COUNCIL AGENDA: 11/29/22

FILE: 22-1755 ITEM: 10.4



## Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL

**FROM:** Planning Commission

SUBJECT: SEE BELOW DATE: November 14, 2022

**COUNCIL DISTRICT: 3** 

SUBJECT: FILE NOS. H21-026, HP21-005 & ER21-085 - SITE DEVELOPMENT PERMIT (H21-026) AND HISTORIC PRESERVATION PERMIT (HP21-005) FOR CERTAIN REAL PROPERTY LOCATED ON THE SOUTHWEST CORNER OF EAST SANTA CLARA STREET AND SOUTH FOURTH STREET INTERSECTION (142-150 AND 130-134 EAST SANTA CLARA STREET AND 17 SOUTH 4<sup>TH</sup> STREET) (APN: 467-23-034, -035, -037).

#### HISTORIC LANDMARKS COMMISSION (HLC) RECOMMENDATION

On November 2, 2022, the HLC voted 3-2-2 (Commissioners Camuso and Janke opposed, Commissioners Ayala and Arroyo absent) to recommend that the City Council deny staff's recommendation to approve a Historic Preservation (HP) Permit on the grounds that:

- 1. The findings required under <u>Section 13.48.240</u> to grant an HP Permit cannot be made for the proposed design of the SuZaco project; and
- 2. The denial of the HP Permit would not cause immediate and substantial hardship on the applicant because the new construction in accordance with <a href="Chapter 13.48">Chapter 13.48</a> would be economically infeasible and unreasonable in light of the feasible uses of such property;

#### PLANNING COMMISSION RECOMMENDATION

On October 26, 2022, the Planning Commission voted 7-2-1 (Commissioners Garcia and Ahluwalia opposed, Commissioner Young absent) to recommend that the City Council take all of the following actions:

- Adopt a resolution certifying the SuZaCo Mixed-Use Project Supplemental Environmental Impact Report (SEIR) to the Downtown Strategy 2040 Environmental Impact Report (Resolution No. 78942), and making certain findings concerning significant impacts, mitigation measures, alternatives, and adopting a statement of overriding considerations and a related Mitigation Monitoring and Reporting Plan, in accordance with the California Environmental Quality Act (CEQA);
- 2. Adopt a resolution approving, subject to conditions, a Site Development Permit (H21-026) to

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allow the construction of a four to six-story building with approximately 75,285 square feet of retail and office, with an off-site parking arrangement, the partial demolition of 142-150 East Santa Clara Street building, and the demolition of two buildings within the proposed building footprint, at 130-134 E. Santa Clara Street and 17 S. 4<sup>th</sup> Street, on an approximately 0.34-gross acre site; and

3. Consider the staff recommendation regarding the adoption of a resolution approving, subject to conditions, an HP Permit to allow the demolition of the roof, two walls, and building interior (street-facing historic facades to remain), revising and adding wall openings, and removal of the exterior plaster cladding of a City Landmark building at 142-150 East Santa Clara Street and the infill construction of a six-story building on the property.

#### **OUTCOME**

If the City Council approves all the actions as recommended above by the HLC, the applicant would not be able to proceed with the project as the HP Permit would not be approved.

If the City Council approves all the actions listed above as recommended by the Planning Commission, the applicant will be able to conduct partial demolition of the City Landmark building at 142-150 East Santa Clara Street (two street-facing historic facades to remain), demolish two buildings within the proposed building footprint, at 130-134 E. Santa Clara Street and 17 S. 4<sup>th</sup> Street, and construct a four to six-story building with an approximately 75,285-feet of retail and office, with an off-site parking arrangement, on a 0.34-gross acre site.

## **BACKGROUND**

#### HISTORIC LANDMARKS COMMISSION HEARING

On November 2, 2022, the HLC held a public hearing to consider the HP Permit to allow the demolition of the roof, two walls, and building interior (street-facing historic facades to remain), revising and adding wall openings, and removal of the exterior plaster cladding of a City Landmark building at 142-150 East Santa Clara Street and the infill construction of a six-story building on the property. The HLC recommended that the City Council deny staff's recommendation to approve the subject HP Permit based on the analysis that the design of the six-story building (SuZaCo project) at the street corner, while maintaining the two-story historic facades, would be incompatible in scale, massing, proportion and overall design with the Historic District, and there is insufficient analysis of building design alternatives to demonstrate a persuasive financial hardship argument.

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Public Hearing

Below is a summary of the HLC hearing proceedings, including HLC and public comments:

Chairman Boehm introduced the item and Dana Peak Edwards, Project Manager, summarized the staff report and introduced the applicant, Ted McMahon. Mr. McMahon and architect Steve Stenton presented an overview of the project, key points, and the design rationale to the HLC.

Chairman Boehm called for Commissioner questions.

Commissioner Janke noted that the applicant team made a comment in the presentation that the addition was designed to be of the same scale as the historic building. He noted that the massing and scales of the two elements of the building are completely different. Commissioner Janke stated that the scale of the City Landmark is predominately brick and the scale of the new construction is a mass timber framing system. He commended the applicant for setting back the new construction from the historic facade on the East Santa Clara Street facade and he supported the visual difference between the two buildings. Commissioner Janke noted a Philadelphia project designed by the firm Mitchell/Giurgola - Giurgola, which designed Australia's Parliament House in Canberra.

Commissioner Camuso commented that the proposed demolition is disturbing, but he expressed support for the project design. He noted that the original facade would be the predominant feature from the street level and the new building with the setback would not take away from the historic facades. Commissioner Camuso inquired about what is existing presently between the two new buildings. Ms. Peak Edwards noted that a non-contributing building in the historic district is proposed to be demolished.

Commissioner Arnold noted the setback of the new building and the original facades which would be preserved and visible from the street and commented that the design was okay.

Vice Chairman Raynsford was skeptical that the new building would be in conformance with the design guidelines and cited several passages from the guidelines. He noted three different visual layers including the glass, the main structural system, and a second structural system in a different color, and stated that he did not see a visual relationship with the historic facades. Vice Chairman Raynsford commented that the design of the new building would be incompatible with the Downtown Design Guidelines and the historic facade. He inquired about how the discussion of crime in the applicant's hardship submittal relates to the infeasibility of building rehabilitation. Mr. McMahon responded that the broader context of the block and the lack of redevelopment has created pedestrian and public safety issues that constrain rental value and return. He explained that when exploring what to do with the building the constraints are the location (intersection with the crime statement), Ellis Act and rental control issues, and decades of deferred maintenance. Vice Chairman Raynsford commented that the historic district is a remnant of the historic downtown and is not large. He noted it has a certain scale and density that causes him to be concerned not just about the proposed development, but future development in the historic district and how the entire texture of that denser old downtown might be significantly

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lost.

Chairman Boehm inquired when the applicant acquired the property. Ted McMahon responded he purchased the property at the end of 2017 and he purchased the other two parcels over the next two years. Chairman Boehm inquired if the applicant knew the building was a designated landmark when he purchased the property. Mr. McMahon responded he did know. Chairman Boehm inquired about the financial conditions today with regard to rate increases and economic headwinds. Mr. McMahon responded that the company has a vested, long-term interest in the block and he noted the challenge is to stitch the blocks between San Pedro Square, SOFA, and the City Landmark back together and to create vibrancy in that area. Chairman Boehm commented that he does not think the new construction is compatible with the historic facades. He noted that the HLC has two new commissioners since the project was reviewed under the City Council Policy for the Preservation of Landmarks and these commissioners have different points of view. Chairman Boehm commented that just because the new construction should be differentiated from the old does not mean that similar materials could not be used to make the building more compatible. He inquired whether the applicant looked at different design options and obtained any cost estimates for different building designs and materials. Mr. McMahon responded that the applicant team did note the comments of the HLC and the developer discussed the comments with the project architect. He commented that the project team decided that the simplicity of the proposed design was important and was intended to allow the streetlevel historic facade to pop. Mr. McMahon noted other development examples on the West Coast and nationally that also created contrast. Steve Stenton, the project architect, stated that the intent of the design was to respect the prominence of the historic facade, but not to overpower it and the setback of the new building is an important part of that approach. Chairman Boehm noted that one's attention would be drawn to the people in the new building and not the historic facades when viewed from a building across the street. He inquired about the glass opening proposed to be created in the historic facade on South 4<sup>th</sup> Street. Mr. Stenton responded that it responds to the glass above and it would allow views into the ground floor food and beverage space. He noted that the facade currently contains windows and a door that were added, and the modified facade was seen as an opportunity to visually activate the ground floor of the South 4<sup>th</sup> Street side of the building.

## Public comment was received as follows:

Paul Soto, a resident, requested that the HLC defer its recommendation to the City Council until commissioners review the recording of the Planning Commission meeting where the project was recently considered. He asserted that the applicant was criticized by the Planning Commission for fearmongering by discussing crime in relation to the project. Mr. Soto asserted that no one has a constitutional right to safety and that the assertion was racist in nature. He commented that the Planning Commission already made a recommendation on the project to the City Council and that the Planning Commission wanted the input of the HLC. Mr. Soto asserted there was a protocol violation because the Planning Commission was not able to make an informed decision without the recommendation of the HLC.

Mike Sodergren, of Preservation Action Council, PAC\*SJ, commented that just because someone

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draws up a plan that meets the 2040 General Plan goals does not mean that it should be approved, especially on the basis of financial hardship. He asserted that doing so would establish a precedence for demolition. Mr. Sodergren commented that the project is trying to fix a cultural problem on the streets, which is wrong. He commented that the applicant purchased the building knowing it was a designated City Landmark and chose not to conform to the requirements of the Historic Preservation Ordinance and is now asking the City to approve a financial hardship based on a self-inflicted act by purchasing the building. Mr. Sodergren asserted that the HLC should not be discussing the economic feasibility of a project. He commented that the applicant evicted the tenants that were in the building and that the California Environmental Quality Act does not consider financial gain.

Tony Quintero commented that he has been involved in the development of downtown and its historic buildings and that it would be a big mistake for the HLC to recommend approval of the project. He asserted that there are some serious problems and misinformation that need to be examined and that people who know what is going on with real estate in downtown San José would not be happy if the project were approved.

Robert Manford, Deputy Director of Planning, responded to the commenter about Planning Commission protocol. He stated that as long as the HLC is able to make a recommendation to City Council, there is no violation of protocol. He noted that the municipal code does not require any specific sequence for project review and the Planning Commission can review a project in its entirety and the HLC review the historic preservation component of projects. Mr. Manford stated that Planning staff previously came to the HLC, Planning Commission, and City Council with ordinance revisions to allow concurrent project review, so the HP Permit is not isolated from the rest of the project. Ms. Peak added that the HLC is the expert body on historic resources and the Planning Commission considers broader matters, and the recommendation of the HLC goes directly to the City Council and not the Planning Commission.

