

February 23, 2018

Eric Peterson  
Director, County Airports  
2500 Cunningham Ave  
San Jose, CA 95148

Dear Eric:

I'm writing to provide some additional recommendations for the Santa Clara County Airports Business Plan Update in process today. These recommendations are specific to Reid-Hillview Airport as that is where I operate. My recommendations are split into three categories: increasing airports income, decreasing airports expenses and making Reid-Hillview a valued asset to the surrounding community of East San Jose.

### **Generate New Revenue**

The following recommendations are based on the increased demand for professional flight training driven by the growth of the commercial aviation market and the need for new professional pilots to replace retiring Part 121 pilots and fly the expanding commercial fleet. Reid-Hillview is primarily a training airport. I believe acknowledging, capitalizing on and expanding/supporting Reid-Hillview's strength as a training airport will help create additional revenue.

- Create policies that encourage the location of flight training businesses at RHV. This will increase:
  - The number of people using the airport who are potential customers for all kinds of businesses that would consider locating at the airport
  - The number of aircraft based at the airport, increasing tax revenues from fuel and property taxes
- Pursue commercial leasing of available properties - already being discussed in the Business Plan
- Open up leasing of vacant offices for aviation related businesses
  - One small office provided the equivalent of 5 aircraft tie downs revenue for a year
  - If it truly is more expensive to lease and office than the moneys made, the processes that create the situation should be closely scrutinized and changed as they impact County income
- Consider updating and moving little league fields to Capital/Tully property
  - A portion of Capital/Tully property is in the Turning Safety Zone for the airport, limiting development options for a portion of the property. If the desired commercial land use is not compatible with Turning Safety Zone, relocating the little league fields would free up the properties on Cunningham Ave and Swift for commercial development.

- Transition 25 county tie downs into FBO tie downs with FBO lease renewals
  - My survey of current RHV FBOs shows they would be able to fill 25 additional tie downs if they were available.
- Reduce tie down rates to draw aircraft from other Bay Area airports
  - Lower cost tie downs that are priced at or below other Bay Area airports, especially Livermore and Concord, would draw in more aircraft owners that are weekend fliers to base their aircraft at Reid-Hillview. This would directly increase airport revenues.
- Build a small set of new hangars priced similar to other Bay Area airports
  - Hangars have been one of the main money makers at Reid-Hillview. Consider building 5-10 more hangars and see if they can be filled. That will bring in more money than the same number of aircraft in tie downs.
- Take advantage of increased use of airport by leasing to providers of additional services
  - Publicize the number of people using the airport on a daily / weekly basis to potential service providers. We are, essentially, a captive audience that would be happy to patronize businesses at the airport rather than driving or walking to other locations.

## **Reduce Costs**

The County accepted multiple grants in the early and mid 2000's. Those grants included a clause specifying the airport sponsor agrees to operate the property as an airport in perpetuity if property was acquired with federal funds to expand the airport. This clause applies to Reid-Hillview. This was discussed in detail by the County Counsel in August 2008 when the Board of Supervisors last publicly asked the Counsel to review options to shut down Reid-Hillview.

Since the county has no option to shut down the airport, applying for and accepting grants will help reduce the costs associated with operating the airport, ensuring the airports can be self sufficient.

- Apply for AIP grants to update and repair aging runways/taxiways/ramp/equipment
  - Newer infrastructure has lower maintenance costs
- Apply for retroactive grant to repay the \$3M loan from the county general fund
  - As suggested by Mr. Murdter, the airport is now eligible to obtain a grant to cover the \$3M loan from the general fund. This will reduce the amount of interest to be paid on the loan and the cost to the General Fund.
- Explore a grant or using entitlement funds to upgrade/repair the Terminal bathrooms
  - On review of the AIP rules, my understanding is AIP moneys may be used for the non-revenue generating/public use portions of terminal buildings, such as public bathrooms
- Leverage CalTrans programs to offset the County portion of the funds required for grant projects

## **Make Reid-Hillview a Valued Neighbor in East San Jose**

The airport is located in a neighborhood/business area with thousands of commuters driving by each day. The airports users and management must be sensitive to the impacts of the airport on the surrounding community. We should also recognize the airport can be a real asset to that same community. The airports staff have provided great support for some community activities. Let's build on that strength.

