
TO: AIRPORT COMMISSION

FROM: Ryan Sheelen, Senior Planner,
SJC Planning & Development

SUBJECT: Guadalupe Gardens Master
Plan Amendment

DATE: April 26, 2024

The Airport is proposing an amendment to the Guadalupe Gardens Master Plan (“Amendment”) as part of the Coleman Commercial Development Project. The purpose of this memo is to request Airport Commission review and approval consistent with the amendment process outlined in the Master Plan.

BACKGROUND

Guadalupe Gardens

The Guadalupe Gardens is a 120-acre property immediately south of the San José Mineta Airport. The property was acquired as part of an extensive “Airport Approach Land Use Acquisition Program” in which the City of San José (“City”) purchased over 625 parcels and 800 dwellings in the former Coleman Loop Neighborhood. The program was funded with \$80 million in Federal grants from the Federal Aviation Administration (“FAA”) and the property is Federally obligated/regulated in perpetuity under City Airport ownership. The 2002 Guadalupe Gardens Master Plan¹ (“Master Plan”) envisions low density, open space, and recreational uses that are compatible with the underlying purpose of the property, defined by the FAA as a noise buffer.

The Guadalupe Gardens Technical Committee (“Technical Committee”) is responsible for the administrative oversight of the Guadalupe Gardens and implementation of the Master Plan. The Technical Committee is co-chaired by the Airport Department, which ensures the property remains compatible with aircraft operations and FAA regulations, and the Department of Parks, Recreation and Neighborhood Services (“PRNS”), which manages and maintains the Guadalupe Gardens. Additional attendance includes staff from the Department of Transportation, Public Works, and a representative from the Guadalupe River Park Conservancy. The Technical Committee meets quarterly to discuss proposed projects and to ensure compatibility with the Master Plan and FAA regulations.

COVID-19 and FAA Corrective Action Plan

Open space uses north of Taylor Street have been delayed for years due to FAA requirements for the Airport to receive fair market value from lessees at the Guadalupe Gardens and a lack of funding for the envisioned uses. As a result, the land has remained fallow and ultimately resulted in the large-scale unhoused encampments during the COVID-19 pandemic.

¹ [https://www.flysanjose.com/sites/default/files/jwilson/2002GGMasterPlan%20\(1\).pdf](https://www.flysanjose.com/sites/default/files/jwilson/2002GGMasterPlan%20(1).pdf)

The encampments, starting in 2020, were located on approximately 40 acres of this unused and fallow land. In 2021, the FAA issued the Airport a Corrective Action Letter stating that the City was not in compliance with FAA Grant Assurances or the City’s approved Noise Compatibility Plan. The FAA requested that the City respond with a Corrective Action Plan (“CAP”), identifying a timeline for returning the land to approved uses in compliance with FAA regulations. Shortly thereafter, the City submitted a CAP that proposed vacating the encampments over a year-long timeframe in a phased approach in collaboration with other City departments.

During implementation of the CAP, the City team partnered with housing organizations to identify housing options and assisted the individuals living at the encampment with relocation to permanent housing. In addition, discussions on the CAP with the FAA to prevent future encampments proposed a balanced approach to “activate” the north 40 acres of the Gardens with new passive open-space recreational uses (Prototype Dog Park, Prototype Disc Golf Course, and Urban agriculture concepts) in conjunction with developing the strip of land along Coleman Avenue and Hedding Street for Airport commercial revenue generating purposes. To ensure the success of this plan, Airport wrote to the FAA’s Western Pacific Regional Director requesting to designate this property in the Guadalupe Gardens as community benefit, defined as low to zero cost use of the property².

In September 2023, the FAA responded and approved the community benefit request with the following conditions for the City:³

1. Commercially develop a strip of property along Coleman Avenue and Hedding Street for revenue generating purposes
2. Maintain the property as noise sensitive land
3. Activate the land to prevent future incompatible land uses
4. Establish a parking time limit on Asbury St to maintain land use compatibility
5. Continue to comply with FAA grant-in-aid assurances, policies, and orders

ANALYSIS

Master Plan Amendment

In response to FAA direction to activate the north 40 acres of Guadalupe Gardens to prevent future incompatible land uses, the Airport and PRNS have taken the necessary steps to amend the Master Plan to allow for future development and open space uses. The proposed Amendment (Exhibit A) includes the removal of four separate sites, comprising seven parcels and two street segments from the Master Plan as described below.

The Coleman and Hedding Commercial Development Project (GP18-012/PDC23-009/ER23-056) proposes to change the Envision San Jose 2040 General Plan land use

² FAA Airport Compliance Manual – Order 5190.6B – Change 1. See Exhibit B – Letter from Airport to FAA Requesting Community Benefit

³ Exhibit C – FAA Community Benefit Determination Letter

designation on seven parcels (approximately 11.4 acres) in the Gardens from Open Space Parks Habitat to Combined Industrial Commercial. The project also includes a Planned Development Rezoning to allow for commercial uses that are compatible with State and FAA regulations, which heavily restrict what can be developed in this area of the Gardens. Priority will be given to types of uses that will be compatible with the recreational uses in the Gardens, but the end goal of the property is to generate an additional source of revenue to the Airport. Additionally, the Notice of Preparation of an Environmental Impact Report (EIR) under the California Environmental Quality Act was posted in August of 2023. The EIR is expected to be circulated for public review in Summer 2024.

