



Memorandum

TO: TRANSPORTATION AND ENVIRONMENT COMMITTEE

FROM: John Aitken

SUBJECT: AIRPORT MASTER PLAN AMENDMENT AND CAPITAL PLAN

DATE: November 13, 2019

Approved

Date

11-22-19

RECOMMENDATION

Accept the update on the upcoming Master Plan Amendment and Capital Plan for Norman Y. Mineta San José International Airport and refer this report to the full City Council for the January 14, 2020 City Council meeting.

BACKGROUND

The current Airport Master Plan, as amended over time through City Council approval, serves as the City's long-range guide to airport development through the year 2027. The majority of the almost 70 specific facility improvement projects identified in the Master Plan have been implemented over the last twenty years, including major projects such as runway extensions and new terminal buildings, parking garages, fuel storage facilities, and corporate aviation leasehold development. Beginning in 2018, the Airport Department began formulating the next proposed amendment to update the Airport Master Plan for the following three purposes:

1. Extend the planning horizon and update aviation demand projections out to the year 2037. With the current Airport Master Plan horizon (2027) now less than ten years away, and with forecasts that were last updated in 2009, the Master Plan needs to be amended to extend out the planning horizon and associated demand projections another ten years.
2. Incorporate the airfield safety and reconfiguration projects recommended in the Runway Incursion Mitigation/Design Standards Analysis ("RIM") Study. This FAA-funded study of how to improve airfield safety and compliance with current FAA design standards is currently being completed. The study has identified numerous recommended airfield configuration changes, including permanent closure of the short general aviation runway 11-29 and adjustments to the taxiway system, that need to be added to the Airport Master Plan.
3. Modify various landside facility improvement projects to adequately serve 2037 demand. Given an updated set of demand forecasts, several facility improvement projects identified in the current Master Plan for future implementation need to be adjusted or augmented accordingly.

Pursuant to the California Environmental Quality Act (CEQA), the current Airport Master Plan has been implemented under an Environmental Impact Report (EIR) that has also been kept current over time through a Supplemental EIR and numerous EIR addenda. The Administration is preparing a new EIR for the Airport Master Plan Amendment to evaluate the potential environmental impacts of the proposed new and revised facility development program.

The San José Municipal Code governs the process for amending the Airport Master Plan. As set forth in Chapter 25.02, Part 3, the scope of the proposed changes to the Airport Master Plan constitutes a “major amendment” in that the current Master Plan goals/objectives, projected activity levels, and facility requirements are being revised and/or increased. The approval process for a major amendment includes public hearings and advisory review by the Airport Commission and Planning Commission prior to public hearing and action by the City Council.

ANALYSIS

Some of the key components of the proposed Airport Master Plan Amendment include:

- Based on an average growth rate of approximately 3.6%, the annual air passenger demand in 2037 is forecasted to reach 22.5 million (compared to 15.7 million passengers in 2019 and the current Master Plan projection of 17.6 million passengers in 2027). The number of passenger airline operations (aircraft takeoffs and landings) in 2037 will essentially be the same as currently projected for 2027 due to trends toward larger aircraft and higher load factors. Projected growth in air cargo, general aviation, and military activity will also continue but at lower rates than currently projected for 2027.
- Overall airfield and landside area capacity will remain sufficient to accommodate the projected 2037 demand. The east side of the Airport will continue to be devoted to the air passenger terminal area plus air cargo and aviation support uses, while the west side of the Airport will continue to primarily serve general and corporate aviation facilities plus some additional aviation support uses.
- For the terminal area, a total of 42 airline gates will be needed, vs the 40 projected in the current Airport Master Plan for 2027. This proposed increase in the number of gates will require Council approval of an ordinance amending the existing Municipal Code provision that currently limits the maximum number of airline gates at 40.
- The recommended airfield safety/configuration changes will include permanent conversion and extension of the former west side general aviation runway to a taxiway, closure of some existing taxiway segments and apron areas, the realignment or extension of other taxiways, and several relatively minor pavements and marking enhancements to the two primary runways. Most of the proposed airfield improvements will be eligible for FAA grant funding.

EIR Preparation

The EIR preparation is the lengthy critical path process that must be completed prior to City Council action on the proposed Master Plan Amendment. The CEQA process formally began in December 2018 with the issuance of the “Notice of Preparation” by the Planning, Building, and Code Enforcement (PBCE) Department, followed by a public scoping meeting held in January 2019. In late November, PBCE should be issuing the official “Draft EIR” for a minimum 45-day public review and comment period, after which the City will prepare a “Draft EIR Amendment” responding to the comments submitted and revising any sections of the Draft EIR as determined necessary. The Draft EIR and Draft EIR Amendment will comprise the proposed Final EIR for Planning Commission review and City Council certification.

Airport Commission and Planning Commission review of the proposed Airport Master Plan Amendment is expected to occur in the January-March 2020 timeframe, with the Planning Commission review including formal EIR consideration. A required referral to the County Airport Land Use Commission (ALUC) for a determination of consistency with the ALUC’s Comprehensive Land Use Plan for the Airport will also be conducted.

It is anticipated that in late March 2020, the following package of recommendations will be agendized for City Council public hearing and action:

- Certification and adoption of findings of the Airport Master Plan Amendment EIR.
- Adoption of the proposed Airport Master Plan Amendment.
- Adoption of a proposed ordinance amending the Municipal Code to allow the maximum number of airline gates at the Airport to increase from 40 to 42.

The Airport has been the fastest growing airport in the nation with a 26% growth rate over the last three years. Even with adding eight temporary aircraft gates, the number of passengers per gate remains high and there are challenges to accommodate the growing demand with current airport terminal facilities. Additionally, we risk artificially constraining airline activity and new routes due to congestion and delays without addressing the demand through initiating a new capital program.

The Capital Plan will focus on the major terminal projects and include several precursor projects necessary to enable terminal construction. The largest component of the Capital Plan will be the construction of a new Terminal C to mirror the current Terminal B and add 16 permanent aircraft gates (including associated aircraft aprons), ticketing, passenger screening, baggage handling systems, and landside improvements (including vehicle parking garages). The addition of Terminal C, which will absorb the gates currently in service as part of the Interim Gates Facility of Terminal B, will allow the airport to support up to a total of 42 aircraft gates.

Several precursor and support projects included in the Capital Plan are the Aircraft Rescue and Fire Fighting Station 20, Police helicopter hangar, new relocated belly-freight/concession receiving facility, facilities maintenance buildings, relocated service vehicle fuel station,

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demolition of existing structures, a new hotel, and airfield safety related projects (Runway Incursion Mitigation/Design Standards Analysis (“RIM”) Study recommendations).

A presentation will be provided at the Committee meeting on the Airport Master Plan Amendment and Capital Plan including a more detailed description of the growth conditions and the Capital Plan projects.

COORDINATION

This report has been coordinated with the City Attorney’s Office and the City Manager’s Budget Office.

/s/

JOHN AITKEN

Director of Aviation

For questions, please contact either John Aitken, Director of Aviation, at 408-392-3611 or Drew Niemeyer at 408-392-3680.