Commissioner Janke commented that the since the new construction is setback, from the sidewalk it would not be strongly perceived. He asserted that new construction that tries to replicate the type of fenestration (brick, terracotta, etc.) of the historic building would be disingenuous and would evoke a false historicism, and the trellis across the roof would be an inviting feature that allows the use of the rooftop.

Commissioner Camuso commented that in general he supported the overall design and believed that the historic aspects of the building should not be mimicked. He commented that the new construction works because from the street level it visually "disappears."

Commissioner Arnold noted that she is concerned about the demolition of historical fabric and wondered whether the hardship request would open the floodgates for future demolition. She appreciated the setback of the new construction.

Vice Chairman Raynsford commented that he agreed that the new construction should not imitate or compete with the historic building and that it should be restrained and setback. He did not agree that the new construction would be restrained or would disappear. Vice Chairman

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Raynsford commented that the new construction is a bold design and that the glass facade with a different volume and visible structural system would clash with the historic facades below. He commented that he did not find the hardship case plausible, and he thought that the project area has been unfairly characterized as being unsafe and that aspect of the discussion was unhelpful. Vice Chairman Raynsford asserted that the argument that the area needed to be sanitized was disturbing.

Chairman Boehm noted that the hardship documentation was submitted in December 2021 and he commented that it would be difficult for the project to pencil out today. He commented that the HLC provided prior comments under the Early Referral process and the applicant did not come back with any options or alternatives, or any feasibility or financial investigation of any alternatives. Chairman Boehm commented that the HLC is in place to protect landmarks, not to approve their demolition and the proposal is facadism which is not adaptive reuse.

Commissioner Janke stated that these are tough issues that are at the core of the HLC's responsibilities. He commented that hardship is self-inflicted and that if the project was not feasible in December 2021, the hardship would be greater now and what does that mean to the viability of the project. Commissioner Janke focused on the existing historic facades at street level and commented that the restoration of the historic facades and the setback and transparency of the new construction allows him to support the project. He commented that the devil is in the details as to how the project would be executed.

Commissioner Janke made a motion to approve the staff recommendation and the motion was seconded by Commissioner Arnold. The motion was defeated (2-3-2; Camuso and Janke voted yes, Arnold, Boehm, and Raynsford voted no, and Commissioners Ayala and Royer were absent).

Commissioner Raynsford made a motion to deny the application for the HP Permit. The motion was seconded by Commissioner Arnold and approved (3-2-2; Arnold, Boehm, and Raynsford voted yes, Camuso and Janke voted no, and Commissioners Ayala and Royer were absent).

#### PLANNING COMMISSION HEARING

On October 26, 2022, the Planning Commission held a public hearing to consider the Supplemental Environmental Impact Report (SEIR), Site Development Permit, and staff recommendations on the HP Permit. The Planning Commission recommended that the City Council adopt the draft resolutions certifying the SuZaco Mixed-Use Project Supplemental Environmental Impact Report (SEIR) to the Downtown Strategy 2040 Final EIR and related Mitigation Monitoring and Reporting Plan, approving the Site Development Permit, and recommended the City Council approve the HP Permit.

## Staff Presentation

Rina Shah, Planning Project Manager, provided a brief presentation on the project, including an overview of the project's conformance with the General Plan, Zoning Code, Design Guidelines,

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and City Council Development Policies. Shannon Hill, Environmental Planning Project Manager, provided a presentation summarizing the environmental review process and project compliance with the California Environmental Quality Act (CEQA).

## **Applicant Presentation**

The applicant's representatives, Ted McMahon and Steve Stenton presented the details of the project, including the project history, site layout and project design, off-site public improvements, and how the project met Historic Preservation standards.

## Public Hearing

Chair Oliverio opened the public comment portion of the agenda.

Three members of the public spoke on the proposed project, one in support and one in opposition, and one commenter, as summarized below:

- Ryan Globus, Transit-Oriented Development Manager for the Santa Clara Valley Transportation Authority (VTA), expressed support for the project. He stated the project will supply much-needed office space near existing light rail and bus lines, and the planned Downtown BART station. He said the project will preserve the historic façade.
- Paul Soto, a resident, stated that since the roof and two walls of a historic building were being removed, the historic value will be lost. He also stated that since this was not a sociology topic, the applicant should have refrained from bringing up crime statistics of the neighborhood in a public meeting.
- Mike Sodergren of Preservation Action Council, PAC\*SJ, stated they had been working with the applicants from the beginning, and the project will be demolishing a City Landmark building in the Downtown Commercial National Register Historic District. He said the proposed design is good and compatible, and differentiated from the two historic facades that will be left in place but were not consistent with the street walls between 3<sup>rd</sup> and 4<sup>th</sup> Streets. He said a term that has been frequently used is significant and has an unavoidable impact to the historic resource. He said the project should have had program goals and objectives to preserve the City Landmark without any demolition. He then questioned whether more office space was needed, given the amount currently approved but not yet built. He also stated the building will eliminate much-needed affordable housing. He concluded the project had a beautiful design but does not address the historic building.

The applicant's representatives responded to the public comments stating that there were various discussions with PAC\*SJ and that they valued and appreciated their opinion, but they believed that their design will revitalize and reenergize the neighborhood.

#### Commissioner Discussion

Commissioner Lardinois asked whether HLC hearings are typically held after the Planning Commission hearing for the project. Robert Manford, Deputy Director, explained that due to end-of-year scheduling priorities, the Planning Commission hearing for this project was

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scheduled in October, prior to the HLC hearing in November. The Planning Commission meets twice a month, and the HLC meets only once a month. Since the next HLC meeting is on November 2, 2022, it made sense for the Planning Commission to hear the project first. Commissioner Lardinois also requested the applicant be more thoughtful in characterizing crime in the neighborhood.

Commissioner Cantrell requested clarity on the same process question that if the HLC had not yet provided their comments, then how would the project be presented to the City Council. Deputy Director Manford clarified that the HLC recommendation would be presented along with the Planning Commission recommendation to the City Council on November 29, 2022. Commissioner Cantrell commented that he takes a VTA bus along East Santa Clara Street on a daily basis and did not see the crime that the applicants were alluding to.

Commissioner Ornelas-Wise praised the project's integration of the old with the new project design. She asked about the current use of the two buildings to be demolished, and how many residential units would be removed. Planning Project Manager Rina Shah responded that the buildings were mixed-use and 11 residential units would be removed. Commissioner Ornelas-Wise then asked what aspects of the project required the HP Permit. Historic Preservation Officer Dana Peak responded that the building at 142-150 East Santa Clara Street is a contributing building to the National Register Historic District, but the HP Permit is required because it is a designated City Landmark. She noted that the HLC will make a recommendation to the City Council on November 2, 2022, and the project includes the demolition of a City Landmark. Ms. Peak stated that the Historic Preservation Ordinance requires conformance with the adopted standards and guidelines and the project does not conform with the standards and guidelines which is why a significant unavoidable impact on the historical resource is disclosed in the Environmental Impact Report. She stated that the Historic Preservation Ordinance includes a provision for the City Council to consider a hardship request, he and the applicant submitted a hardship request on the grounds of structural and economic hardship. Ms. Peak stated that the HLC will be making a recommendation on the request based on the submitted documentation and if the City Council approves the hardship request, then the HP Permit can be issued. Commissioner Ornelas-Wise then asked if the project could move forward without the HP Permit. Ms. Peak responded that the HP Permit is part of the development permit package and would need to be issued as part of the development approval. Commissioner Ornelas-Wise then requested information on the project design and whether the glass being used was reflective and would the retained facade be earthquake-proof. The applicants confirmed the glass being used had very low reflectivity, and the retained facade would be integrated into the building structural design system and be in compliance with the Building Code.

Commissioner Rosario asked if the applicants thought any crime on the block would be resolved with the construction of the project. The applicant, Ted McMahon, clarified he meant that the project would result in revitalizing the block from a public safety viewpoint. Chair Oliverio then asked a clarifying question whether the brick structure of the two-story facade from public view would be maintained but the interior and two back walls would be removed, was that correct? Ms. Peak explained the original stucco cladding would have to be removed to expose the brick structure of the two facades.

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Commissioner Garcia stated there was a significant contrast between the old and new construction, and there should be a more compelling reason to demolish two walls and a roof than simply replacing existing retail space with new retail space and did not support the project as presented.

Commissioner Casey commented that he was not sure why the Commission would reject staff's recommendation based on a historical perspective.

Commissioner Rosario commented that he appreciated the applicants thinking about the crime issue. He cited the broken glass theory that suggests if the issue does not get fixed, then similar issues come up in the neighborhood, and the reasons were lack of funding, and ordinance changes facilitating revitalization. Commissioner Rosario further asked for clarification on the building to the east of the City Landmark which would be removed. Ms. Shah explained the building to be removed to the west of the City Landmark on E. Santa Clara Street was a non-contributing structure to the Historic District. She further explained that the building to be demolished to the south of the City Landmark was also a non-contributing structure, just outside the Historic District.

Chair Oliverio commented that for this project, new construction was designed to appear differentiated from the historic façade, and a significant contrast was created, square footage was added, and the look was different. Additionally, the non-contributing buildings to be demolished had been altered over a course of time and were not historic resources. He then asked for clarification on what constituted adaptive reuse of buildings. Ms. Peak responded that since the two walls, roof, and interior of the Landmark building are proposed to be demolished, the project could not be classified as an adaptive reuse. Chair Oliverio then asked if the project was similar to Plant 51 on The Alameda, a City-subsidized project, in which the historic façade was retained with new construction built behind it. Ms. Peak stated that she was not familiar with the historic status of the property, but that the retention of a façade of a designated historic property is not considered historic preservation and this treatment would be more fitting for context buildings of lesser significance. Patrick Kelly, Supervising Planner, confirmed that the projects are similar. Chair Oliverio then asked if the project must be analyzed against adopted standards. Ms. Peak responded that HP Permits are analyzed against adopted standards and guidelines and the HLC is the expert body in this area and will make a recommendation to the City Council. Commissioner Ornelas-Wise inquired whether the interiors to be demolished had any historic value or interest. Ms. Peak responded that the historic preservation consultants, Page and Turnbull, had completed a walkthrough and an analysis of the interiors and found quite a few alterations and there was very little integrity left to the interiors. The applicant concurred with this fact as well.

Commissioner Garcia stated there were ten Secretary of the Interior's Standards, and the project does not meet five of the ten standards, and the HLC had not reviewed the project or provided their recommendations. He made a motion to reject the staff's recommendation for approval of the project to the City Council at this time. The motion was seconded by Commissioner Cantrell.