Next Steps

The Airport is proceeding with the public review requirements outlined in the Guadalupe Gardens Master Plan. The public meeting schedule is as follows:

- May 13th Airport Commission meeting
- May 20th Guadalupe River Park Board of Directors
- June 5th Parks & Recreation Commission
- August 2024 - Santa Clara County Airport Land Use Commission
- Fall 2024 City Planning Commission
- Winter 2024 City Council

For any questions on this project, please reach out to Matthew Kazmierczak at mkazmierczak@sjc.org or 408-392-3640.

Attachments

Exhibit A: Proposed Amendment to the Guadalupe Gardens Master Plan

Exhibit B: Letter from Airport to FAA Requesting Community Benefit

Exhibit C: FAA Community Benefit Determination Letter

Exhibit D: Coleman Commercial Development Project Overview – 11.13.23 Airport Commission Presentation

Exhibit A: Proposed Amendment to the Guadalupe Gardens Master Plan

**Proposed Amendment
to the
Guadalupe Gardens Master Plan**

City of San Jose

Airport Department

and

**Parks, Recreation & Neighborhood Services
Department**

October 2023

1. Background

In April 2002, after some 15 years of planning efforts, the City of San Jose adopted a master plan to set forth a vision and program of open space improvements for the “Guadalupe Gardens”, the area comprising approximately 120 acres of mostly vacant City Airport Approach Zone property bounded by I-880, Coleman Avenue, and the Guadalupe River Park. The Master Plan was also approved by the Federal Aviation Administration (FAA) as required for proposed re-use of land acquired and cleared by the City with federal funds for airport noise and safety compatibility purposes. The Guadalupe Gardens Master Plan final report was published in December 2002.

The Master Plan calls for a cohesive mix of attractive horticultural, agricultural, and passive recreational elements to improve the visual appearance of the Guadalupe Gardens and provide for low density public utilization, in turn complementing the northern end of the adjacent Guadalupe River Park while maintaining compliance with Airport/FAA open space protection requirements. The Plan consists of a set of recommended land use improvements to be implemented within a short-term timeframe (Phase 1), overlaid by longer term uses to be refined and implemented as funding became available (Phase 2). Incorporated into the land use elements were the existing gardens and related improvements located on the south side of Taylor Street that had been implemented as interim open space uses prior to 2002 (including the Courtyard Garden, Historic Orchard, Heritage Rose Garden, and paved pathway along a segment of former Spring and Seymour streets connecting these gardens to the Guadalupe River Park trail).

The Master Plan also includes an implementation process involving continued joint oversight by the City’s Airport Department and Parks, Recreation, and Neighborhood Services Department, in coordination with the non-profit Guadalupe River Park Conservancy and other City departments and agencies, to ensure that future improvements are appropriately proposed, designed, constructed, and maintained consistent with the Plan’s recommendations.

2. Purpose of Update

The Coleman and Hedding Commercial Development Project proposes to change the Envision San Jose 2040 General Plan land use designation on approximately 11.4 acres on seven City-owned parcels in the Guadalupe Gardens as shown on attached **Exhibit 1** from Open Space Parks Habitat (OPSH) to Combined Industrial Commercial (CIC). The Project would also rezone the seven parcels to a Planned Development zoning. All seven parcels are City Airport Approach Zone property and are included within the Guadalupe Gardens Master Plan.

The project uses under the proposed Combined Industrial Commercial land use designation are not consistent with the stated goals of the Master Plan and do not conform to the passive recreational uses outlined therein; therefore this amendment will remove those parcels from the plan.

3. Application

The 2002 Master Plan, anticipating that periodic updates are appropriate, includes criteria and process guidelines for amendments. The steps involved are:

1. Technical Committee prepares analysis of proposed amendment and submits recommendation for department approval to proceed with public review.

2. Review and advisory recommendation from the Guadalupe River Park Conservancy Board of Directors.
3. Review and recommendations from County Airport Land Use Commission, City Airport Commission, and City Parks & Recreation Commission.
4. Review and approval action from City Council.

4. Master Plan Changes

The amendment to the Guadalupe Gardens Master Plan is presented below and depicted on the Exhibits below. Except as specifically addressed herein, all land use elements and implementation guidelines set forth in the 2002 Master Plan remain unchanged.

1. The following parcels listed below and outlined on attached **Exhibit 1** will be removed from the Guadalupe Gardens Master Plan:
 - a. Site 1, comprising APN 230-38-076
 - b. Site 2, comprising APN 230-38-092
 - c. Site 3, comprising APN's 259-02-130, 259-02-131, 259-08-102, University Street between Walnut Street and Coleman Avenue, and Emory Street between Walnut Street and Coleman Avenue
 - d. Site 4, comprising APN's 259-08-072, 259-08-101 (partial)



Legend

- - - Street Segments Removed from Guadalupe Gardens Master Plan
- ▭ Sites Removed from Guadalupe Gardens Master Plan



**Guadalupe Gardens
Master Plan Amendment**
San Jose International Airport

Date: 10/17/2023



Exhibit:
1

Exhibit B: Letter from Airport to FAA Requesting Community Benefit

March 16, 2023

Mark A. McClardy
Director, Office of Airports
FAA, Western-Pacific Region
777 S. Aviation Blvd., Suite 150
El Segundo, CA 90245

Dear Mr. McClardy:

Thank you again for all your help and assistance in addressing the illegal encampments on the Airport property known as the Guadalupe Gardens, located south of the Airport. As part of our FAA-approved Corrective Action Plan for this property, the City completed abatement of the 40 acres to meet the September 30, 2022 deadline. K-rail fencing was placed around the entire perimeter to deter access and re-encampments. The City is currently exploring methods to prevent future encampments on all of the property in the Guadalupe Gardens (approx. 120 acres). The approximately 120 acres was previously identified as noise buffer land in the SJC 2015 [Exhibit A Property Map](#) and again in the 2020 [Airport Layout Plan](#), both of which have been approved by FAA.

