



# Memorandum

**TO:** AIRPORT COMMISSION

**FROM:** William F. Sherry, A.A.E.

**SUBJECT: DEFERRAL OF AIRPORT  
OBSTRUCTION STUDY  
RECOMMENDATION TO  
COUNCIL**

**DATE:** September 1, 2009

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Approved

Date

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The City Manager has deferred presentation of the Airport Obstruction Study recommendations to Council, pending:

- Results of a current FAA study regarding addition of OEI considerations to the FAA obstruction evaluation process, and
- Additional study of economic tradeoffs between OEI protection vs. non-protection.

In the interim, the City's review of high-rise projects will incorporate the pending OEI restrictions.

Please read the attached City Manager's memo and staff recommendation memo for additional details and background.

WILLIAM F. SHERRY, A.A.E.  
Director of Aviation

Attachment



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SENT TO COUNCIL: \_\_\_\_\_

AUG 12 2009

by City Manager's Office  
*Memorandum*

**TO: HONORABLE MAYOR AND  
CITY COUNCIL**

**FROM: Debra Figone  
City Manager**

**SUBJECT: Staff Deferral of Airport Obstruction  
Study Recommendations**      **DATE: August 11, 2009**

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**INFORMATION**

Attached is a memorandum from City staff to me with a recommendation to defer Council review of the Airport Obstruction Study until a future date yet to be determined. As pointed out in the staff report, there are three primary reasons for this recommendation:

First, staff has recently become aware of a study that the Federal Aviation Administration (FAA) is undertaking at five major airports (not San José) to evaluate the potential addition of airline one-engine out (OEI) considerations to FAA's obstruction evaluation process. The results of this FAA study may provide pertinent guidance to local land use initiatives to protect an airport's OEI surfaces.

Second, staff needs to conduct additional study of the economic tradeoffs between OEI protection vs. non-protection to provide Council all relevant and pertinent information before the issue is scheduled for Council consideration.

Finally, implementation of the Airport Terminal Area Improvement Program is at a critical stage and requires the complete focus of Airport staff, which, as the Council knows, has gone through significant downsizing.

In the interim, the Administration's development review of any high-rise projects in the Airport vicinity will incorporate the pending OEI restrictions in order to protect the existing air service capacity of our Airport.

On my behalf, Bill Sherry, Director of Aviation, has spoken with the Redevelopment Agency's Executive Director Harry Mavrogenes, San José Silicon Valley Chamber of Commerce CEO Pat Dando and the Downtown Association's Executive Director Scott Knies and they are in agreement with this deferral. We will continue to work with them on this important issue.

  
Debra Figone  
City Manager



# Memorandum

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**TO:** Debra Figone

**FROM:** William F. Sherry  
Paul Krutko  
Joseph Horwedel

**SUBJECT:** Recommendation to Defer Council  
Review of Airport Downtown  
Obstruction Study in order to Further  
Evaluate Options and FAA Study Underway

**DATE :** August 11, 2009

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## **Purpose**

The purpose of this memorandum is to recommend continued evaluation of the One Engine Inoperative (OEI) issue as outlined in this report. During the review of the OEI issue, development proposals would be considered on a case-by-case basis as described below.

## **Summary**

The Airport has been conducting technical analyses of potential impacts on air space and long-haul airline operations that possibly could be caused by future downtown high-rise construction, as well as alternatives that could achieve the optimum results for both the Airport and development of the downtown core. This matter recently had been scheduled to be heard by the Community and Economic Development Committee in June this year and was on track for coming back for consideration by Council this fall. Because additional technical and economic analysis remains to be done, however, staff requested in June that the Committee defer the matter until this work is completed, which is now expected to take at least a year or more.

In the meanwhile, the City's development review process will follow current policy and practice for evaluating potential high rise applications. This is currently done on a case-by-case basis, and any proposals for new downtown high-rise buildings that might affect Airport operations will be brought to the full City Council for consideration.

## **Background**

Over the past three years the City and downtown economic development stakeholders have been working on studies to evaluate alternatives that will protect the capability of Mineta San Jose International Airport (SJC) to provide long-distance air service while allowing for the optimal development of future high-rise buildings in downtown San Jose. These both are key goals for the economy for San José and Silicon Valley to encourage more intense development of the

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downtown area as a community and regional business and cultural hub, and to ensure the capability of SJC to attract and keep air service that meets the needs of Silicon Valley residents and businesses.

The primary aircraft approach and departure paths for SJC are directly over portions of downtown. In response to concerns raised in 2005 by major airlines serving San Jose, the City retained technical consultants to review existing downtown development, Federal Aviation Administration (FAA) regulations, and airline emergency operational protocols to determine whether and what height limits might be necessary to protect the economic viability of current and future flights to long-haul domestic and international destinations. An area of concern is the rare occasion when an aircraft loses power in one engine "One Engine Inoperative" (OEI) during takeoff from an airport. With less power and less ability to climb, the pilot must have a clear route available to return the aircraft safely to the airport. At SJC almost all airline operations are by two-engine aircraft, and an OEI incident would mean an aircraft would have only half of its power. The FAA requires all airlines to be able to perform their specific OEI procedures for every takeoff in the event of engine failure as an essential safety precaution. Since 2006 this effort also has involved the San Jose Redevelopment Agency, San Jose/Silicon Valley Chamber of Commerce, and San Jose Downtown Association.