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Chair Oliverio stated that he would take a roll call vote and he first cast a vote against the motion. Commissioner Lardinois asked if it was a legal requirement to conform to the Secretary of the Interior's Standards. Ms. Peak responded that the Historic Preservation Ordinance requires conformance with the Standards, but it may be appropriate for the Planning Commission to take a broader look at the project and weigh other factors. Commissioner Lardinois then said that he would have liked to have HLC comments, but he would vote against the motion on the table. Deputy Director Manford explained that the HLC recommendation will be included in the City Council packet along with the Planning Commission recommendation, and the Historic Preservation Ordinance provides a path forward for the project through the hardship provision. Patrick Kelly, Supervising Planner, explained that sometimes not all General Plan policies can be simultaneously achieved by a project in a feasible way and that the Planning Commission can weigh policy priorities. In this case, the General Plan includes policies supporting intensive, transit-supporting development Downtown, and this project is two blocks from the Planned Downtown BART station. He explained the General Plan also strongly supports historic preservation. Mr. Kelly said the economic hardship documentation prepared by the applicant for the project identified extensive improvements that would be needed to rehabilitate the building to meet current seismic requirements and those improvements would not be economically feasible and would result in changes to the building that are incompatible with the Standards. He stated that the project would retain and rehabilitate the two facades bearing the majority of characterdefining features and that the Planning Commission could weigh these competing policy priorities for the project in making their recommendation. Commissioner Cantrell then voted against the motion. The result of the roll call vote taken by Chair Oliverio was 8-1-1 (Commissioner Garcia opposed, Commissioner Young absent), therefore the first motion failed.

Vice Chair Lardinois made a second motion to approve the staff's recommendation of the project to the City Council, seconded by Commissioner Rosario. The vote was then taken, and the project was recommended for approval (7-2-1, Commissioners Garcia and Ahluwalia opposed, and Commissioner Young was absent).

## **ANALYSIS**

Analysis of the application for an HP Permit and hardship, including conformance with the Historic Preservation General Plan goals and policies, the Historic Preservation Ordinance, the Secretary of the Interior's Standards for Rehabilitation, and Council-approved design guidelines is contained in the attached Historic Preservation staff report to the HLC (Attachment 2).

Analysis of the proposed CEQA clearance and Site Development Permit, including conformance with the General Plan, Zoning Ordinance, applicable Design Guidelines, and City Council Policies are contained in the attached staff report (Attachment 1) to the Planning Commission.

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## **CONCLUSION**

In summary, the project was heard at the November 2, 2022, HLC meeting and the October 26, 2022, Planning Commission meeting. The HLC voted 3-2-2 (Commissioners Camuso and Janke opposed, Commissioners Ayala and Arroyo absent) to recommend that City Council deny the staff's recommendation to approve the HP Permit. The Planning Commission voted (7-2-1, Commissioners Garcia and Ahluwalia opposed, Commissioner Young absent) to recommend that the City Council approve the staff's recommendation to adopt a resolution certifying the Final SEIR and approve a Site Development Permit.

As discussed in the attached staff report to the Planning Commission, the project is consistent with the Envision San José 2040 General Plan, the Municipal Code, Downtown Design Guidelines, and City Council policies for public outreach, and complies with the requirements of CEQA. Should the City Council adopt the resolution certifying the Supplemental Environmental Impact Report, and approve the Site Development Permit and the HP Permit, the applicant would be allowed to conduct partial demolition of the City Landmark building at 142-150 East Santa Clara Street (two street facing historic facades to remain), demolish two buildings within the proposed building footprint, at 130-134 E. Santa Clara Street and 17 S. 4<sup>th</sup> Street, and construct a four-and-six story building with approximately 75,285-square feet of retail and office, with an off-site parking arrangement, on a 0.34-gross acre project site.

## **EVALUATION AND FOLLOW-UP**

Should the City Council adopt the resolution certifying the EIR and approve the Site Development Permit and HP Permit, the applicant would be able to carry out the project as described above and could proceed with an application for Building Permits.

## **PUBLIC OUTREACH**

Staff followed Council Policy 6-30: Public Outreach Policy in order to inform the public of the project. On-site signs were posted on the project frontages on July 20, 2021. A notice of the public hearing was distributed to the owners and tenants of all properties located within 1,000 feet of the project site and posted on the City website. The staff reports are also posted on the City's Website. Staff has also been available to respond to questions from the public.

The project was referred to the Design Review Subcommittee of the HLC on July 21, 2021. The project was also referred to the HLC on September 1, 2021, under the Early Referral City Council Policy on the Preservation of Historic Landmarks.

In addition, a noticed virtual Community and Environmental Scoping Meeting was held by staff via Zoom on September 15, 2021, to discuss the project. Public Notices of the community meeting and public hearing were distributed to the owners and tenants of all properties located within 1,000 feet of the project site and posted on the City website. Approximately 10 members

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of the public were in attendance at the meeting. Comments received during the community meeting included concerns about the preservation of the City Landmark building and parking which is described in the Planning Commission staff report.

## **COORDINATION**

The preparation of this memorandum has been coordinated with the City Attorney's Office.

## **CLIMATE SMART SAN JOSÉ**

The recommendation in this memorandum aligns with one or more Climate Smart San José mobility goals. The project would facilitate job creation within City limits by providing high-intensity office development with commercial retail in a central location within Downtown, accessible from BART, light rail, and VTA public transit.

## **CEQA**

On May 28, 2021, a Site Development Permit, File No. H21-026, and HP Permit File No. HP21-005 was filed by the applicant, Matt Conti, on behalf of property owners, Sunstone QOZB, LLC, with the City of San José and concurrently reviewed.

The City of San José, as the lead agency for the project, prepared a Draft Supplemental Environmental Impact Report (Draft SEIR) to the Downtown Strategy 2040 Environmental Impact Report (Resolution No. 78942). The Notice of Preparation was circulated from August 24, 2021, to September 3, 2021, and the Draft SEIR was circulated for public review and comment from June 27, 2022, to August 11, 2022.

#### Summary of Environmental Impacts Reduced to Less than Significant with Mitigation

The Draft SEIR identified potential environmental impacts related to potential cumulative construction air quality, nesting migratory birds, disruption of hazards and hazardous materials due to the historical use of the site, construction noise and vibration, and previously undocumented historic-era and Native American archaeological resources. With compliance with City permit conditions of approval and the implementation of the mitigation measures specified in the MMRP prepared for the project, these impacts are reduced to less than significant levels. As part of the certification of the Final SEIR, the City Council will need to approve the associated MMRP for the project.

## Significant and Unavoidable Impacts and Statement of Overriding Considerations

The Draft SEIR found that the project would result in significant and unavoidable impacts to Cultural Resources due to the demolition of the interior, roof, and west and south walls of the building at 142-150 East Santa Clara Street, the project would cause a substantial adverse change

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in the significance of a designated City Landmark, and mitigation measures to be adopted for the proposed project would reduce the identified impact but not to less than significant.

Significant and unavoidable impacts were also identified for Land Use and Planning in the Draft SEIR because the project would not comply with General Plan Policies related to historic preservation, such as those for the preservation of City Landmarks (General Plan Policies LU-13.2, LU-13.6, LU-13.7, and LU-13.8). Furthermore, the project is inconsistent with the 2003 Historic District Guidelines and Secretary of the Interior's Standards for Rehabilitation as they relate to the property located at 142-150 East Santa Clara Street, which is a designated City Landmark and listed in the National Register of Historic Places, California Register of Historical Resources, and the City's Historic Resources Inventory.

If City Council were to approve the project as proposed, in accordance with CEQA Guidelines Section 15093, a Statement of Overriding Considerations must be adopted with findings that the specific economic, legal, social, technological, or other benefits, including region-wide or statewide environmental benefits, of a proposed project, outweigh the unavoidable adverse environmental effects if an environmentally superior alternative is not chosen. The Statement of Overriding Consideration found that the economic and social benefits of the construction of a commercial building with approximately 63,461 square feet of office space, and 11,790 square feet of retail. (Note: The Planning Commission staff report referenced 45,624 and 10,591 square feet, which has been updated in this memo. The SEIR and CEQA resolution reference the correct square footage.) outweigh the impacts associated with the demolition of the existing two buildings and partial demolition of the City Landmark building (at 142-150 East Santa Clara Street) that would result from the proposed project, and given the scope of the project, the rehabilitation or reuse of the City Landmark would not meet the project objectives, and relocation of the City Landmark building would not be feasible.

## Project Alternatives

The Draft SEIR analyzed four project alternatives, including a No Project – No Development Alternative, Location Alternative, and two preservations alternatives: (1) Preservation Alternative 1: Relocation of 142-150 East Santa Clara Street Building and (2) Preservation Alternative 2: Complete Retention of the City Landmark Building at 142-150 East Santa Clara Street. Alternatives were crafted based on their ability to reduce the impacts summarized above and to identify an environmentally superior proposal and to inform decision-making. Preservation Alternative 1 was considered but rejected as it would not be feasible due to the lack of feasible sites available in the downtown core that could provide an appropriate setting to relocate the City Landmark while retaining the historic significance and integrity of the City Landmark. Therefore, relocation of the building was not considered further.

Beyond the No Project – No Development Alternative, Preservation Alternative 2: Complete Retention of the City Landmark Building at 142-150 East Santa Clara Street would be the environmentally superior alternative as it would avoid a significant impact a City Landmark building and would reduce the identified construction air quality and noise and vibration impacts due to the smaller size of the project and reduced demolition activities. In addition, potential

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impacts associated with exposure to soil and/or groundwater contamination and potential to encounter undocumented historic-era and Native American archaeological resources and tribal cultural resources would be lessened (and possibly avoided) due to the elimination of proposed below-grade retail.

## Summary of Comments Received

The City received five written comment letters and one verbal comment during the public circulation period of the Draft SEIR. Comments were submitted by six agencies, organizations, and individuals, which were Valley Water; VTA; Paul Boehm, Santa Clara Valley Audubon Society, Preservation Action Council of San Jose, and Sally Zarnowitz. The main concerns raised by commenters are as follows:

- The lack of mitigation measures to minimize the identified impact to a designated City Landmark.
- Impacts to the San José Downtown Commercial National Register Historic District.
- Non-compliance with general plan policies adopted for the purpose of protecting historic resources.
- Cumulative impacts to historic resources.
- Bird safety/potential collisions with building.
- Pre-construction bird survey timing.
- Balancing general plan development goals with historic preservation.
- Concurrent construction of Downtown projects and related coordination.

None of the comments received address an issue of sufficiency or adequacy of the Draft SEIR.

The City responded to all comments received on the Draft SEIR and incorporated responses and additional clarifying information into the First Amendment to the Draft SEIR. The First Amendment, taken together with the Draft SEIR, and the Mitigation Monitoring and Reporting Program (MMRP) constitute the Final SEIR. The Draft SEIR and First Amendment to the Draft SEIR (Final SEIR) are available for review on the project page on the City's Active EIR website at: <a href="https://www.sanjoseca.gov/your-government/departments-offices/planning-building-code-enforcement/planning-division/environmental-planning/environmental-review/active-eirs/SuZaCo-mixed-use-project/-fsiteid-1#!/. A copy of the MMRP is included in the proposed CEQA resolution.