To this end, the City would like to take a balanced approach to the property and this entire area of land under the influence of the Airport. The City's is requesting the FAA approve the following:

- Activate the land for community-focused purposes, at no-cost, as outlined in the FAA Airport Compliance Manual - Order 5190.6B - Change 1. The undeveloped portion of the property will include the following low-density park uses* and implementation timeline:
 - Fenced-in dog park: approximately 5 acres (2023)
 - Disc-golf course: approximately 13 acres (2023)
 - Community gardens/urban agriculture: approximately 18 acres, including participation with non-profit partner organizations (2023)
 - City parks yard to maintain the Airport property: approximately 2 acres (2024)

*This list of initial proposed uses for community benefit are expected to change over time. Any changes will remain consistent with the low-density park uses identified above.

- Retain existing developed property as community benefit, in addition to serving its purpose as [approach protection and noise buffer](#) as per the City's 2002 [Guadalupe Gardens Master Plan](#), the 2015 [Exhibit A Property Map](#), and the 2020 [Airport Layout Plan](#) (ALP). The City and its non-profit partners have invested an estimated \$20 million to-date to implement the various uses in the Guadalupe Gardens.

- In lieu of community benefit for Airport property along Coleman Ave, the Airport will develop those parcels for commercial revenue generating purposes, as proposed by the FAA. The commercial development will be leased at fair market value, complying with all federal grant assurances. Additional details on the commercial development proposal are included in the Section 163 Submittal that accompanies this letter and submitted to the San Francisco Airport District Office on March 16, 2023.

These activities would follow all local, state, and federal regulations. The City will source funding to construct and maintain all amenities in the community benefit area, with Airport revenues being solely used for safety and security purposes.

We are looking for concurrence from the FAA that the community benefit designation would be appropriate for the property in the Guadalupe Gardens (Exhibit 1) and would aid in the deterrence of future homeless encampments through the City's activation of the property. Such a designation would also improve community relations in support of the Airport with compatible passive and open space uses. Historically, the activated portions of property (approximately 1/3 of the site) in this area have been successful in deterring homeless encampments and preventing illegal activities. As outlined in the FAA Airport Compliance Manual, Section 17.14:

A sponsor may make airport property available for community purposes at less than fair market value on a limited basis provided all of the following conditions exist:

- (a) the property is not needed for an aeronautical purpose,*
- (b) the property is not producing airport revenue and there are no near-term prospects for producing revenue,*
- (c) allowing the community purpose will not impact the aeronautical use of the airport,*
- (d) allowing the community purpose will maintain or enhance positive community relations in support of the airport,*
- (e) the proposed community use of the property is consistent with the Airport Layout Plan (ALP), and*
- (f) the proposed community use of the property is consistent with other requirements, such as certain surplus and nonsurplus property federal obligations requiring the production of revenue by all airport parcels*

The land identified for community benefit meets all these criteria. The property is not needed for an aeronautical purpose, consistent with the City's 2002 [Guadalupe Gardens Master Plan](#), the 2015 [Exhibit A Property Map](#), and the 2020 [Airport Layout Plan](#). This satisfies criteria (a), (c), and (f). The land identified for community benefit meets all these criteria. The property is not needed for an aeronautical purpose, consistent with the City's 2002 [Guadalupe Gardens Master Plan](#), the 2015 [Exhibit A Property Map](#), and the [2020 Airport Layout Plan](#). This satisfies criteria (a), (c), and (f).

The property is not currently producing airport revenue and given its proximity to the airfield can sustain only minimal development, satisfying criteria (b). As noted in the 2020 ALP, the property is designated for open space use and has not been forecasted as revenue generating property in the airport's budget, in accordance with criteria (e).

With respect to criteria (d), given the decades of open space access to these parcels, the City also believes that retaining portions of the property for low-density park uses will maintain and greatly enhance community relations in support of the airport.

The City understands that this approach to managing the land with revenue-generating commercial development paired with community benefit is the first step in a long-term plan.

The City will have the ability to uphold and enforce all applicable FAA grant assurances through future agreements and continued monitoring of the entire area. The City will revisit the community benefit designation with the FAA if any issues arise that impact the original intended purpose of the acquisition of the land for approach protection and noise buffer. The City seeks concurrence from the FAA to the community benefit designation for the subject property.

Thank you for considering our request.

