

SILICON VALLEY'S AIRPORT



City of San Jose Construction Crane Fee Program Working Group

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- Airport

Airport Planning & Development

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- Working Group

- Name / Company / Development Projects

Agenda / Council Recap



Crane Fee Program Working Group Meeting #1 Agenda:

1. Council Recap
2. Historical Southflow weather data
3. Potential fee structure
4. Reporting process
5. Next Steps

(a) Accept the findings from a completed Construction Crane Height Guidance Study

- Affirm City's development commitment for the FAA to protect the primary (TERPS) surfaces utilized by SJC's Air Carriers to determine the maximum crane heights in the Downtown Core and Diridon Station Area.

(b) Direct the Administration to:

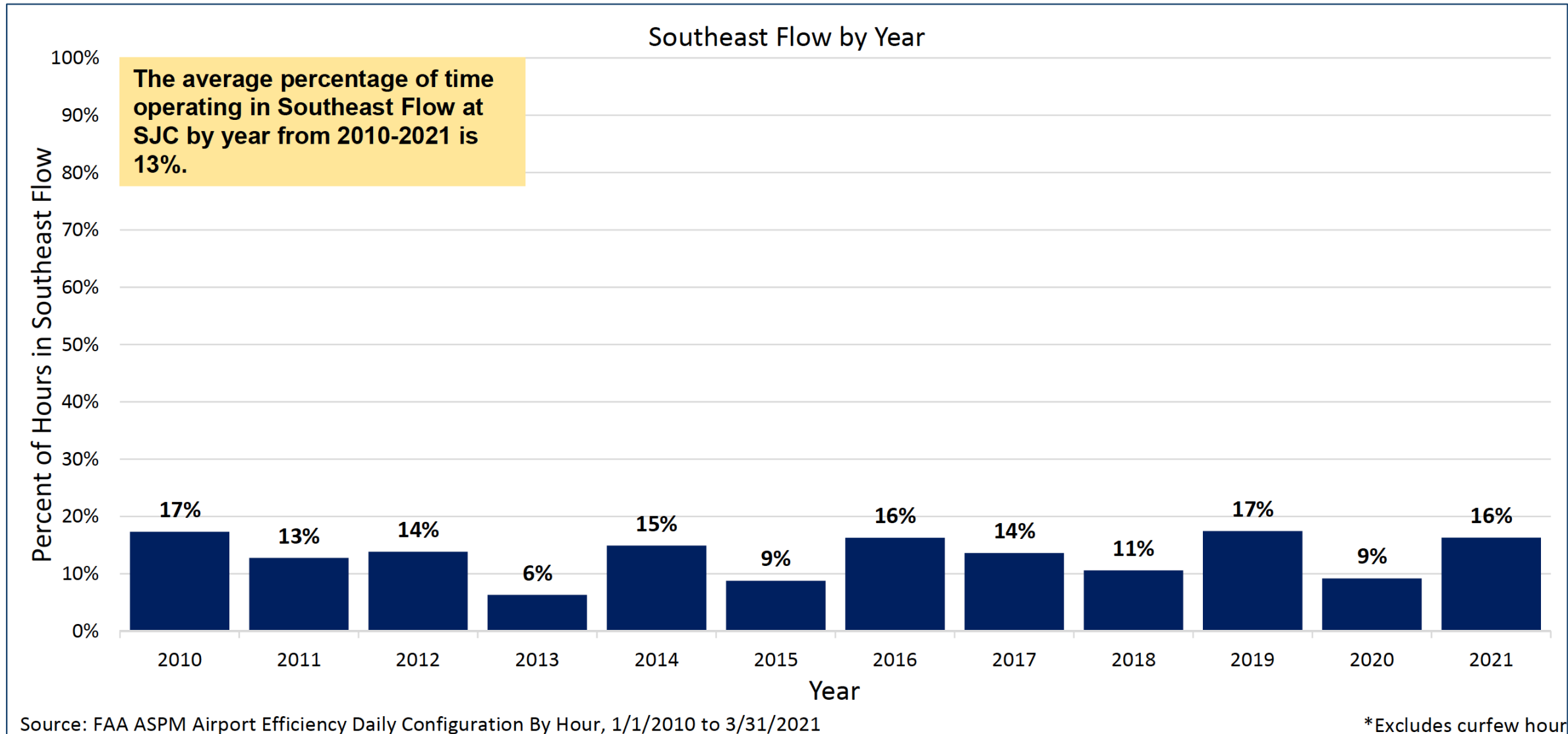
- (1) Prepare Construction Crane Guidance Document & include in all development permits for projects with temporary construction cranes