#### EIR Recirculation Unnecessary

The comments received do not identify substantive inadequacies in the Draft SEIR or new previously unidentified significant impacts that require recirculation. The recirculation of an EIR is required when significant new information is added to the EIR after public notice is given of the availability of the Draft EIR for public review but before certification. Information can include changes in the project or environmental setting as well as additional data or other

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information. New information added to a Draft EIR is not significant unless the Draft EIR is changed in a way that deprives the public of meaningful opportunity to comment on a substantial adverse environmental effect of the project or a feasible way to mitigate or avoid such an effect, including a feasible project alternative that the project's proponents have declined to implement (CEQA Guidelines Section 15088.5).

In accordance with CEQA Guidelines Section 15088, the First Amendment to the Draft SEIR for the project includes written responses to all comments received during the public review period for the Draft SEIR. As required by Section 15132 of the CEQA Guidelines, the responses in the First Amendment to the Draft SEIR address significant environmental points and comments on the content and adequacy of the SEIR. The responses and comments provide clarification and refinement of information presented in the Draft SEIR and, in some cases, correct or update information in the Draft SEIR. No significant new information requiring recirculation has been added to the SEIR since the publication of the Draft SEIR, and the mitigation measures to be adopted with the Final SEIR would not result in a new significant environmental impact and feasible mitigation measures requested by commenters would be adopted as part of project approval. Therefore, the Draft SEIR does not need to be recirculated.

/s/ CHRISTOPHER BURTON, Secretary Planning Commission

For questions, please contact Robert Manford, Deputy Director- Planning at (408) 535-7900.

Attachments:

Planning Commission Staff Report Historic Landmarks Commission Staff Report SuZaCo Plan Set

**PLANNING COMMISSION AGENDA:** 10-26-22

**ITEM:** 5.b.



# Memorandum

TO: PLANNING COMMISSION FROM: Christopher Burton

**SUBJECT:** File No. H21-026, HP21-005 & **DATE:** October 26, 2022

ER21-085

**COUNCIL DISTRICT: 3** 

Type of Permit	Site Development Permit and Historic Preservation Permit
Proposed Land Use	Commercial
Proposed Square Footage	75,285 square feet
Demolition	20,000 +/- square feet
Tree Removals	None
Project Planner	Rina Shah
CEQA Clearance	Supplemental Environmental Impact Report (SEIR) to the Downtown Strategy 2040 Final EIR for the SuZaCo Mixed-Use Project (ER21-085)
CEQA Planner	Shannon Hill

#### **RECOMMENDATION**

Staff recommends that the Planning Commission recommend that the City Council take all of the following actions:

- 1. Adopt a Resolution certifying the SuZaCo Mixed-Use Project Supplemental Environmental Impact Report (SEIR) to the Downtown Strategy 2040 Environmental Impact Report (Resolution No. 78942), and making certain findings concerning significant impacts, mitigation measures, alternatives, and adopting a statement of overriding considerations and a related Mitigation Monitoring and Reporting Plan, in accordance with the California Environmental Quality Act (CEQA);
- 2. Adopt a Resolution approving, subject to conditions, a Site Development Permit (H21-026) to allow the construction of an approximately 75,285-square foot four-and-six story retail and office building, with an off-site parking arrangement, the partial demolition of 142-150 East Santa Clara Street building, and the demolition of two buildings within the proposed building footprint, at 130-134 E. Santa Clara Street and 17 S. 4<sup>th</sup> Street, on an approximately 0.34-gross acre site; and
- 3. Consider the Staff recommendation regarding the adoption of a Resolution approving, subject to conditions, a Historic Preservation Permit to allow the demolition of the roof, two walls and building interior (street facing facades to remain) and the removal of the exterior plaster cladding of a City Landmark building at 142-150 East Santa Clara street and the infill construction of a six-story building on the property.

#### PROPERTY INFORMATION

Location	Southwest corner of East Santa Clara Street and South Fourth Street intersection (142-150 and 130-134 East Santa Clara Street, and 17 South 4 <sup>th</sup> Street)	
Assessor Parcel Nos.	467-23-034, -035, -037	
General Plan	Downtown	
<b>Growth Area</b>	Downtown	
Zoning	DC Downtown Primary Commercial	
Historic Resources	ic Resources City Landmark HL92-70 (State Meat Market) 142-150 East Santa Clara Street	
Historic District	District Downtown Commercial National Register Historic District	
Annexation Date	Original City (March 27, 1850)	
Council District	District 3	
Acreage	0.34 gross acres	

#### PROJECT SETTING AND BACKGROUND

As shown on the attached Aerial Map (Exhibit A), the subject site is comprised of three lots forming a U-shaped site. The approximately 0.34-gross acre site is located at the southwest corner of East Santa Clara Street and South Fourth Street. Two of the three buildings on the site are within the Downtown Commercial National Register Historic District (Historic District). The two-story building on the corner parcel (142-150 East Santa Clara Street) is a contributing building to the Historic District, an individual City Landmark built in 1913 (State Meat Market building.) The interior of this building, two walls, and the roof would be demolished (approximately 11,400 square feet) and the two street facing façades retained and incorporated into the project.

The two-story building at 130-134 East Santa Clara Street is a non-contributing building to the Historic District, and the one-story building at 17 S. 4<sup>th</sup> Street (built in 1939) is not a historic resource and is outside the Historic District. Both buildings would also be demolished (approximately 9,000 square feet), as part of the proposed project.

The project's U-shaped site surrounds a three-story mixed-use building (built in 1905) at 136 East Santa Clara Street, that is not a part of the project and so would remain in place.

The site has a General Plan land use designation of Downtown and is located in the DC Downtown Primary Commercial Zoning District. The site is surrounded by a gas station and retail uses (site of the future Icon-Echo residential/commercial tower building) across East Santa Clara Street to the north, the newly constructed Miro Towers multifamily residential project across North 4<sup>th</sup> Street and East Santa Clara intersection to the northeast, City Hall Plaza to the east across South 4<sup>th</sup> Street, the Hotel Clariana parking lot and multifamily residential uses to the south, and mixed uses to the west along East Santa Clara Street.

SURROUNDING USES					
	<b>General Plan</b>	Zoning District	Existing Use		
North	Downtown	DC Downtown Primary Commercial	Gas/smog check station		
South	Downtown	DC Downtown Primary Commercial	Hotel Clariana parking lot and multifamily residential		
East	Public/Quasi Public	CG Commercial General	City Hall Plaza		
West	Downtown	DC Downtown Primary Commercial	Mixed use		

On May 28, 2021, the applicant Matt Conti, on behalf of property owners, Sunstone QOZB, LLC, submitted the following applications:

- Site Development Permit (H21-026) to allow the construction of an approximately 75,285-square foot four-and-six story retail and office building, with an off-site parking arrangement, the partial demolition of 142-150 East Santa Clara Street (City Landmark) building, and the demolition of two buildings within the proposed building footprint, at 130-134 E. Santa Clara Street and 17 S. 4<sup>th</sup> Street, on an approximately 0.34-gross acres.
- Historic Preservation Permit (HP21-005) to allow the demolition of the roof, two walls and building
  interior (street-fronting facades to remain) and the removal of the exterior plaster cladding of a City
  Landmark building at 142-150 East Santa Clara Street and the infill construction of a six-story building
  on the property.

The proposed project requires a Site Development Permit as it involves construction of a commercial building. The ground floor would provide 6,345 square feet of street-facing retail space and a 1,035 square-foot lobby entrance facing South 4th Street. The second through sixth stories would be occupied with office space, with a 994 square-foot outdoor balcony at the third story, and smaller outdoor balcony spaces at the second, fourth, and fifth stories. Rooftop terraces would be provided for both the four- and six-story portions of the building. The proposed building height at the intersection is approximately 85 feet to the rooftop and approximately 100 feet to the top of solar roof canopy. The project provides two parking spaces and one loading space accessed from South 4<sup>th</sup> Street. The developer is coordinating with the City's Department of Transportation on a parking agreement to provide the additional required 97 parking spaces for the proposed office space, at the 4<sup>th</sup> Street public parking garage, approximately 300 feet to the north. The draft parking agreement prepared by the Department of Transportation is scheduled for consideration by the City Council later this year, and a condition of approval is included requiring the agreement to be executed before issuance of demolition permits for the building.

The project also requires a Historic Preservation (HP) Permit due to major alterations to the City landmark at 142-150 East Santa Clara Street (State Meat Market) and related new construction on the property. In general, the character-defining features of the retained street-facing historic facades of the City Landmark would be retained and restored, except for the removal of the plaster facing on the exterior of the building which is a character-defining feature of the building.

The upper four stories of the proposed building at 142-150 East Santa Clara Street would extend above the retained and rehabilitated historic façades, using contemporary glass, steel, and mass timber materials and design elements to distinguish the new construction from the historic facades. The façade of the new building is set back from the plane of the historic façades by approximately 12 feet along East Santa Clara Street and five feet along South 4<sup>th</sup> Street. The fourth through sixth stories are set back from the historic façades by approximately five feet along East Santa Clara Street, and two feet along South 4<sup>th</sup> Street. The project also includes a new four-story infill segment facing East Santa Clara Street between the buildings at 136 and 124 East Santa Clara Street.

#### Historic Preservation Permit

The Project was referred to the Design Review Subcommittee (DRC) of the Historic Landmarks Commission (HLC) on July 21, 2021 (Exhibit F). Commissioners questioned whether the two-foot setback from the façade along South 4<sup>th</sup> Street for the proposed new construction was adequate and whether there might be an opportunity to provide more relief there with a deeper setback. No changes were made to the proposed setback of the new infill building from the historic facades to be retained; however, in response other comments received at the DRC meeting, the rooftop trellis of the building was brought forward to create a prominent feature at the skyline and details to that feature were added.

The Project was also referred to the HLC on September 1, 2021, under the Early Referral City Council Policy on the Preservation of Historic Landmarks (Exhibit F). This policy applies to any designated City Landmark, a Contributing Structure in a City Landmark Historic District, a building listed in the National Register of Historic Places and/or the California Register of Historical Resources, a Contributing Structure in a National Register Historic District, or a building that qualifies for any of the above based on the applicable City, State, or National qualification criteria. The Early Referral policy applies to the Project because 142-150 East Santa Clara Street is a designated City Landmark and located in the San Jose Commercial Historic District along with 130-134 East Santa Clara Street.