Sincerely,



John Aitken, A.A.E.
Director of Aviation

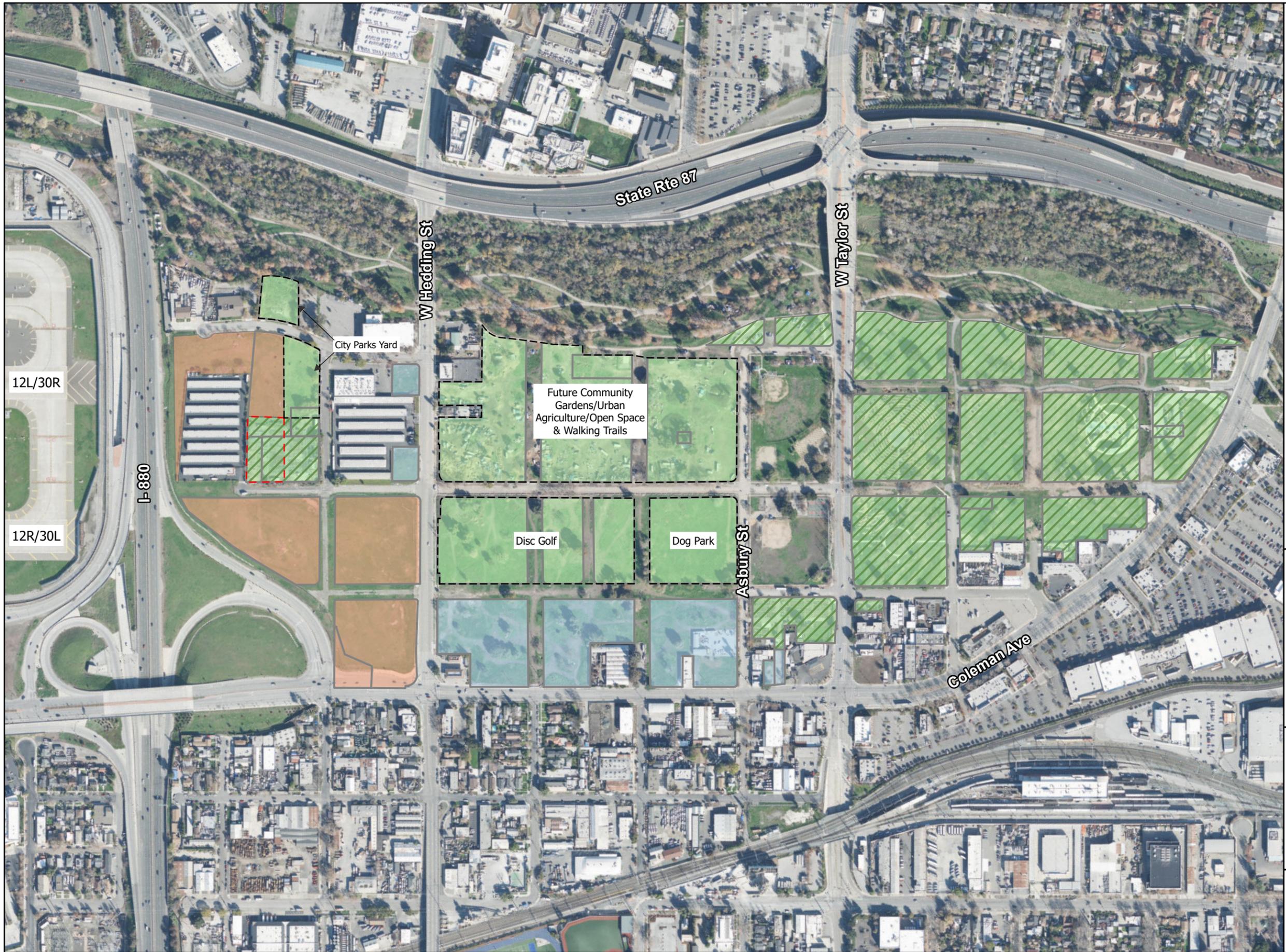
CC: Cathryn Cason
Laurie Suttemier
Amy Choi
Katherine Kennedy
Chris Jones
Ron Biacco

Attachments:

Exhibit 1 - SJC Community Benefit Master Exhibit

Enclosures: <https://www.flysanjose.com/planning>

2002 Guadalupe Gardens Master Plan
2002 Guadalupe Gardens Master Plan FAA Correspondence
2015 Exhibit A Airport Property Map
2020 Airport Layout Plan



Legend

- Community Benefit- Existing
- Community Benefit- Future
- Commercial Development
- Future Airport Development Area
- Reserved for Airport Utility Right of Way

Notes:

- Existing Community Benefits include:
- Heritage Rose Garden
 - Historic Orchard
 - Community Gardens
 - Rotary Playgarden
 - Courtyard Garden
 - Walking Trails/Native Grasses



SJC Community Benefit Master Exhibit

San Jose International Airport

Date: 1/20/2023



Exhibit:
1

Exhibit C: FAA Community Benefit Determination Letter



U.S. Department
of Transportation
**Federal Aviation
Administration**

Western-Pacific Region
Office of Airports

777 S. Aviation Blvd., Suite 150
El Segundo, CA 90245

September 12, 2023

Mr. John Aitken, A.A.E,
Director of Aviation,
1701 Airport Boulevard, Suite B-1130
San Jose, CA 95110-1206

Subject: Corrective action plan for Guadalupe Gardens

Dear Mr. Aitken;

This letter is in response to your March, 16, 2023 Corrective Action Plan (CAP) for the Guadalupe Gardens open space. In your CAP, you 1) Address the need to maintain the land as an airport buffer; 2) Ensure that the proposed uses of the property are low-density uses; and, 3) The property will be split into multiple parcels, most of which will provide a community benefit, while one area or strip will be made available for small business that will provide the airport a revenue stream.

The FAA's concurs with the City's intent to effectively utilize this San Jose International Airport (Airport) open property designated as noise sensitive land, while preventing incompatible land uses. We understand this is a sensitive matter and recognize the past achievements and continued planned improvements in the CAP.

