

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: John Aitken

**SUBJECT: OUTDOOR DIGITAL
BILLBOARDS AT THE AIRPORT**

DATE: March 15, 2022

Approved



Date

3/17/22

INFORMATION

BACKGROUND

On February 15, 2022 the City Council voted to:

- (a) Adopt a resolution approving the Addendum to the Amendment to the Norman Y. Mineta San José International Airport Master Plan Environmental Impact Report (EIR) (SCH# 2018102020), certified by the San José City Council on April 18, 2020 (Resolution No. 79497), in accordance with the California Environmental Quality Act.
- (b) Conduct a Public Hearing regarding the Project Plan for two Outdoor Advertising Digital Billboards under the “Norman Y. Mineta San José International Airport City of San José Advertising Concession Agreement by and between the City of San José and Clear Channel Outdoors Inc. with estimated annual revenue to the Airport of \$490,000 and reaffirm the project plan.”

In its motion to reaffirm the project plan, which allows Clear Channel Outdoors Inc. (concessionaire) to build two digital billboards adjacent to U.S. Highway 101, the City Council also included the following requirements and direction:

1. That the concessionaire take down 12 billboards (16 faces) in the City of San José. The majority of the billboards that are taken down are to be from communities that are below the 80% area median income level or communities with crime rates higher than 20% of the norm;
2. The two new billboards are to use 100% renewable San José Clean Energy;
3. A 5:1 tree replacement ratio, which is 215 new trees. These trees must be planted in prioritized San José neighborhoods that lack adequate tree canopies, such as those in District 5 and District 7. These trees must be maintained for three years;
4. Direction to staff to amend City Council Policy 6-4 Billboards on City-Owned Land to require a 6:1 take down ratio for new digital billboards; and
5. Direction to staff to issue an information memorandum on the terms accepted by the concessionaire.

The purpose of this information memorandum is to report back to the City Council on the acceptance of the terms by the concessionaire.

ANALYSIS

After City Council action on February 15, 2022, Airport staff communicated the terms of the City Council's action to the concessionaire. The concessionaire has agreed to all the requirements as outlined below.

Take Down of 12 Billboards (16 Faces)

The concessionaire agrees to this requirement. The majority of the billboards to be taken down will come from neighborhoods that are either lower income or have higher crime rates than citywide medians or averages. The concessionaire will use the following two tools to determine if the location is lower income and/or with higher crime rates.

Lower Income

For determining if a neighborhood is lower income, the concessionaire will use the following:

<https://www.arcgis.com/apps/webappviewer/index.html?id=ed8cfcd6781c4bddbf97c01cf170dd2a>.

Using this map, the concessionaire will select Community Development Block Grant Low-Mod Income Tracts. A Community Development Block Grant eligible census tract is an area that is primarily residential and has at least 51% of the residents as low and moderate income. Low- and moderate-income persons are defined as persons living in households with incomes below 80 percent of the area median household income.

Higher Crime Rates

For determining if a neighborhood has a higher crime rate, the concessionaire will use the following:

<https://csj.maps.arcgis.com/apps/webappviewer/index.html?id=cb0b545bf93146f0a4ad6d743bd95ea>.

The concessionaire will ensure that the billboards to be taken down will be from at least 12 sites and will include at least 16 billboard faces. This means that at least four of the 12 sites will need to be double-sided billboards, or the concessionaire will need to take down additional sites to fulfill the requirement that 16 faces would be taken down.

100% Renewable San José Clean Energy

The Airport concessionaire agrees to power the billboards with 100% renewable electricity from San José Clean Energy.

Tree Replacement

The Airport concessionaire agrees to pay the Off-Site Tree Replacement Fee to the City in accordance with the City Council approved Fee Resolution. With the payment of this fee, the City takes over the responsibility of planting and maintaining the replacement trees. As such, the City can now coordinate this tree planting with priorities outlined in the San José Community Forest Management Plan and focus on neighborhoods that lack adequate tree canopies.

Enforcement

The Airport's Finance & Administration Properties Division will be overseeing the coordination of the digital billboard project and the agreement. During this process, staff will require the concessionaire to sign a term sheet that details the areas of responsibility for the concessionaire. The requirements in this memorandum that are directed to the concessionaire will be included in the term sheet to ensure compliance with the Council's directives as outlined above. Airport staff will coordinate with other departments on the requirements, as needed, including the Department of Transportation, Clean Energy Department, and the Department of Planning, Building and Code Enforcement.

/s/
JOHN AITKEN, A.A.E.
Director of Aviation

For questions, please contact Matthew Kazmierczak, Manager of Strategy and Policy, at mkazmierczak@sjc.org or (408) 392-3640.