

Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: John Aitken
Chris Burton

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

DATE: August 30, 2022

Approved



Date

08/30/22

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 action 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.

On March 10, 2022, the Airport issued an Information Memorandum regarding the terms accepted by the concessionaire (item 5 listed above). The purpose of this Information Memorandum is to provide additional details on the City Council direction for items 1, 2, 3, and 4 listed above.

ANALYSIS

Clear Channel has agreed to implement the following actions:

Take Down of 12 Billboards (19 Faces)

Clear Channel has provided City staff with a list of 12 billboards they will be taken down in exchange for the installation of two billboards on Airport property (see Appendix A). These 12 billboards have 19 faces, which is three more faces than the City Council required to be taken down.

The City Council also required that 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. Out of the 12 billboards to be taken down, 10 of them will come from low-moderate income census tracts as determined by the Community Development Block Grant (CDBG) Program. A link to the map is available at: <https://www.arcgis.com/apps/webappviewer/index.html?id=ed8cfcd6781c4bddbf97c01cf170dd2a> (select the CDBG low-mod income tract in the Layer List to show neighborhoods that meet this criteria).

In addition, three of the 12 billboards will be from neighborhoods with higher crime rates. To track these neighborhoods the City used a map created for the cannabis business ordinance update which measures the same metric. Higher crime police beats are indicated in yellow: <https://csj.maps.arcgis.com/apps/webappviewer/index.html?id=cb0b545bf93146f0a4ad6d743bd95eea>.

In summary, the 12 billboards that will be taken down will be from the following neighborhoods:

- 1 sign from West San Jose in District 1
- 3 signs from Downtown in District 3
- 3 signs from Alum Rock-East Foothills and North Valley in District 5
- 3 signs from Downtown in District 6
- 2 signs from the Fairgrounds neighborhood in District 7

100% Renewable San José Clean Energy

The concessionaire has agreed to power the two new billboards with 100% renewable electricity from San José Clean Energy. They are working with PG&E on a plan for installing an electrical meter from PG&E and will select San José Clean Energy's 100% renewable as their plan once this meter is up and running. Unfortunately, installing the PG&E meter could take a year or

more. In the meantime, Clear Channel will install a temporary connection to the Airport to provide a bridge. The Airport has a budget item in the proposed Fiscal Year 2022-2023 Budget to upgrade to San José Clean Energy's TotalGreen (the 100% renewable electricity option) and would charge Clear Channel for the electricity used in a manner that is consistent with their concession agreement.

Tree Replacement

The concessionaire has received an invoice from the Department of Transportation 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 will take over the responsibility of planting and maintaining the replacement trees. As such, the City will 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. Airport staff will coordinate with other departments on the requirements, as needed, including the Department of Transportation, San José Clean Energy, and the Department of Planning, Building and Code Enforcement.

Amending City Council Policy 6-4

The Department of Planning, Building and Code Enforcement is working with the Office of Economic Development and Cultural Affairs and the City Attorney's Office to amend City Council Policy 6-4 as included in the City Council's action on February 15, 2022. This amendment would change the take down ratio from 4:1 to 6:1 (i.e., for every new billboard that is installed, six existing billboards in the City would be required to be taken down). The anticipated timeframe for the policy amendment will be aligned so that any future Request for Proposals under the policy would be subject to the new take down ratio. The current estimated timeframe is by Q2 2023.

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

/s/
CHRIS BURTON
Director of Planning, Building and Code
Enforcement

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

Appendix A

Clear Channel's billboard takedown list for the Airport project.

San Jose Council District #	Panel #	Address	Latitude	Longitude	CDBG Low and Mod Income Tract	High Crime Area	# of Faces
1	3039/3040	3120 Moorpark Ave San Jose CA 95117	37.31573	-121.950479	No	No	2
3	1504/3050	3050 - 1st St WS 75ft S/O Margaret F/N 1504 - 1st St WS 75ft S/O Margaret F/S	37.32510	-121.88253	Yes	No	2
3	3090	452 E Hedding San Jose CA 95112	37.35776923	-121.8935747	Yes	No	1
3	2749/2750	452 E Hedding San Jose CA 95112	37.357912	-121.893468	Yes	No	2
5	2713	131 S. Capitol Ave San Jose CA 95127	37.36070919	-121.8342023	Yes	No	1
5	2894	1604 East San Antonio St San Jose, CA	37.347985	-121.856234	Yes	No	1
5	2948	1680 Alum Rock Ave San Jose CA 95116	37.352226	-121.856242	Yes	No	1
6	1547/2800/2801	645 Lincoln Ave San Jose CA 95126	37.317148	-121.907909	Yes	Yes	3
6	2966/2967	2966 - Stockton ES 171ft S/O Taylor F/N - 1 2967 - Stockton ES 171ft S/O Taylor F/S - 1	37.340362	-121.912786	No	No	2
6	3059/3060	1720 N. First Street San Jose CA 95112	37.367471	-121.909943	Yes	Yes	2
7	2621	behind 1691 Villa Stone Drive San Jose CA 95125	37.306366	-121.877311	Yes	No	1
7	2627	1817 Stone Ave San Jose CA 95125	37.30396	-121.87495	Yes	Yes	1