As you move forward with CAP, we remind you that all uses are subordinate to federal obligations. The Airport property use must comply with applicable Federal Policies, Grant-In-Aid Assurances, and Orders that preserve the airport's rights and powers as well as protecting the health and safety of the public. Additionally, users of this property should be reminded that it is a noise-impacted location, and that use of the property must remain compatible with airport operations. Land use compatibility guidance is available at Title 14, Code of Federal Regulations, Part 150, Table 1, *Land Use Compatibility with Yearly Day-Night Average Sound Levels*. FAA also requests that the City establish a vehicle parking time limit on Ashbury Street to maintain land use compatibility.

If you have any questions, please contact my office at (424) 405-7300 or by email at Mark.McClardy@faa.gov.

Sincerely,

Mark A. McClardy
Director, Airports Division
Office of Airports, Western Pacific Region

cc: Laurie Suttmeier, Manager, FAA San Francisco Airports District Office
Brian Armstrong, Manager, FAA Safety/Standards Branch, Western-Pacific Region

Exhibit D: Coleman Commercial Development Project Overview – 11.13.23 Airport
Commission Presentation



Coleman and Hedding Commercial Development Project

Airport Commission 11/13/2023

Coleman and Hedding Commercial Development: Project Overview

- 4 Airport-owned sites in the Guadalupe Gardens
- City General Plan Amendment and Rezoning (Combined Industrial Commercial and Planned Development Zoning)
- Guadalupe Gardens Master Plan Amendment
- CEQA Environmental Impact Report (EIR)
- **Purpose:** To generate an additional Airport revenue stream & allow FAA-designated community benefit projects to move forward in Guadalupe Gardens



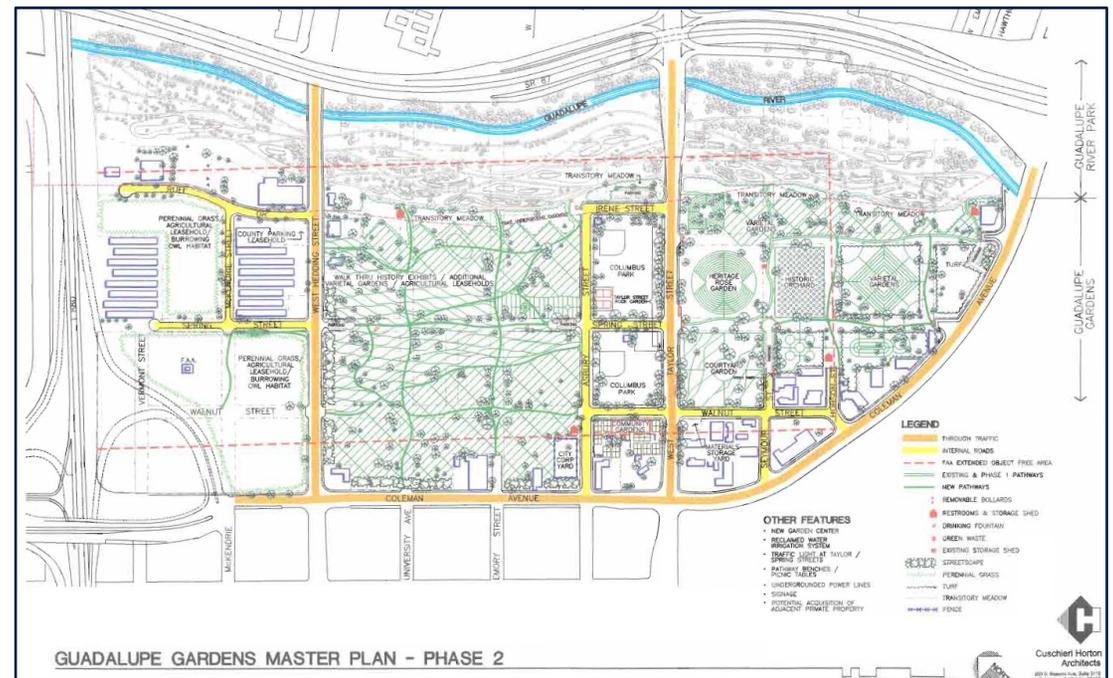
Site History: Airport Approach Land Acquisition Program

- Coleman Loop – Residential Neighborhood
 - SJC's growth in 1960's
- Airport purchased 625 parcels and 800 dwelling units, totaling 120 acres
- 1974 EIS: "to provide a clear and safe approach area to the south of the San Jose Municipal Airport and to establish a land use within the approach area that is compatible with normal airport operations, including takeoff and landing."
- \$80 million program, 80% FAA 20% SJC