Commissioners inquired about the historic integrity of the building interior and the first-floor commercial spaces. It was noted that the historic preservation consultant for the project, Page and Turnbull, completed a review of the interiors, which have been altered over the years, and concluded there are no significant historic interior features remaining. The HLC expressed concern about the proposed demolition of the majority of an individually listed City Landmark building and suggested that the building should be reused. Commissioners commented that the historic first and second floor façades of the City Landmark building would be distinctly different from the new construction of steel and glass infill building proposed to be constructed behind and above the historic facades which creates an incongruous appearance that lacks a harmony of design. The HLC recommended an increase in the setbacks of the new construction from the historic facades, and a reconsideration of the scale, materials, color, rhythm of fenestration and the use of different types of solid textures and materials to bring harmony to the building instead of using solid glass. It was recommended that the new construction should incorporate more compatible materials like brick, stone, cast stone, metal and stucco as seen on the first and second floors of the historic building. No further changes were made to the design of the proposed work on the City Landmark subsequent to the HLC meeting. The proposed work was evaluated by Page and Turnbull in a project analysis report (Exhibit G) for consistency with Secretary of the Interior's Standards for Rehabilitation (Standards) and the Downtown San José Historic District Design Guidelines (2003) with regard to Additions and Adaptive

Page and Turnbull concluded that the proposed work on the City Landmark would conform with five of the ten Standards. The work would conform with Standards 3, 4, 6, 7 and 8 because it would not create a false

sense of historic development and no conjectural features or elements are proposed to be added; there are no previous alterations to the building which have gained significance in their own right; proposed repairs to distinctive materials and historic features present on the north and east facades would prioritize the retention of original materials wherever possible and limited replacement in-kind only where necessary due to deterioration; treatments proposed for the retained historic façades would be undertaken using the gentlest means possible to avoid damage to historic materials; and the appropriate treatment of any significant archeological resources affected by a project would be addressed by the mitigation measures that would be adopted as part of the certification of the Supplemental Environmental Impact Report for the project. The work proposed on the City Landmark would not conform with Standards 1, 2, 5, 9, and 10 due to the proposed removal of the building's exterior plaster facing; removal of its interior structure, roof, and east and west façades; and construction of the six-story mass timber and glass commercial building within and adjacent to the current historic building's footprint.

Page and Turnbull concluded that with regard to the Downtown San José Historic District Design Guidelines (2003), the proposed work would partially adhere to the guidelines. With regard to the additions analysis, Page and Turnbull concluded that the proposed work would allow all character-defining features of the retained street-facing north and east façades to remain largely intact and unobscured, contributing to the street-level visual continuity of the district contributors on the south side of East Santa Clara Street between South 3<sup>rd</sup> and South 4<sup>th</sup> Streets. However, the proposed new six-story building to be constructed behind the retained facades of 142-150 East Santa Clara Street would dramatically increase the height of the overall building. As discussed in the Secretary of the Interior's Standards for Rehabilitation review above, the proposed new construction would require the removal of the roof, interior structure, and two façades of the City Landmark and as a result the historic resource would essentially lose its significance as a City Landmark. With regard to the adaptive reuse guidelines, Page and Turnbull concluded that the proposed work would retain and rehabilitate the two façades bearing the majority of character defining features, the proposed new construction would not obstruct the features of the historic façades, and non-original features like the current storefront systems installed in 2005 would be replaced with compatible materials and styles. However, as discussed above, the proposed demolition would cause the loss of significance of the City Landmark.

In accordance with <u>Part 3 of Chapter 13.48</u> (Historic Preservation Ordinance), the required findings for the issuance of a HP Permit are:

- 1. The work will not be detrimental to a historic district or to a structure or feature of significant architectural, cultural, historical, aesthetic, or engineering interest or value; and
- 2. The work is consistent with the spirit and purposes of the Historic Preservation Ordinance.

In taking action on a HP Permit application, the City Council is required to consider:

- a. The comments of the Historic Landmarks Commission and all evidence presented at the public hearings;
- b. The historic architectural value and significance of the landmark or district;
- c. The texture and materials of the building in question, and the relationship of such features to similar features of other buildings within a historic district;
- d. The position of such buildings within a historic district;
- e. The position of such buildings in relation to the public right-of-way and other buildings on the site.

If the required findings under the Historic Preservation Ordinance cannot be made, the Historic Preservation Permit may be issued pursuant to Section 13.48.260 (Hardship) of the Historic Preservation Ordinance if the City Council finds that denial of the Historic Preservation Permit would cause immediate and substantial hardship on the applicant because development in accordance with the chapter is infeasible from a technical, mechanical, structural or economic standpoint.

The applicant submitted an Economic Hardship report dated December 3, 2021 (Exhibit H). The report analyzes the economic feasibility of fully renovating the City Landmark building, as well as the technical feasibility given the level of expenditure required in light of the potential use. The applicant asserts that current use is constrained by its layout, as well as the Ellis Act and other regulations. The applicant proposes the preservation and structural reinforcement of building's façades and an expansion of the total square footage and asserts that the increased square footage generates economies of scale by spreading the exorbitant cost across a larger building and this generates an economically feasible project.

The report includes a letter from DCI Engineers which reviewed the existing building and drawings produced from a seismic upgrade by BMP Construction Inc. in 1992. The DCI Engineers letter states the existing building does not meet current building code requirements, including overall seismic stability as well as localized resiliency of elements. The letter states that the gravity frame of the building is comprised of wood joists spanning to steel beams supported on interior steel columns and perimeter unreinforced masonry brick walls (URM) and these walls also provide the lateral stability on three sides of the building. The engineers letter states that URM shear walls are not allowed in current building codes and can experience significant damage during a seismic event due to the lack of reinforcing and ductility required in modern codes.

The engineers letter states that there is no property line offset between the building and the adjacent building to the south and assert that the two buildings could experience "pounding" during a major seismic event. The letter states that the seismic upgrade that occurred circa 1992 appears to have addressed the façade stability and soft story along East Santa Clara Street; however, this upgrade did not address the property line and pounding issue and the engineers assert that there is no way for a seismic upgrade to resolve the property line offset issue by simply strengthening the existing structure. The engineers assert that existing URM wall would need to be removed and replaced with a new structure that provides the necessary gap between the buildings. This would require substantial modifications to the roof framing, second floor framing, the existing façade and foundations, essentially rebuilding a large portion of the building.

The engineers assert that new foundations would be required to support these improvements which includes underpinning the neighboring property's foundation which would add substantial cost and complexity to the upgrades. The applicant concluded that there are significant technical challenges to a structural renovation of the building and the net effect of doing so would necessitate changes that are incompatible with the Secretary of the Interior Standards and would incur an unreasonable cost in light of the feasible uses of the property.

The project will be considered in a public meeting by the HLC on November 2, 2022, where the HLC will make its recommendation directly to the City Council on the HP Permit findings and hardship analysis. The Planning Commission may elect to make its own recommendations to the City Council on the HP Permit findings and hardship analysis. The City Council is scheduled to take action on the Historic Preservation Permit and the project as a whole on November 29, 2022.

## **ANALYSIS**

The proposed Conditional Use Permit is analyzed with respect to conformance with:

- 1. Envision San José 2040 General Plan
- 2. San José Municipal Code
- 3. Downtown Design Guidelines
- 4. California Environmental Quality Act (CEQA)

#### **Envision San José 2040 General Plan Conformance**

Land Use Designation

As shown in the attached General Plan Map (Exhibit B), the project site has an Envision San José 2040 General Plan Land Use/Transportation Diagram designation of Downtown. The Downtown designation allows an FAR of up to 30.0 (3 to 30 stories) and density of up to 800 DU/AC. The proposed commercial FAR of the project would be approximately 5.08, consistent with the General Plan Designation of Downtown.

The project is consistent with the following General Plan Policies:

General Plan Goal and Policies

- 1. <u>Community Design Goal CD-4</u>: Provide aesthetically pleasing streetscapes and new development that preserves and builds on the unique characteristics of the local area and contributes to a distinctive neighborhood or community identity.
- 2. <u>Community Design Policy CD-4.3:</u> Promote consistent development patterns along streets, particularly in how buildings relate to the street, to promote a sense of visual order, and to provide attractive streetscapes.
- 3. <u>Attractive City Policy, CD-1.8</u>: Create an attractive street presence with pedestrian building and landscape elements that provide an engaging, safe, and diverse walking environment. Encourage compact, urban design, including use of smaller footprints, to promote pedestrian activity through the City.

Analysis: The new commercial retail and office building would provide a mix of uses and retain and incorporate the two-story street-facing facades of the historic building. The existing three bays spacing of storefronts along Santa Clara Street would be retained, with installation of replacement storefront windows and retention of the recessed entrance with glazed doors and rectangular transoms for retail use to encourage and engage pedestrian activity. Two new openings would be added to the southern portion of the retained South 4<sup>th</sup> Street façade, a glazed entrance would access the commercial tenants' lobby space and another glazed entry would be to the utility room. A broad display window consisting of 11 large rectangular panels would also be added. Retaining the character-defining elements and adding modifications consistent with these elements preserves and builds on the unique design characteristics of the local area and contributes to a distinctive neighborhood, consistent with Goal CD-4 and Policy CD-4.3.

As described previously, the upper four stories of the proposed building are stepped back from the historic façade and use distinguishing complementary materials. The retained and added pedestrian entrances and new street trees would provide an engaging, safe, and diverse walking environment, in conformance with Policies CD-1.8 and CD-4.3.

- 4. <u>Land Use Policy LU-3.1:</u> Provide maximum flexibility in mixing uses throughout the Downtown area. Support intensive employment, entertainment, cultural, public/quasi-public, and residential uses in compact, intensive forms to maximize social interaction; to serve as a focal point for residents, businesses, and visitors; and to further the Vision of the *Envision General Plan*.
- 5. <u>Transportation Policy TR-4.1:</u> Support the development of amenities and land use and development types and intensities that increase daily ridership on the VTA, BART, Caltrain, ACE and Amtrak California systems and provide positive fiscal, economic, and environmental benefits to the community.

Analysis: The project would provide greater-intensity office and retail space in the Downtown core through the development of approximately 45,624 square feet of office space and approximately 10,500 square feet of retail space in a compact urban form to serve businesses and visitors. Public improvements that would be constructed as part of the project would increase walkability and pedestrian activity. The improvements include a 22-foot-wide sidewalk, 5'x5' tree wells and raised bikeway along South 4<sup>th</sup> Street, reconstruction of the 16-foot-wide sidewalk with 4'x6' tree wells along East Santa Clara Street, and 3-foot landscaped median island along the S. Fourth Street project frontage. The project supports intensive employment and a unique building form in Downtown, in conformance with Land Use Policy LU-3.1.

The project fronts East Santa Clara Street which is designated as one of the seven Grand Boulevards per the Envision San Jose 2040 General Plan. Grand Boulevards are identified to serve as major transportation corridors for primary routes for VTA light-rail, bus rapid transit, standard or community buses, and other public transit vehicles. The proposed development will contribute towards an increase in daily ridership, supporting intensive development adjacent to transit stations, including the planned Downtown BART station, in conformance with General Plan Transportation Policy TR-4.1.

6. <u>Community Design Policy CD-3.5:</u> Encourage shared and alternative parking arrangements and allow parking reductions when warranted by parking demand.

Analysis: The majority (97 parking permits) of the parking demand for the office use would be met with an off-site parking agreement with the City's Department of Transportation at the 4<sup>th</sup> Street garage consistent with Policy CD-3.5.

