COUNCIL AGENDA: 8/20/19

FILE: 19-663 ITEM: 6.1



Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: Kim Walesh

SUBJECT: SEE BELOW

DATE: August 8, 2019

Approved S S C

Date

8/9/19

COUNCIL DISTRICT: 5

REPLACEMENT

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

REASON FOR REPLACEMENT

The reason for this replacement memorandum is to include updated information regarding County Board of Supervisors action since the original memo posted on May 10, 2019.

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 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 providing aircraft services, flight training and aircraft rentals. San Jose State University operates their Aviation Program at Reid-Hillview; San Jose State University moved to Reid-Hillview from Norman Y. Mineta San José

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International Airport (SJC) when their 50-year lease at SJC expired on June 30, 2010. The 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, 2018, 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 <u>Business Plan Update¹</u>.

Earlier this year, County staff presented these steps to City of San Jose staff and to the Morgan Hill City Council. The August 20 Council 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.

Land Use Opportunity

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 May 21, the Board of Supervisors approved \$400,000 to fund a land use consultant to develop a preferred conceptual site plan for the Reid-Hillview land. Gensler's scope includes outreach to the community, various stakeholders, and the City of San Jose. Gensler's preferred conceptual site plan will be used to establish a basis for possible project scope when/if the County chooses to redevelop the site following expiration of the current FAA grant assurances in 2031. City staff will provide coordination services to County staff/Gensler through a standing monthly City/County real estate meeting. Should this property become available for redevelopment, it would represent a rare opportunity to better integrate the property and potential new amenities with surrounding neighborhoods.

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 these small aircraft operations don't transfer to the County's other airport at

¹ https://www.sccgov.org/sites/air/resources/Pages/Business-Plan.aspx

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San Martin, per FAA rules, SJC would have to accept this traffic, thus potentially increasing airside congestion and delays.

Emergency Management

Reid-Hillview is a resource for emergency and disaster response, including the Disaster Assistance Response Team. Reid-Hillview houses the Civil Air Patrol, which helps 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 other similar uses. They also anticipate 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 August 20, 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/INPUT

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

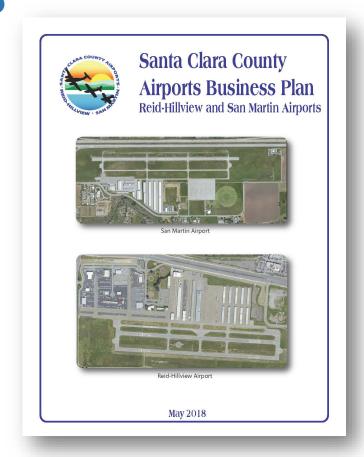
For questions, please contact Kim Walesh, Deputy City Manager at (408) 535-8177.

Attachment

Santa Clara County Airports Status Report

Santa Clara County Airports Status Report

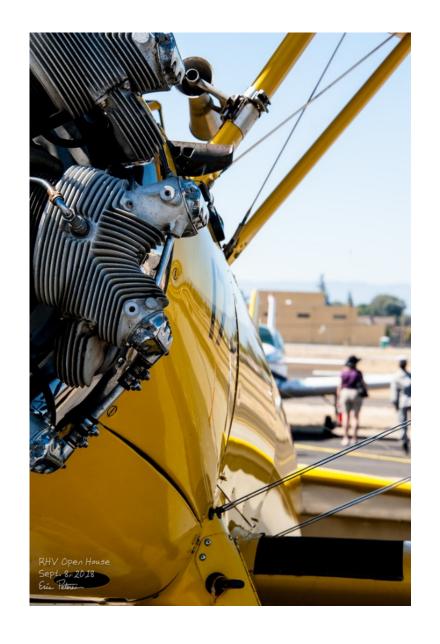
Presented to
City of San Jose
August 20, 2019