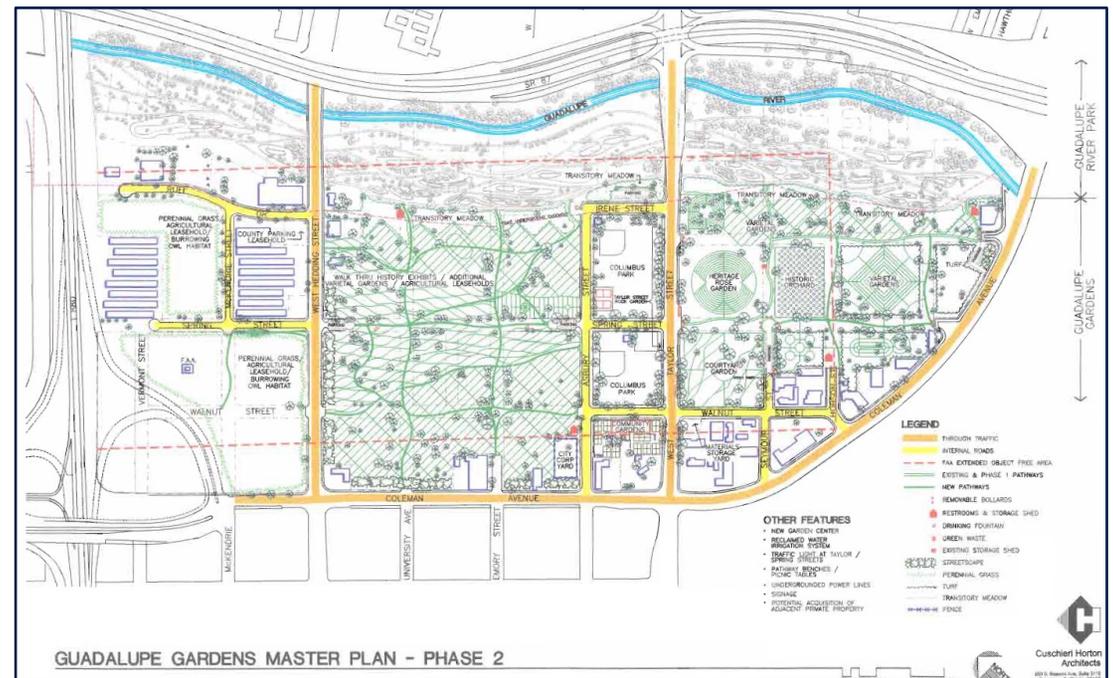
Land Re-Use and Master Planning

- After land acquisition program, Airport, FAA, and PRNS collaborated to develop the 2002 Guadalupe Gardens Master Plan
- Included a vision for open space with compatible, low-density, recreational uses
- Goal was to allow recreational uses while retaining original intent of property (approach protection and noise buffer)



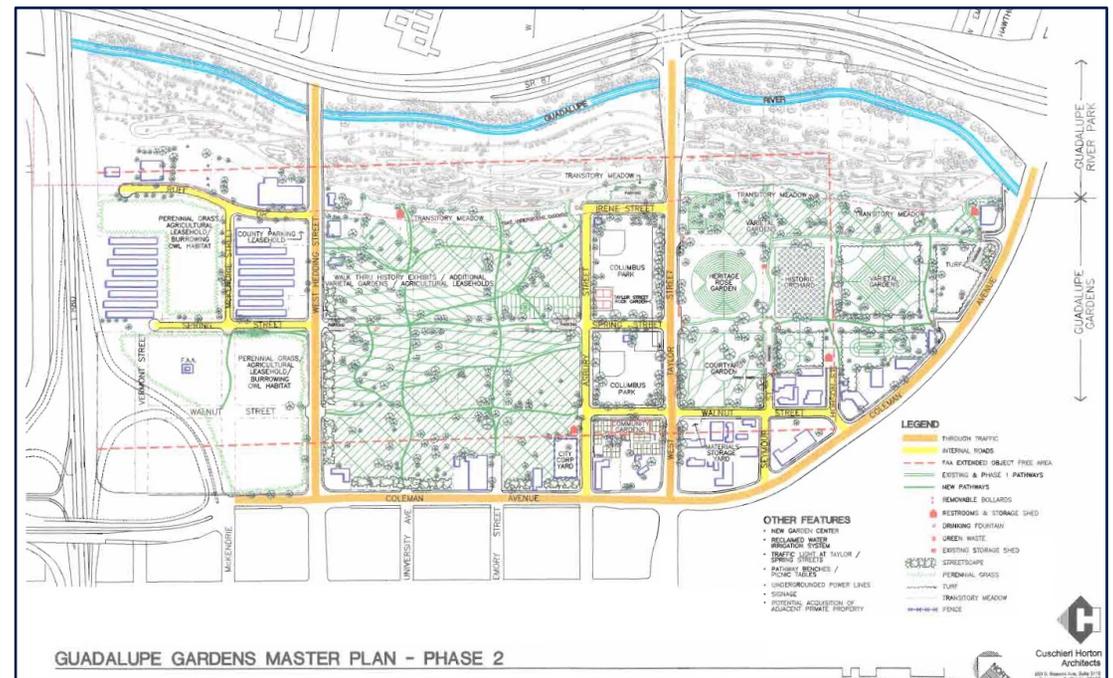
Guadalupe Gardens Master Plan - 2002 to Present

- Guadalupe Gardens Master Plan adopted by City Council and approved by FAA in 2002
- Under Master Plan, recreational uses were established primarily south of Taylor (Rose Garden, Orchard, Courtyard, Rotary Playgarden etc..)
- The land north of Taylor (approx. 40 acres) remained fallow