The project is inconsistent with the following General Plan Policies pertaining to Historic Preservation:

- 7. <u>Land Use Policy LU-13.4:</u> Require public and private development projects to conform to the adopted City Council Policy on the Preservation of Historic Landmarks.
- 8. <u>Land Use Policy LU-13.6:</u> Ensure modifications to candidate or designated landmark buildings or structures conform to the Secretary of the Interior's Standards for Treatment of Historic Properties and/or appropriate State of California requirements regarding historic buildings and/or structures, including the California Historical Building Code.

Analysis: The former State Meat Market building was built in 1913 and is a Contributing Structure to the Historic District and a designated City Landmark.

The City Council Policy for Preservation of Historic Landmarks is for preservation of structures, sites, and districts as part of the San José General Plan Urban Conservation/ Preservation Major Strategy. The policy states candidate or designated City Landmark structures, sites, or districts be preserved, wherever possible. The proposed project would alter the original two-story form and character of the

State Meat Market building, retaining just the two-story street corner historic façades, while demolishing rear and side exterior walls, roof, and interior walls, to facilitate the construction of the proposed office building. The project was evaluated by qualified historic consultants, Page and Turnbull, which concluded in their historic report dated April 8, 2022, that the proposed alterations to the City Landmark are extensive, and preservation of the Edwardian Baroque style façades alone does not meet the Secretary of the Interior's Standards for Treatment of Historic Properties; however, the project would rehabilitate and preserve the historic façade, which would allow for the streetscape to maintain its historic character and conform to the City Council Policy on preservation to the extent feasible.

Land Use Policy LU-13.8: Require that new development, alterations and rehabilitation/remodels
adjacent to a designated or candidate landmark or historic district be designed to be sensitive to its
character.

Analysis: The project development would result in the demolition of the two-story mixed-use building at 130-134 East Santa Clara Street which is in the Historic District but is not an individual historic resource (per Page and Turnbull Historic Evaluation), as discussed before. It would be replaced with a new fourstory infill addition facing East Santa Clara Street between the buildings at 136 and 124 East Santa Clara Street and would have a compatible wood and glass storefront to match the ground floor height of the retained historic facades of the City Landmark as well as the three-story mixed-use adjacent building at 136 East Santa Clara Street. The three levels above the first-floor storefront of the new building would be finished with glazing walls framed with steel surround and wood clad columns and the floor-level above would be an open rooftop terrace enclosed within glass railing assembly. The building is sensitive to the height, mass and form of the adjacent buildings but is differentiated in character with use of a greater percentage of transparent glazing materials rather than non-glass (solid) materials.

## **Zoning Ordinance Conformance**

#### Land Use

As shown in the attached Zoning Map (Exhibit C), this site is located in the DC Downtown Primary Commercial Zoning District. Pursuant to <u>Section 20.70.100 and Table 20-140</u> of the Zoning Ordinance, office, retail, restaurant and off-site parking arrangements are all permitted uses in the DC Zoning District.

#### **Development Standards**

## Setbacks and Height

Pursuant to <u>Section 20.70.210</u> of the Zoning Code, no setbacks are required for properties in the DC Downtown Primary Commercial Zoning District. The building would be constructed at the property lines with no setbacks. The project proposes an overall height of 85 feet which would conform with the allowable height limit as governed by the Federal Aviation Administration (FAA).

#### <u>Parking</u>

Pursuant to <u>Section 20.70.100 and Table 20-140</u> of the Zoning Code, office uses in Downtown require 2.5 parking spaces per 1,000 square feet of floor area. No parking is required for retail uses. However, <u>Section 20.90.220</u> of the Zoning Code allows a parking reduction of up to 20% in Growth Areas. Parking is not required for retail uses in Downtown. Additionally, off-site parking arrangements are permitted by right in the DC Downtown Primary Commercial Zoning District.

Analysis: The proposed approximately 45,624 square feet of office use would require 119 spaces or 97 spaces utilizing an 18 percent reduction. The project provides three parking spaces accessed from South 4<sup>th</sup> Street. The developer is coordinating with the City's Department of Transportation (DOT) on a parking agreement to provide the required parking of 97 spaces, for the proposed office uses, offsite at the 4<sup>th</sup> Street public parking garage. The draft agreement has been prepared by DOT and is scheduled for consideration by the City Council later this year. A condition of approval is included requiring the agreement to be executed before issuance of demolition permits for the building.

Additionally, the project is required to provide 15 bicycle parking spaces. Consistent with this requirement, the proposed project includes 15 bicycle parking spaces on the ground floor. Long term 13 bicycle parking spaces would be provided in one secure bicycle storage room on the ground floor and the bike rack on S. 4<sup>th</sup> Street would provide two short term bicycle parking spaces.

#### **Downtown Design Guidelines and Standards**

The project is subject to the <u>Downtown Design Guidelines and Standards</u>, adopted by City Council on April 23, 2019.

## <u>Downtown Design Guidelines and Standards Conformance</u>

Guideline 4.4.1.a: Façade Pattern and Articulation: a. Design a harmonious, internally consistent, and unified facade using elements such as fenestration and horizontal and vertical scale definition that relate to human scale.

Guideline 4.4.2.a: Windows and Glazing: Design the building's window size and location and the facade treatment to respond to nearby buildings and interesting elements of the ground level Public Realm.

Standard 4.2.4.d: Maintain streetwall continuity with Historic Context buildings that are on the same side of the same street by placing the street-side facade of a new building within 5 feet of the average Historic Context building streetwall distance from the front property line.

Guideline 4.2.4.f.: Historic Adjacency: Use facade elements with a scale that creates visual correlation with nearby Historic Context building facades.

Analysis: The massing incorporates some of the elements enumerated in the guidelines such as horizontal and vertical mass timber elements, behind the glass, to create the horizontal and vertical interest and emphasis. Further articulation of the building façade design, including enhanced design at the street corner by providing a projecting rooftop trellis, building stepbacks starting at the third floor, 5–10-foot wall has been retained facing the alley to provide a better transition of mass and form where the historic façade ends at new infill addition.

#### Guideline 5.3.1.b(a): Mitigating Blank Walls:

- 1. Use architectural treatments such as reveals, small setbacks, indentations, or other means to break up a Blank Wall along Public Space. Avoid creation of blind spots that may feel unsafe to pedestrians when the street is less busy. Use these treatments for Blank Walls along property lines as well where they are exposed without an abutting building.
- 2. Use different textures, colors, or materials to break up a Blank Wall's surface.

Analysis: Architectural treatment is provided at the rear and end walls (northeast and south end of S.  $4^{th}$  Street facade walls) to create visual interest, per the guidelines above.

Guideline 4.4.3.d: Materials and Colors: Use high-quality and interesting facade materials such as stone at the building base to relate to the pedestrian, energize the street, and enhance the experience of building occupants and pedestrians.

3. Create a composition of solid and transparent materials with at least 15% non-glass materials on every facade.

Analysis: The project meets the above guideline through a composition of solid timber wood frame and transparent glazing materials. The street level pedestrian entries have tiled floors within painted metal panel storefront systems that would energize the street and enhance the experience of building occupants and pedestrians.

Additionally, the East Santa Clara Street elevation has 32% solid (non-glass) material, and the South 4th Street elevation has 25% solid (non-glass) material, which meets the above Guideline of at least 15% non-glass materials on every façade.

## **Permit Findings**

To approve the Site Development Permit and Historic Preservation Permit, the City Council must make all required findings for each permit. The Historic Landmarks Commission will make a recommendation on the Historic Preservation Permit component of this application, which will be forwarded directly to the City Council.

## Site Development Permit Findings

<u>Section 20.100.630</u> of the San José Municipal Code specifies the required findings for the approval of a Site Development Permit. Staff recommends the Planning Commission recommend that the City Council make the following findings:

1. The Site Development Permit, as approved, is consistent with and will further the policies of the General Plan, applicable specific plans and area development policies; and

Analysis: As described above, the project is consistent with and would further the Land Use and Community Design policies of the General Plan designation of Downtown. As analyzed above, the project is consistent with Land Use and Community Design policies CD-1.8 and CD-4.3, supporting development that preserves and builds on the unique characteristics of the local area as well as providing attractive streetscapes. It is also consistent with Transportation Policy TR-4.1 supporting intensive development adjacent to transit stations, including the planned Downtown BART station, as well as Policy LU-3.1 supporting intensive employment and building forms in Downtown. While the project is not consistent with Policy LU-13.6 with regard to conforming to the Secretary of the Interior's Standards for Treatment of Historic Properties due to the proposed demolition, the Economic Hardship report prepared for the project identified extensive improvements required to rehabilitate the building to meet current seismic requirements, that would not be economically feasible and result in changes to the building that are incompatible with the Standards. Moreover, the project would retain and rehabilitate the two façades bearing the majority of character defining features, the proposed new construction would not obstruct the features of the historic façades, consistent with the Community Design policies above. On balance, therefore, the project is consistent with policies of the General Plan.

The commercial FAR would be approximately 5.08, consistent with the maximum allowable FAR of 30 for Downtown General Plan designation.

2. The Site Development Permit, as approved, conforms with the Zoning Code and all other Provisions of the San José Municipal Code applicable to the project; and

Analysis: As discussed in the Municipal Code Conformance section above, the project is consistent with all applicable development standards of the DC Downtown Primary Commercial Zoning District. The proposed office, retail, and offsite parking uses are all permitted in the DC Zoning District. The project would also provide the required number of vehicle parking spaces with an approximately 18 percent parking reduction and implementation of an off-site parking arrangement.

3. The Site Development Permit, as approved, is consistent with applicable City Council policies, or counterbalancing considerations justify the inconsistency; and

Analysis: Per City Council Policy for Preservation of Historic Landmarks (Amended 2006), the preservation of structures, sites, and districts is part of the San José General Plan Urban Conservation/ Preservation Major Strategy. The policy states candidate or designated City Landmark structures, sites, or districts be preserved, wherever possible. The proposed project would alter the original two-story form and character of the State Meat Market building, retaining just the two-story street corner historic façades, and per the historic consultant, Page and Turnbull report, dated April 8, 2022, the proposed alterations to the City Landmark are extensive, and preservation of the Edwardian Baroque style façades alone does not meet five of the ten Secretary of the Interior's Standards for Treatment of Historic Properties; however, the project would rehabilitate and preserve the historic façade, which would allow for the streetscape to maintain its historic character and conform to the City Council Policy on preservation to the extent feasible. Moreover, as discussed in the Historic Preservation Permit section of above, the engineers letter attached to the Hardship Analysis described the extensive scope of work required to fully retain and restore the building to meet seismic requirements, which would alter the historic significance of the building.

The project was duly noticed per Council Policy 6-30: Public Outreach Policy for Pending Land Use and Development Proposals and on-site noticing/posting requirements. A joint Environmental Scoping and Community Meeting was held on September 15, 2021. An on-site sign has also been posted on the project frontages.