- Work continuously with FBOs, flight clubs and CFIs to improve sensitivity to noise issues
  - The FBOs and flying clubs account for the vast majority of airport operations. They can enact club policies preventing noisy activities like pattern work after 10PM.
  - CFIs are the model and the guides for new pilots. CFI turn over is high due to strong demand for experienced pilots. The county should have a regular program of outreach to CFIs operating at the airport reminding them to teach and encourage noise sensitivity.
  - If that is not successful, consider a local ordinance to enforce noise abatement procedures similar to the City of San Jose's jet curfew.
- Continue support for DART - to be leveraged in case of local disaster
  - I am very happy that you are supporting the development of a Disaster Airlift Response Team at Reid-Hillview. Developing DART at Reid-Hillview will directly benefit the East San Jose community in case of a natural disaster.
- Continue support for events like Airport Day and STEAM activities
  - Airport Day and the STEAM events are wonderful ways to bring the community into the airport, not to mention the benefit of developing interest Science, Technology, Engineering and Arts careers in the children of East San Jose. These events are well attended and enjoyed by all. Please continue them.
- Beautify - invest in drought resistant landscaping along Capitol and Tully, redo airport entrance
  - The airport is one of the least attractive properties in the Evergreen area. It doesn't have to remain that way. Small investment into improving the appearance of the property will go a long way to increasing community acceptance and pride in the airport.
- Relocate derelict, but rent paying, aircraft away from direct view of Capitol and Cunningham
  - Having these derelict aircraft sitting close to the main thoroughfares supports the status of the airport as an "eye sore" instead of an asset. I understand these are rent paying aircraft and the income is valuable. Please move those aircraft to an area of the airport not so easily viewed from the street.
  - Require FBO owners/lease holders to keep non-airworthy aircraft away from direct view of the streets.

- Create a small park in the Runway Turning Zone portion of Capitol/Tully parcel
- Promote the availability of terminal facilities to local nonprofit and community organizations
  - Most people do not know the terminal facilities are available to non-aviation community groups. Let them know this is a public resource available to all.
- Upgrade terminal to support a restaurant
  - The upstairs restaurant space is a unique opportunity to bring neighbors to the airport to enjoy good food and a great view of the aircraft operating at RHV. I've seen restaurants with similar views at other airports and those restaurants are usually packed with people enjoying the food and the view of the planes.
  - A restaurateur would have the captive audience of flight training students, CFIs and corporate pilots without cars whose only other food option is stale sandwiches from the Airport Shoppe which isn't open on weekends.
  - The restaurants in Eastridge Mall and on the corner of Capital and Tully have a steady stream of people during lunch, evenings and all day on weekends. Some of that stream can be redirected to a unique restaurant at the airport.

As you know, I sincerely believe the airport is a valuable and strategic asset to Santa Clara County - from it's roll as a reliever airport for San Jose International to it's roll as a training airport for the professional pilots of the future to it's availability as a base for life saving and community benefiting activities. I understand a government run airport has constraints that do not exist for a privately run business. However, I hope some of these suggestions can be implemented and help make the airport the self sufficient and strategic asset I believe it can be.

Please feel free to contact me with any questions you may have regarding these suggestions or anything else I may be able to help with as you move forward with developing the business plan update.

Sincerely yours,

Anissa Mohler  
anissa@aoaflight.com  
FAA Certificated Flight Instructor and Small Business Owner  
AOPA Distinguished CFI 2017  
Owner and Operator of AOA, LLC.  
CFI, CFII, AGI, IGI

cc: Keith Graham, Santa Clara County Airports Commission