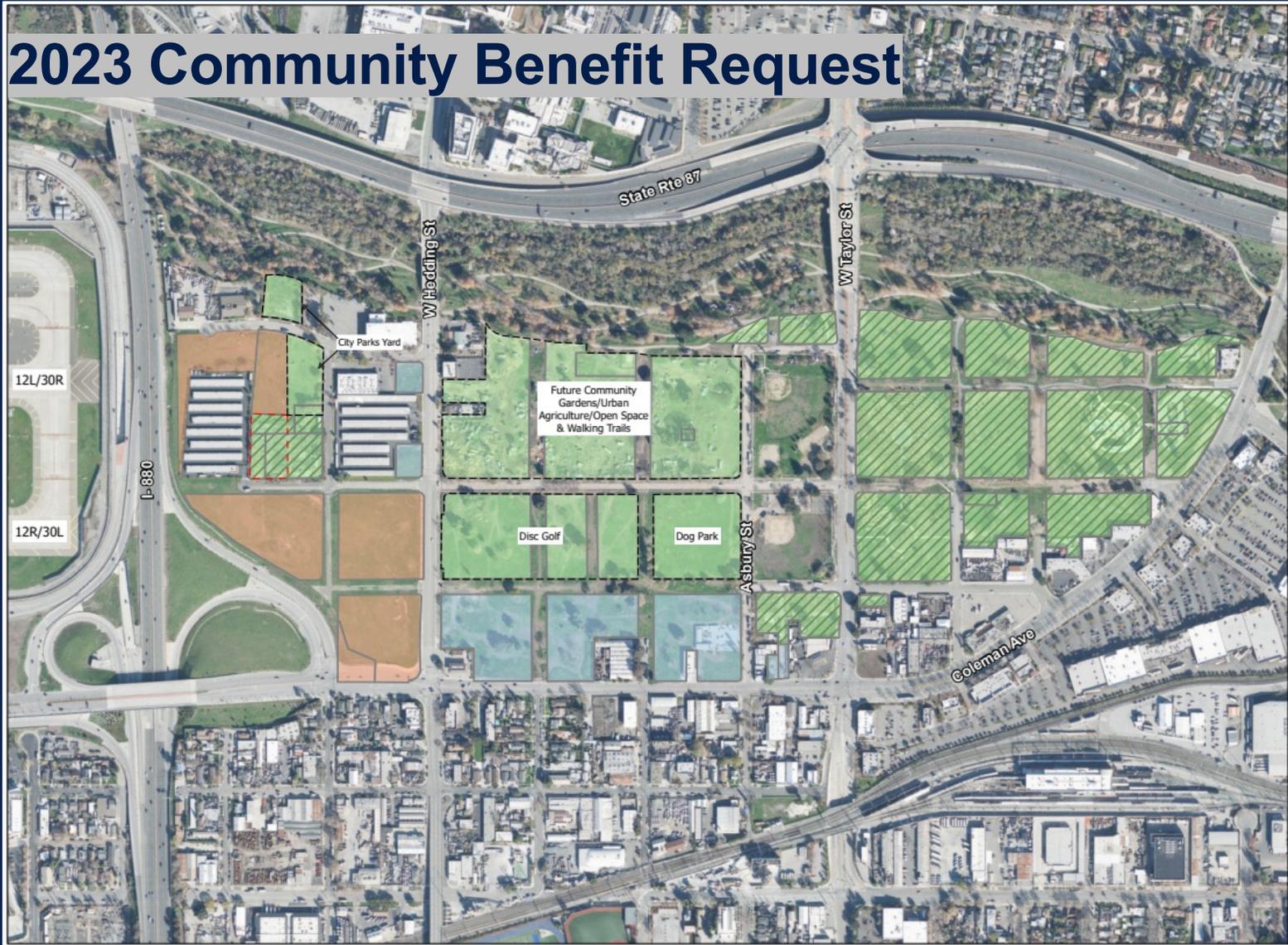


Guadalupe Gardens Master Plan - 2002 to Present (cont'd)

- FAA stance on Fair Market Value and Community Benefit
- Global pandemic and unhoused population in "North 40" restarts conversations on the Guadalupe Gardens
- Airport not in compliance with FAA grant assurances, initiates FAA Corrective Action Plan (CAP)
- Activate the property with low-density recreational uses



2023 Community Benefit Request



Legend

- Community Benefit- Existing
- Community Benefit- Future
- Commercial Development
- Future Airport Development Area
- Reserved for Airport Utility Right of Way

Notes:
 Existing Community Benefits include:
 Heritage Rose Garden
 Historic Orchard
 Community Gardens
 Rotary Playarden
 Courtyard Garden
 Walking Trails/Native Grasses



