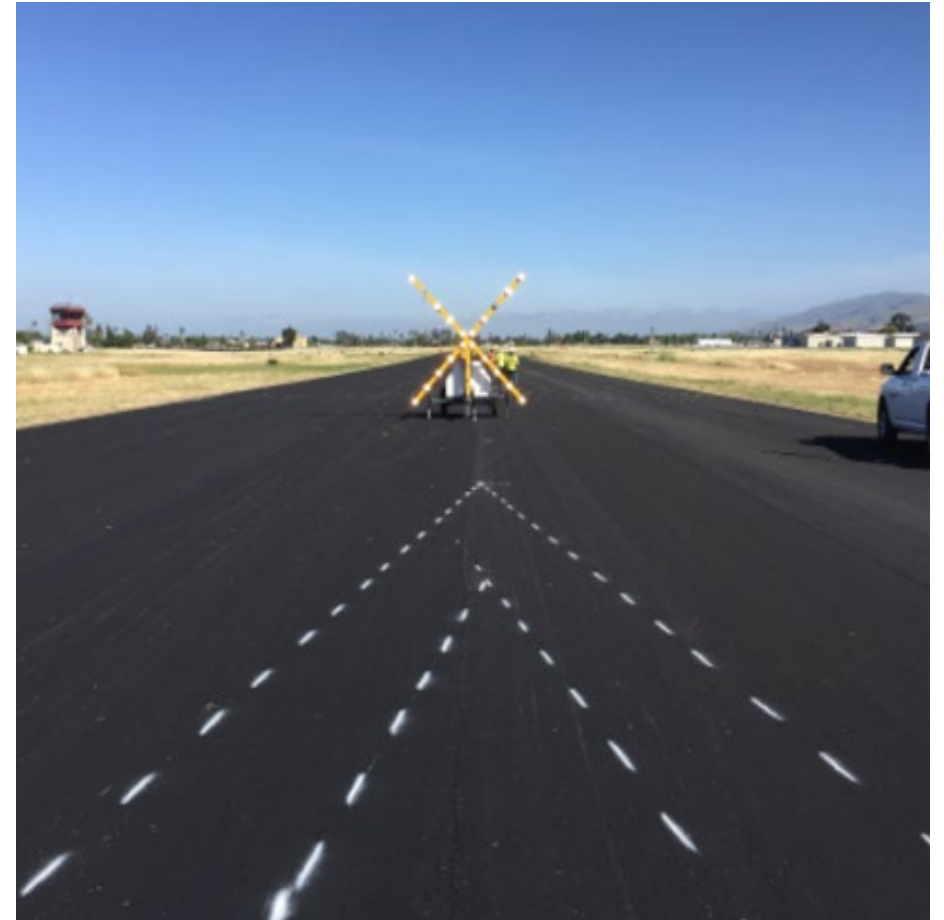
Grants

- Majority of eligible airports take grants
- Used to improve airfield
- Last grants issued to the County in 2011
- Grants obligate the County to conform to Federal rules



Grants

- Entitlement grant funding
 - Up to \$150,000 per airport per year
 - Reimbursement of eligible projects
- Discretionary grant funding requests compete with other airports projects
- Up to 95% of project costs eligible



Grant Assurances

- Grant assurances last 20 years
 - Current assurances expire in 2031
- long-term requirements for operation of airport - Operate to FAA standards
- Without grant obligations the County **may** gain more local control



Grant Risks

- 20 Year Obligation
- Required to keep operating
- Required to follow FAA regulations



ANCA– Further Restricts Local Control

Airport Noise and Capacity Act of 1990

- FAA retains control over creation of access restrictions at public use airports **regardless of grant status**



HLUET Committee Input

Consolidation of RHV to San Martin

- New/updated Master Plan for San Martin
- New EIR/EIS for the Master Plan
- Approximately \$2.5 million
- About 3 to 4 years to complete

Current San Martin Master Plan

- Completed in 2006
- Directed new aviation growth to San Martin
- New tower, taxiway, terminal, maintenance building, utilities, hangers, ramps, utilities
- Extended runway

Discussion of Lead

Existing published Public Health studies were searched with the following conclusions:

- Aviation gasoline contains lead
- Lead monitor at RHV detects airborne lead below Federal and State thresholds
- Planes at RHV produce lead bearing exhaust which is detectable
- Children in surrounding zip codes have detectible lead blood levels
- Lead in blood can cause cognitive issues in humans particularly in children
- The source of the blood lead levels has not been determined
- The surrounding zip codes have a predominate minority population and higher than average poverty rates

BOS Actions on December 4, 2018

1. Adopt a policy statement that the County will not apply for Airport Improvement Program grants for Reid-Hillview Airport and will make General Fund-funded improvements necessary to safely operate Reid-Hillview
2. Directed Administration or its designee to accept \$1 million in Federal Aviation Administration (FAA) entitlement funding related to the airfield repaving project at the San Martin Airport to help pay down the outstanding General Fund loan



BOS Actions on December 4, 2018

3. Direct the County Executive to apply for property releases at Reid-Hillview Airport from the FAA consistent with the Business Plan Update.
4. Invite the City of San Jose to engage within the next two years in joint planning for the Reid-Hillview / Eastridge area, including possible alternative uses of Reid-Hillview after 2031.
5. Develop a plan, including a transparent community engagement process, to consolidate the County's aviation uses at San Martin Airport, based on Alternative 3 in the Board-adopted 2006 South County Airport Master Plan as updated to include tower and navigation capacity to meet current standards.



BOS Actions on December 4, 2018

6. Develop a plan to implement any necessary improvements to ensure adequate traffic flow and safety on East San Martin Avenue and Highway 101 and adjacent roadway
7. Establish a Capital Plan to implement the improvements at the San Martin Airport, including both General Fund-funded and FAA-funded improvements.
8. Direct the County Executive to report back to the Board with a recommended plan to analyze and address any concerns regarding airborne lead and associated concerns.

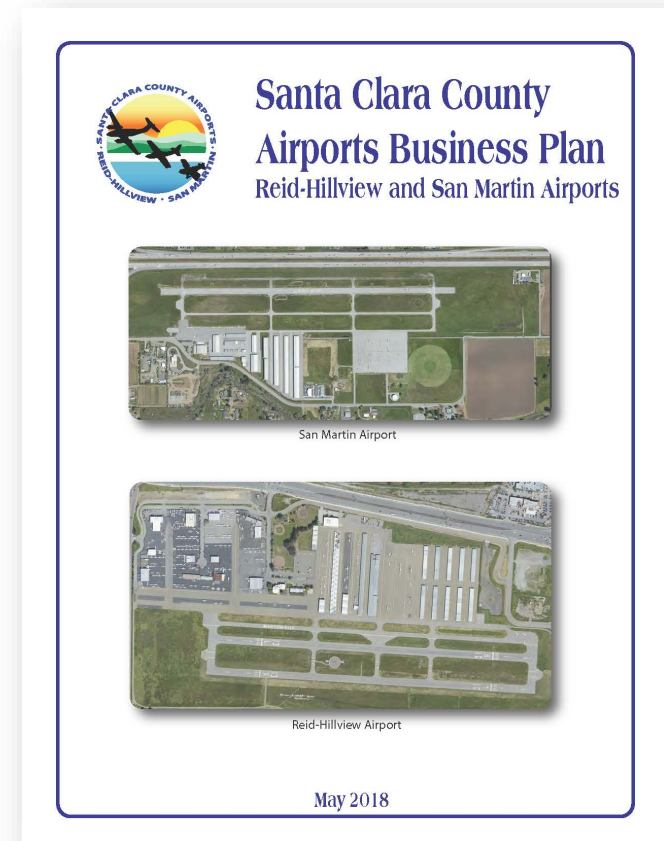


BOS Actions on December 4, 2018

9. Engage San Jose State University relating to negotiations for possible accommodation at the San Martin Airport
10. Engage Office of Emergency Services partners relating to consideration of capacity for emergency and disaster response should a change of use occur at Reid-Hillview Airport
11. Engage the aviation community in determining the feasibility of allowing only non-leaded aviation fuel at the Reid-Hillview and San Martin Airports.



County Airports Business Plan Update



www.countyairports.org



RHV FBO Layout



Current

9 Leaseholds, 1.1 – 2.8 acres (17.8 acres)



Recommended

2 Leaseholds, 7.0 acres each (14.0 acres)