(2) Include in the Construction Crane Guidance Document, the following three methods for developers to minimize impacts on air service:

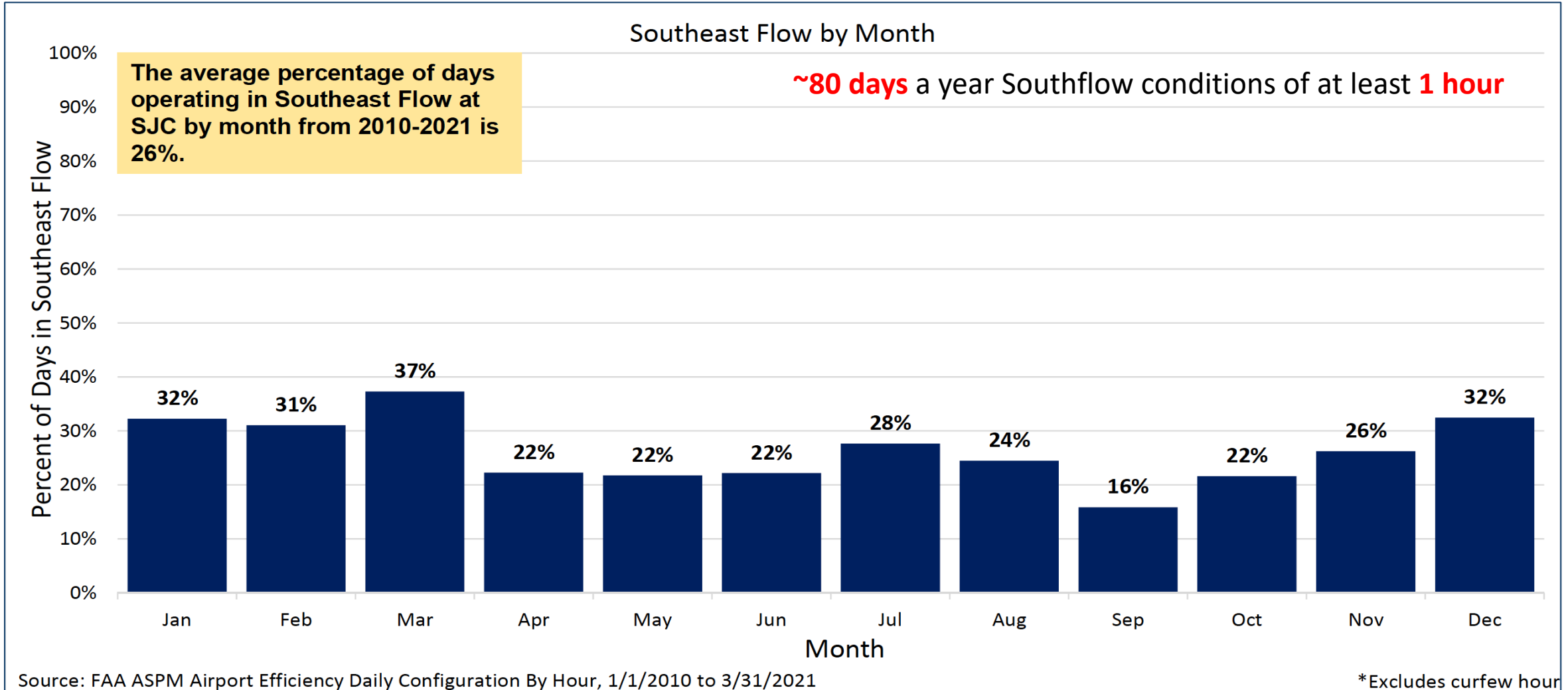
- (i) Utilize crane jumps to minimize duration cranes are at maximum height.
- (ii) Limit maximum crane heights to a 6-month window.
- (iii) Schedule maximum crane heights during non-South flow months of April through September (i.e., departures towards downtown).