4. The interrelationship between the orientation, location, and elevations of proposed buildings and structures and other uses on-site are mutually compatible and aesthetically harmonious.

Analysis: The proposed street-fronting components of the building are consistently oriented towards East Santa Clara Street, the street-facing historic façades would be retained, and would be consistent with the portion of the project further west along Santa Clara Street which includes matching datum lines. The new development designed with glazing and steel framing materials with painted metal surround, accentuated with interior timber framing visible through the curtain wall, is different in appearance but would still adhere to the principles and guidelines for infill development, discussed above, within the Historic District. The primary façade of the building would provide an appropriately proportioned commercial storefront and would respect the proportions of neighboring district contributing structures, especially to the form and character of the two-story brick and plaster (Edwardian style) historic façades, while providing a visually distinctive addition to the streetscape.

The rooftop trellis above the  $6^{th}$  floor rooftop terrace would cap the corner and would align with the cornice capping the historic transom at the street corner and the U-shaped infill building would provide an overall harmonious street presence when viewed from the intersection of East Santa Clara Street and South  $4^{th}$  Street as well as to the portion west along East Santa Clara Street (134-140 East Santa

- Clara Street). The project provides ample pedestrian entrances from sidewalk, and all uses on-site are mutually compatible and aesthetically harmonious.
- 5. The orientation, location, and elevation of the proposed buildings and structures and other uses on the site are compatible with and are aesthetically harmonious with adjacent development or the character of the neighborhood.

Analysis: The site is bordered by a gas station and retail uses (site of the future Icon-Echo residential/commercial tower building) across East Santa Clara Street to the north, the newly constructed Miro Towers and Donner Lofts multifamily residential projects diagonally across North 4<sup>th</sup> Street to the northeast, City Hall Plaza to the East, Hotel Clariana parking lot and multifamily residential buildings to the south and two-story mixed-use buildings to the west.

The proposed appearance of the six-story height of the commercial building at the site of 142-150 East Santa Clara Street is a broadly glazed rectilinear structure designed to visually highlight the interior mass timber framing. At its third story, the proposed building would feature an approximately 12-foot-deep recess at its northwest façade and five-foot-deep recess at its northeast façade to provide a visual distinction between the historic and new portions of the building. The fourth- through sixth-story façades of the six-story building would be stepped back approximately five feet from the plane of the historic northwest façade, and two feet from the plane of the historic northeast façade. As visually permeable surfaces, the glass curtain walls of the upper four stories would allow the solidity of the historic brick façades at the first and second stories to remain visually prominent when observed from East Santa Clara or South 4th streets.

The proposed four- and six -story infill façade would be distinguished, from, yet compatible with the neighboring buildings by its contemporary materials in the use of glass and wood. At four stories, it would be taller than neighboring mid-block district contributing buildings, though its simple, predominantly glazed primary façade would be stylistically different when compared with the more detailed brick and stucco façades of neighboring historic buildings. Overall, while visually distinct from the historic buildings, the proposed infill façade meets the infill design goals of the Downtown San Jose District Guidelines, and elevation of the proposed buildings and structures and other uses on the site are compatible with and are aesthetically harmonious with adjacent development or the character of the neighborhood.

- 6. The environmental impacts of the project, including but not limited to noise, vibration, dust, drainage, erosion, storm water runoff, and odor which, even if insignificant for purposes of the California Environmental Quality Act (CEQA), will not have an unacceptable negative effect on adjacent property or properties.
  - Analysis: The project development occurs in an urbanized area on a parcel that is fully developed with existing two- and three-story mixed-use buildings within and adjacent to a historic district in Downtown. A Supplemental Environmental Impact Report (SEIR) was prepared for the project and mitigation measures were identified for implementation during construction and operation to reduce potentially significant impacts. Storm water runoff for the project was reviewed by Public Works and a revised Final Memo issued on 9/22/2022. Construction activities would only result in temporary noise, vibration, and air quality impacts. The project overall will not have an unacceptable negative effect on adjacent property or properties; however, the project design significantly impacts the City Landmark at 142-150 East Santa Clara Street, which would require the City Council to adopt a statement of overriding consideration.

- 7. Landscaping, irrigation systems, walls and fences, features to conceal outdoor activities, exterior heating, ventilating, plumbing, utility and trash facilities are sufficient to maintain or upgrade the appearance of the neighborhood.
  - Analysis: All mechanical equipment is located within the building and in the mechanical enclosure on the roof, not visible from the street or surrounding buildings. Retail uses are located at street level and besides pedestrians entering and exiting the building, no outdoor activities would occur on the ground floor of this project. The project would be conditioned to provide street trees on the sidewalk along street frontages. Therefore, the landscaping, irrigation systems, all walls and fences, exterior heating, ventilation, plumbing, utility, and trash facilities are sufficient to maintain and upgrade the appearance of the neighborhood.
- 8. Traffic access, pedestrian access and parking are adequate.

Analysis: Pedestrian access is provided at multiple entrances along the two project frontages. Vehicular access via a 20-foot-wide driveway, for two vehicle parking spaces, one loading space and bike parking would be from South  $4^{th}$  Street, with right-in/right-out turns only. Pedestrian access would be provided from both street frontages (East Santa Clara Street and South 4<sup>th</sup> Street). The project site is located approximately 500 feet from the Saint James VTA Light Rail Station, with service on the Blue Line and Green Line. Numerous VTA bus routes serve the immediate area, including Routes Rapid 522, Rapid 523, Rapid 500, 17, 22, 23, 64A and 64B. Lastly, the project would be approximately 900 feet from the planned BART station on East Santa Clara Street between Market Street and 1st Street. The project is located in an urbanized area and is served by all required utilities and services. The project provides the required number of 97 vehicle parking spaces in an offsite location (approximately 300 feet from the project site) at 4<sup>th</sup> Street public parking garage, with an 18% parking reduction and alternative use (off-site) parking arrangement. The project therefore adequately meets the parking requirement. The Department of Transportation reviewed the local traffic analysis to evaluate operational issues based on a net 44 AM and 71 PM peak hour trips and found the project to be in conformance with the City of San Jose Transportation Analysis Policy (Council Policy 5-1). With the inclusion of project conditions, such as provision of protected bikeway hardscape along project frontages and signal modification at the S. Fourth Street and E. Santa Clara Street intersection, Department of Public Works provided a Final revised Memo dated 9/22/22.

## Off-site, Alternating Use and Alternative Parking Arrangements Findings

Pursuant to <u>Section 20.90.200.B</u> of the Zoning Code, the City Council, may approve off-street parking facilities arrangements only upon making the following findings:

- 1. The number of off-street parking spaces provided in such parking facilities adequately meets the parking requirements of the individual buildings and uses as specified in this <a href="Chapter 20.90">Chapter 20.90</a> of this title;
- 2. It is reasonably certain that the parking facility shall continue to be provided and maintained at the same location for the service of the building or use for which such facility is required, during the life of the building or use; and
- 3. The parking facility is reasonably convenient and accessible to the buildings or uses to be served.

  Analysis: A total of 97 parking spaces would be required for office use with the implementation of an approximately 18% parking reduction and utilization of an off-site parking arrangement, as permitted by Sections 20.70.100 and 20.90.200 of the Zoning Code.

The shared offsite parking spaces would be directly accessible with a key card to office employees at the City's 4<sup>th</sup> Street Parking Garage (88 S. 4<sup>th</sup> street), located nearby within 300 feet southeast of the project site. The owners of the new development would record a private parking agreement with the City to permit the employees to park at the 4<sup>th</sup> Street Parking Garage and to ensure that adequate parking would be maintained for the next 10 years and allow two five-year extensions to continue with the provision of parking in the foreseeable future per the parking agreement. This is also made a condition of approval in the attached Draft Resolution.

## **Demolition Permit Findings**

<u>Chapter 20.80</u> of the Municipal Code establishes evaluation criteria for the issuance of a permit to allow for demolition. These criteria are made for the project based on the above stated findings related to General Plan, Zoning and CEQA conformance and for the reasons stated below, and subject to the conditions set forth in the Resolution.

- 1. The failure to approve the permit would result in the creation or continued existence of a nuisance, blight or dangerous condition;
- 2. The failure to approve the permit would jeopardize public health, safety or welfare;
- 3. The approval of the permit should facilitate a project that is compatible with the surrounding neighborhood;
- 4. The approval of the permit should maintain the supply of existing housing stock in the City of San José;
- 5. Both inventoried and non-inventoried buildings, sites and districts of historical significance should be preserved to the maximum extent feasible;
- 6. Rehabilitation or reuse of the existing building would not be feasible; and
- 7. The demolition, removal or relocation of the building without an approved replacement building should not have an adverse impact on the surrounding neighborhood.

Analysis: The project includes the demolition of two existing buildings and partial demolition of the City Landmark building on site totaling approximately 20,000 square feet. The approval of the demolition permit would not result in the creation or continued existence of a nuisance, blight or dangerous condition as the two-story facades of the existing historic building at 142-150 East Santa Clara Street would be retained and the demolition of the existing two buildings (130-134 East Santa Clara Street and 17 S. 4<sup>th</sup> Street) and partial demolition of the City Landmark building (at 142-150 East Santa Clara Street) would facilitate the construction of a commercial building with approximately 45,624 square feet of office space, and 10,591 square feet of retail. The failure to approve the permit would not jeopardize public health, safety or welfare as the buildings are currently vacant. The demolition permit would facilitate a project that is compatible with the surrounding neighborhood. As previously discussed, the project is consistent with and would further the Land Use and Community Design policies of the General Plan designation of Downtown. The project would also be consistent with the applicable zoning code requirements, and design guidelines, as analyzed above. Given the scope of the project, the rehabilitation or reuse of any of the existing buildings on-site would not be feasible.

Implementation of the proposed project will demolish or remove the existing eleven residential units. The removal of eleven units would be subject to City's rent control ordinance (Ellis Act Ordinance) and facilitate the proposed development which is compatible with the surrounding area, as discussed above. Re-use or rehabilitation of the buildings would not be feasible given the project objective to

construct an office and retail development on the site. The removal of the eleven units would not significantly reduce the City's housing stock, as the housing stock has continued on an overall increasing trend over the past several years, with over 4,900 of new units currently under construction.

## **CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

The City of San José, as the lead agency for the project, prepared a Draft Supplemental Environmental Impact Report (Draft SEIR) to the Downtown Strategy 2040 Environmental Impact Report (Resolution No. 78942). The Notice of Preparation (NOP) was circulated from August 24, 2021 to September 3, 2021, and the Draft SEIR was circulated for public review and comment from June 27, 2022 to August 11, 2022.

#### <u>Summary of Environmental Impacts Reduced to Less than Significant with Mitigation</u>

The Draft SEIR identified potential environmental impacts related to potential cumulative construction air quality, nesting migratory birds, disruption of hazards and hazardous materials due to historical use of the site, construction noise and vibration, and previously undocumented historic-era and Native American archaeological resources. With implementation of the mitigation measures specified in the MMRP prepared for the project, these impacts are reduced to less than significant levels. As part of the certification of the Final SEIR, the City Council will need to approve the associated MMRP for the project.