#### **Current Status**

Currently the Airport is preparing an updated economic analysis that will include a review of the economic contributions of Mineta San José International Airport on the overall Silicon Valley economy, both from the perspective of an unrestricted operating environment and one restricted by obstructions. This review will complement the economic analysis done this spring by the San José Redevelopment Agency that focused on potential impacts of reduced or increased height limits in certain areas of downtown. Together both economic studies will enable the City Council to have a complete picture of the regional and local economic tradeoffs resulting from either restrictions on airline operations or marginal limits on some downtown development.

Further technical analysis of air space issues also are continuing to ensure that the data and conclusions are as complete and as accurate as possible regarding building heights and airline OEI procedures. The goal of this additional analysis is to provide thorough answers to any of the questions that the City Council, the community, and stakeholders might ask when this issue does come forward again.

The Airport has also learned that the FAA has selected five large airports across the nation as case studies related to OEI, and the FAA is currently working with them to develop methodology for incorporating OEI protection into the federal evaluation process for obstructions and airspace safety. Airport staff will continue to monitor this effort by the FAA and seek opportunities to provide input related to local challenges for airspace, obstructions, and downtown proximity for the study's consideration. If any new federal regulatory policies emerge from this effort, then they might affect San José's options or authority regarding building heights or protecting air space. At this time, it is not possible to predict where FAA may end up on the issue, or when it

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might complete this evaluation. Nevertheless, we feel this study could yield positive results that may have application locally in San Jose. Since the current economic climate has lessened downtown high-rise development pressure, we believe we should take advantage of this opportunity and shadow this FAA study to see if it yields other alternative solutions.

Finally, the Airport is concentrating its attention on the timely and successful completion of the Terminal Area Improvement Program and the opening of Terminal B next June. This is an enormous challenge for the entire staff to be sure that the Airport will achieve the goal of delivering a world-class airport for San José and Silicon Valley, on time and on budget, for the residents and businesses of our community. For this reason Airport staff will focus on this critically important task in the coming year while consultants complete their technical and economic analyses.

### **Potential Projects**

The current economy has contributed to high vacancy rates for downtown office and residential buildings, and few new high-rise proposals are likely to come forward in the near future. One project by Sobrato that is on the edge of the OEI corridor at Julian Street and Highway 87 already has vested entitlements. The Airport and Planning departments have found, however, that this project would not interfere with OEI operations. Another application for high-rise development at West San Carlos and Sunol streets has been received by Planning and will be going through environmental review in the coming months. The proposed height for this project is higher than currently allowed under the General Plan, and the General Plan limit at this site is lower than needed for airline OEI operations. The applicant has submitted a General Plan amendment for the additional height. Staff has expressed great concern with the proposed height. The decision of the appropriate height would be made by Council during the consideration of the General Plan amendment. Council therefore will continue to have the full opportunity to weigh this and other individual cases whenever they might occur.

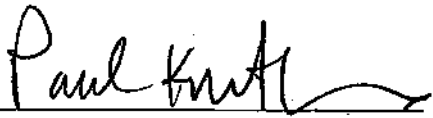
### **Conclusion**

The City's development review process will follow current policy and practice for evaluating potential downtown high rise applications on a case-by-case basis. Any applications for new downtown high-rise buildings that might affect Airport operations will be brought to the full City Council for consideration. When the additional technical and economic analyses are complete, or as new information becomes available from the FAA, staff will schedule review of the relevant policy issues with the Community and Economic Development Committee and the City Council. We will continue to communicate with and coordinate with the Redevelopment Agency, Chamber of Commerce, Downtown Association, the development community and other key stakeholders as new information becomes available.

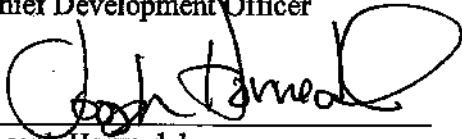
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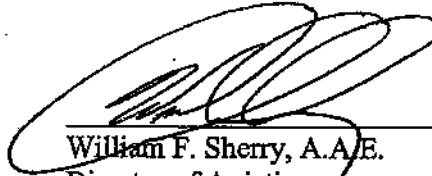
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Paul Krutko  
Chief Development Officer



Joseph Horwedel  
Director of Planning, Building and Code Enforcement



William F. Sherry, A.A.E.  
Director of Aviation

For questions, please contact William F. Sherry, A.A.E., Director of Aviation, at (408) 501-7600.