(c) Explore a construction crane permit fee to support a Landing Fee Reduction Program for air carriers that incur either cargo or passenger weight impacts on account of construction cranes in the Downtown Core and Diridon Station Area.

% OF HOURS OPERATING IN SOUTHEAST FLOW BY YEAR



% OF DAYS OPERATING IN SOUTHEAST FLOW BY MONTH



How to structure the fee program?

Flat Fee

- **Paid to offset adverse impacts to airline operations**
- Fee based on forecasted number of passengers adversely impacted by crane operations within a calendar year

| Pros | Cons |
|--|--|
| <ul style="list-style-type: none"> • Developers able to identify and budget risk early in process | <ul style="list-style-type: none"> • % of fee shared is susceptible to number of concurrent developments exceeding Downtown Building Height Limits with cranes |
| <ul style="list-style-type: none"> • Reduces administrative time & costs to be paid by developers in crane fee | <ul style="list-style-type: none"> • Formulas susceptible to anomalies (weather, etc..) |
| <ul style="list-style-type: none"> • Potential for developments to share fee where cranes exceed Downtown Building Height Limits | |
| <ul style="list-style-type: none"> • No fee reconciliation / true-up | <ul style="list-style-type: none"> • No fee reconciliation / true-up |
| | |

How to structure the fee program?



Actual Impact Fee:

- Fee based on actual airline weight impact that occurred while project's crane(s) exceed Downtown Building Height Limits

| Pros | Cons |
|---|---|
| <ul style="list-style-type: none">• Developer only pays fee for actual airline weight impacts | <ul style="list-style-type: none">• All fees will not be equal (i.e. cost associated with weight impacts for an international flight to Asia or Europe could be significantly more expensive than a domestic flight to JFK) |
| | <ul style="list-style-type: none">• Significant Developer/City staff time to report and reconcile |
| | <ul style="list-style-type: none">• Annual budgeting for these fees will be more difficult |
| | |

Crane Reporting Process

- Need reporting process to track maximum crane heights and administer a crane permit fee
- Reporting process will include notifications when cranes are raised, reaching max height, lowered, etc...
 - Use crane notification form on Airport's website that the developer/contractor fills in
 - Shared outlook calendar / database
- Alternate ideas? How would you like to see it?

DRAFT



Construction Crane Notification Form

Crane Notification Form Requirement: City notification of crane operation is required a minimum of 10-days prior to selected crane operation and each time the crane operation changes (crane erection, change in height, lowered for removal).

| | | | |
|---|--------------------------------------|---|--|
| Project Name: | | Crane Operator: | |
| Permit Number(s): | | Phone: | |
| Authorized Project Representative: | | Email: | |
| FAA OEAAA 7460 Case Numbers: | | | |
| Type of Crane Operation (Select One): | Dates Scheduled at New Crane Height: | Height of Crane:* | |
| <input type="checkbox"/> Initial Crane Erection | 3/4/2021 | <u>Crane Highest Point</u> ____ feet AGL | |
| <input type="checkbox"/> Increase Crane Height (Jump) | To | ____ feet MSL | |
| <input type="checkbox"/> Decrease Crane Height | 3/4/2021 | <u>Crane Jib Height</u> ____ feet AGL | |
| <input type="checkbox"/> Lower Crane for Removal | | ____ feet MSL | |

All notifications required in the FAA's "Determination of No Hazard" letter must still be made and are separate from the City Construction Crane notification process.

*Height of crane must not exceed approved FAA height in "Determination of No Hazard" letter.

Visit www.flysanjose.com/downtownheightlimits to submit the Crane Notification Form.

- Additional discussion
 - Created shared question/comment document available to this working group

[Crane Fee Program - Questions/Comments](#)

- Next Steps
- Next meeting : 2-3 weeks tentative