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



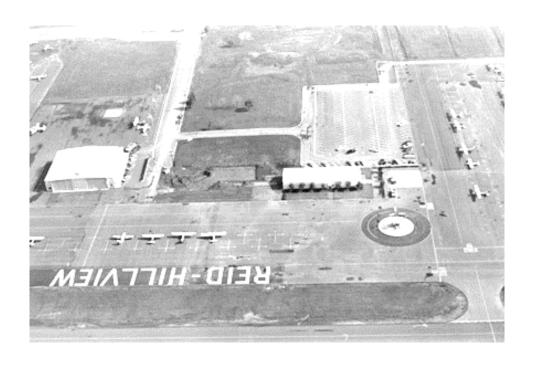
Reasons to Study the Airport Business

- 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



San Martin Airport



May 2018

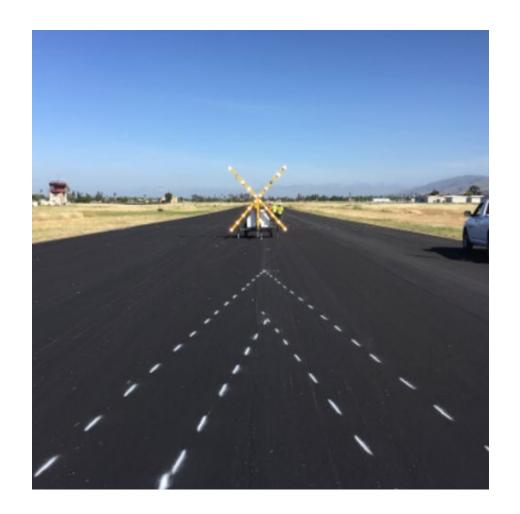
Grants

- 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

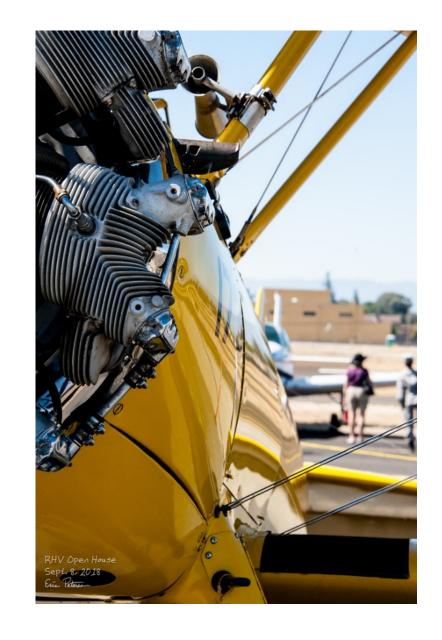
- Completed in 2006
- Directed new aviation growth to San Martin
- New tower, taxiway, terminal, maintenance building, utiliites, hangers, ramps, utilities
- Extended runway

Discussion of Lead

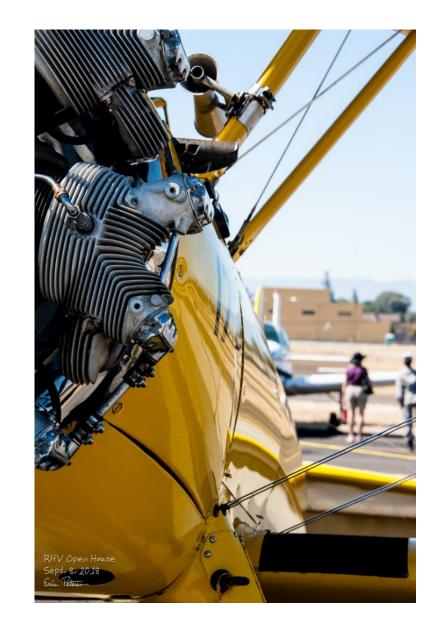
Existing published Public Health studies were searched with the following conclusions:

- 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

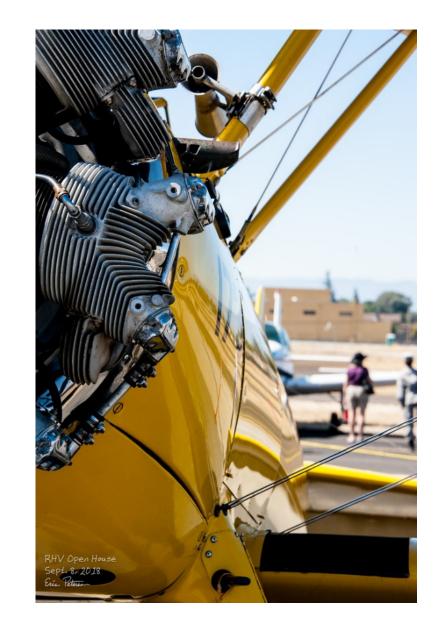
- 1. Adopt a policy statement that the County will not apply for Airport Improvement Program grants for Reid-Hillview Airport and will make General Fund-funded improvements necessary to safely operate Reid-Hillview
- 2. Directed Administration or its designee to accept \$1 million in Federal Aviation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



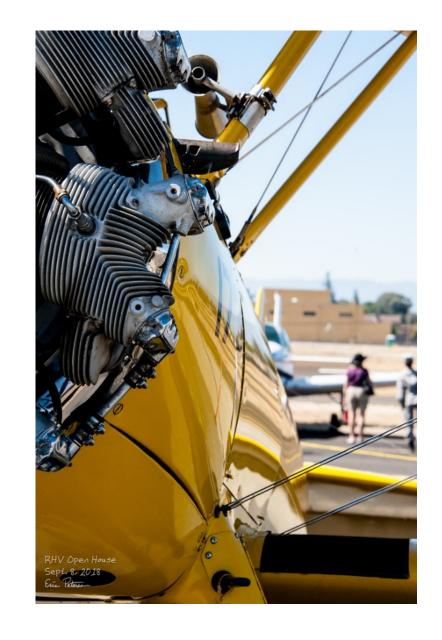
- 3. Direct the County Executive to apply for property releases at Reid-Hillview Airport from the FAA consistent with the Business Plan Update.
- 4. Invite the City of San Jose to engage within the next two years in joint planning for the Reid-HillvDiew / Eastridge area, including possible alternative 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.



- 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.



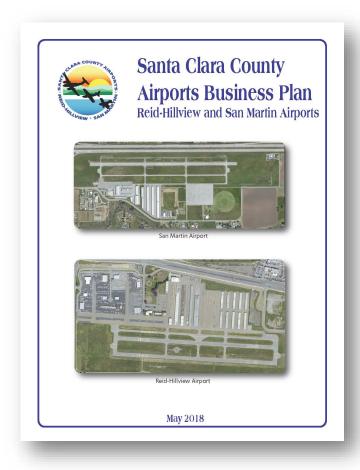
- 9. Engage San Jose State University relating to negotiations for possible accommodation at the San Martin Airport
- 10. Engage Office of Emergency Services partners relating to consideration of capacity for emergency and disaster response should a change of use occur at Reid-Hillview Airport
- 11.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



Current Activities

- Land Use Planning effort underway
- Grant application for San Martin underway
- Property releases for RHV underway
- Lead Study funding to BOS Fall 2019

County Airports Business Plan Update





RHV FBO Layout





Current9 Leaseholds, 1.1 – 2.8 acres (17.8 acres)

Recommended
2 Leaseholds, 7.0 acres each (14.0 acres)