0 150 300 600 Feet

SJC Community Benefit Master Exhibit

San Jose International Airport

Date: 1/20/2023



Exhibit:
1

Approval of Community Benefit: FAA Conditions

Community Benefit granted - September 2023

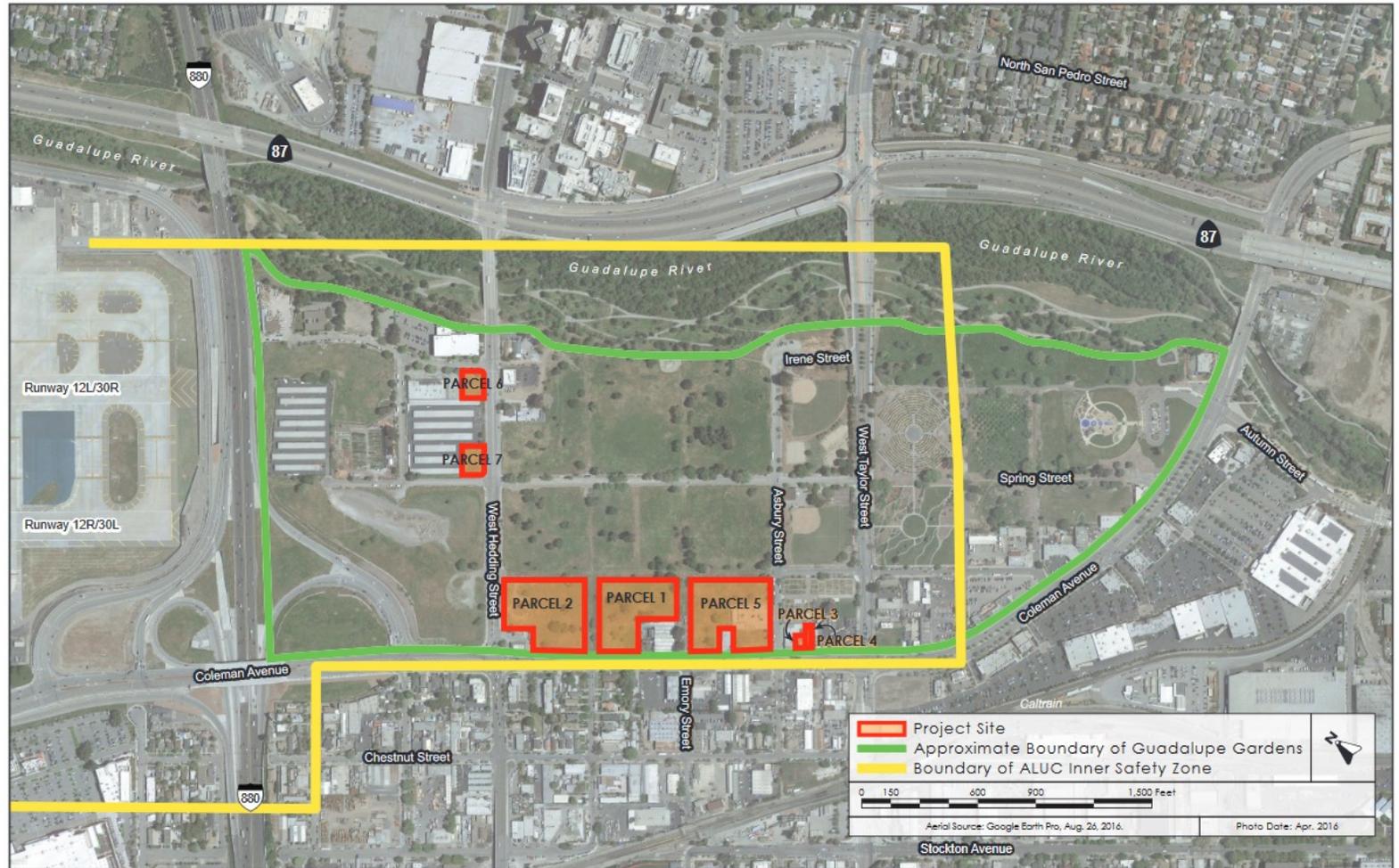
FAA Conditions for Community Benefit Approval:

1. Activate the land to prevent future unsafe habitation
2. Maintain land as noise buffer
3. Uses to be low-density
4. **Develop commercial land uses along Coleman Ave and Hedding St for Airport revenue generating purposes**
5. All uses are subordinate to federal obligations (federal policies, grant-in-aid assurances, and orders that preserve the airports rights regarding health and safety of the public)
6. Property must remain compatible with airport operations
7. City to establish a vehicle parking time limit on Asbury Street to maintain land use compatibility



Airport Land Use Commission (ALUC) Restrictions

Project Site: Inner Safety Zone



AERIAL OF PROJECT AREA

FIGURE 3

Site Restrictions & Proposed Uses

- Santa Clara County Airport Land Use Commission (ALUC) Inner Safety Zone Restrictions – Height, Safety, Noise Policies
 - **Height:** (ALUC follows Federal Aviation Administration (FAA) Restrictions)
 - FAR Part 77 Airspace height restrictions
 - Buildings limited to single story
 - **Safety**
 - Land Use – No residential, uses should be activities that attract relatively few people
 - Population Density – Maximum 120 people per acre
 - Open Space: 30% of area open – no structures or concentrations of people between or within 100 feet of the extended runway centerlines
 - **Noise:**
 - Noise sensitive uses not permitted (schools, residential, hospitals, etc...)
 - Projects within SJC's 65 dB CNEL noise contour require acoustical analysis to meet interior noise level of 45 dB CNEL

Site Restrictions & Proposed Uses

Potential Land Uses		
Animal boarding	Dry cleaner	Outdoor dining, incidental to a public eating establishment
Animal grooming	Financial institution	Outdoor vending - fresh fruits and vegetables
Any use without a permanent fully enclosed building on-site	Health club, gymnasium	Personal services
Auto dealer, wholesale, no on-site storage	Instructional art studios	Public eating establishments
Business support use	Laundromat	Recreation, commercial/outdoor
Car wash, detailing	Miniwarehouse/ministorage	Retail art studio
Caterer	Neighborhood agriculture	Retail bakery
Certified farmers' market - small	Nursery, plant	Retail sales, goods, and merchandise
Commercial kitchen	Office, general business	Veterinary clinic
Drive-through in conjunction with any use	Off-street parking establishment	Winery, brewery, and distillery

Coleman and Hedding Commercial Development: Project Timeline

- **Early 2024** - Advisory Review & Recommendation by Guadalupe River Parks Conservancy Board and Parks Rec Commission
- **Spring 2024 - Draft EIR for Public Comment, Airport Commission GGMP amendment**
- **Summer 2024** - GPA/Rezoning/GGMP to Airport Land Use Commission (ALUC)
- **Fall 2024** – Release Final EIR
- **Winter 2024** – GPA/Rezoning/GGMP/EIR to Planning Commission & City Council
- **2025** – Release RFP for Commercial Development



Questions?