## Significant and Unavoidable Impacts and Statement of Overriding Considerations

The Draft SEIR found that the project would result in a significant and unavoidable impacts to Cultural Resources due to the demolition of the interior, roof, and west and south walls of the

building at 142-150 East Santa Clara Street, the project would cause a substantial adverse

change in the significance of a designated City Landmark, and mitigation measures to be adopted for the proposed project would not reduce this impact to less than significant.

Significant and unavoidable impacts were also identified for Land Use and Planning in the Draft SEIR because the project would not comply with General Plan Policies related to historic preservation, such as those for the preservation of City Landmarks (General Plan Policies LU-13.2, LU-13.6, LU-13.7, and LU-13.8). Furthermore, the project is inconsistent with the 2003 Historic District Guidelines and Secretary of the Interior's Standards for Rehabilitation as they relate to the property located at 142-150 East Santa Clara Street, which is a designated City Landmark and listed in the National Register of Historic Places (NRHP), California Register of Historical Resources (CRHR), and the City's Historic Resources Inventory (HRI).

If City Council were to approve the project as proposed, in compliance with CEQA Guidelines Section 15093, a Statement of Overriding Considerations must be adopted with findings that the specific economic, legal, social, technological, or other benefits, including region-wide or statewide environmental benefits, of a proposed project outweigh the unavoidable adverse environmental effects if an environmentally superior alternative is not chosen. The Statement of Overriding Consideration found that the economic and social benefits of construction of a commercial building with approximately 45,624 square feet of office space, and 10,591 square feet of retail outweigh impacts associated with the demolition of the existing two buildings and partial demolition of the City landmark building (at 142-150 East Santa Clara Street) that would result from the proposed project, and given the scope of the project, the rehabilitation or reuse of any of the existing buildings on-site would not be feasible.

## **Project Alternatives**

The Draft SEIR analyzed four project alternatives, including a No Project – No Development Alternative, Location Alternative, and two preservations alternatives: (1) Preservation Alternative 1: Relocation of 142-150 East Santa Clara Street Building and (2) Preservation Alternative 2: Complete Retention of the City Landmark Building at 142-150 East Santa Clara Street. Alternatives were crafted based on their ability to reduce the impacts summarized above and to identify an environmentally superior proposal and to inform decision-making. Preservation Alternative 1 was considered but rejected as it would not be feasible due to the lack of feasible sites available in the downtown core that could provide an appropriate setting to relocate the City Landmark while retaining the historic significance and integrity of the City Landmark. Therefore, relocation of the building was not considered further.

Beyond the No Project – No Development Alternative, Preservation Alternative 2: Complete Retention of the City Landmark Building at 142-150 East Santa Clara Street would be the environmentally superior alternative as it would avoid a significant impact a City Landmark building and would reduce the identified construction air quality and noise and vibration impacts due to the smaller size of the project and reduced demolition activities. In addition, potential impacts associated with exposure to soil and/or groundwater contamination and potential to encounter undocumented historic-era and Native American archaeological resources and tribal cultural resources would be lessened (and possibly avoided) due to the elimination of proposed below-grade retail.

#### Summary of Comments Received

The City received five written comment letters and one verbal comment during the public circulation period of the Draft SEIR. Comments were submitted by six agencies, organizations, and individuals, which were Valley Water; Santa Clara Valley Transportation Authority (VTA); Paul Boehm, Santa Clara Valley Audubon Society, Preservation Action Council of San Jose (PACSJ), and Sally Zarnowitz. The main concerns raised by commenters are as follows:

- The lack of mitigation measures to minimize the identified impact to a designated City Landmark
- Impacts to the San José Downtown Commercial National Register Historic District
- Non-compliance with general plan policies adopted for the purpose of protecting historic resources
- Cumulative impacts to historic resources
- Bird safety/potential collisions with building
- Pre-construction bird survey timing
- Balancing general plan development goals with historic preservation
- Concurrent construction of Downtown projects and related coordination

None of the comments received address an issue of sufficiency of the Draft SEIR, and the mitigation measures to be adopted as part of the Final SEIR will reduce the identified significant and unavoidable impact, but not to a less than significant level. Therefore, these text amendments do not change the findings of the Draft SEIR. Additional SEIR text revisions were included in the First Amendment to address clarifications to text of the Draft SEIR and other suggested text revisions from commenters. In summary, these text amendments do not change the findings of the Draft SEIR. Therefore, recirculation of the Draft SEIR is not required.

Additionally, the City responded to all comments received on the Draft SEIR and incorporated them into the First Amendment to the Draft SEIR. The First Amendment, taken together with the Draft SEIR, and the Mitigation Monitoring and Reporting Program (MMRP) constitutes the Final SEIR. The Draft SEIR and First Amendment to the Draft SEIR (Final SEIR) are available for review on the project page on the City's Active EIR website at: <a href="https://www.sanjoseca.gov/your-government/departments-offices/planning-building-code-enforcement/planning-division/environmental-planning/environmental-review/active-eirs/SuZaComixed-use-project/-fsiteid-1#!/">https://www.sanjoseca.gov/your-government/departments-offices/planning-building-code-enforcement/planning-division/environmental-planning/environmental-review/active-eirs/SuZaComixed-use-project/-fsiteid-1#!/</a>. A copy of the signed MMRP is attached to the proposed CEQA resolution (Exhibit J).

#### EIR Recirculation Unnecessary

The comments received do not identify substantive inadequacies in the Draft SEIR or new previously unidentified significant impacts that require recirculation. The recirculation of an EIR is required when significant new information is added to the EIR after public notice is given of the availability of the Draft EIR for public review but before certification. Information can include changes in the project or environmental setting as well as additional data or other information. New information added to a Draft EIR is not significant unless the Draft EIR is changed in a way that deprives the public of meaningful opportunity to comment on a substantial adverse environmental effect of the project or a feasible way to mitigate or avoid such an effect, including a feasible project alternative that the project's proponents have declined to implement (CEQA Guidelines Section 15088.5).

In accordance with CEQA Guidelines Section 15088, the First Amendment to the Draft SEIR for the project includes written responses to all comments received during the public review period for the Draft SEIR. As required by Section 15132 of the CEQA Guidelines, the responses in the First Amendment to the Draft SEIR address significant environmental points and comments on the content and adequacy of the SEIR. The responses and comments provide clarification and refinement of information presented in the Draft SEIR and, in some cases, correct or update information in the Draft SEIR. No significant new information requiring recirculation has been added to the SEIR since publication of the Draft SEIR, and the mitigation measures to be adopted with the Final SEIR would not result in a new significant environmental impact and feasible mitigation measures requested by commenters would be adopted as part of project approval. Therefore, the Draft SEIR does not need to be recirculated.

#### **PUBLIC OUTREACH**

Staff followed <u>Council Policy 6-30: Public Outreach Policy</u> in order to inform the public of the proposed project. A notice of the public hearing was distributed to the owners and tenants of all properties located within 1,000 feet of the project site and posted on the City website. On-site signs were posted on the project frontages. The staff report is also posted on the City's website. Staff has also been available to respond to questions from the public.

In accordance with <u>Chapter 13.48</u> of the Municipal Code, the project was heard at the September 1, 2021, Historic Landmarks Commission meeting under the "Early Referral Policy". A formally noticed Community Meeting with the Environmental Scoping was held on Thursday, September 15, 2021, to introduce the proposed project to the community. Approximately 10 members of the public attended the meeting. The questions and comments from community members included concerns related to the preservation and demolition of the potential historic resources and parking.

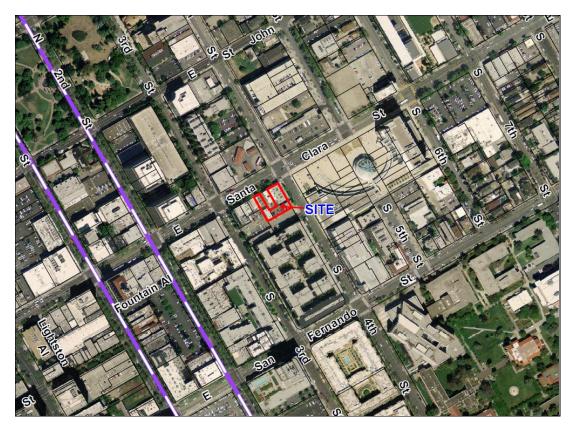
Project Manager: Rina Shah

**Approved by:** /s/ ,Robert Manford, Deputy Director for Christopher Burton, Director

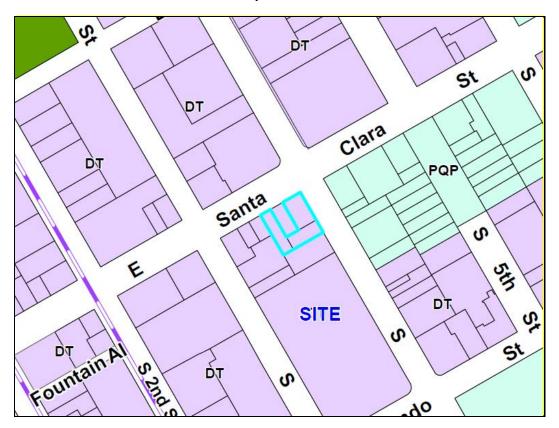
ATTACHMENTS:	
Exhibit A:	Aerial Map
Exhibit B:	General Plan Map
Exhibit C:	Zoning Map
Exhibit D:	Draft EIR Resolution
Exhibit E:	Draft Site Development Permit Resolution
Exhibit F:	DRC and HLC Minutes
Exhibit G:	Historic Resources Assessment
Exhibit H:	Economic Hardship Report
Exhibit I:	Plan Set

Owners:	Applicant Representative:
Matt Conti	Steve Stenton
Sunstone QOZB, LLC	RMW
60 S. Market St, Suite 450	30 E. Santa Clara St, #200
San Jose, CA 95113	San Jose, CA 95113

**Exhibit A: Aerial Map** 



**Exhibit B: General Plan Land Use Map** 



**Exhibit C: Zoning Map** 



### H21-026, HP21-005 & ER21-085 Links to Attachment D - I

Click on the title to view document

Exhibit D: Draft EIR Resolution
Exhibit E: Draft Site Development Permit Resolution
Exhibit F: DRC and HLC Minutes
Exhibit G: Historic Resources Assessment
Exhibit H: Economic Hardship Report
Exhibit I: Plan Set

**HLC AGENDA:** 11-2-22 **ITEM:** 3.c.



LLEY

#### HISTORIC LANDMARKS COMMISSION STAFF REPORT

File No.	HP21-005	
<b>Application Type</b>	Historic Preservation Permit	
Applicant	Sunstone QOZB, LLC	
<b>Property Address</b>	142-150 East Santa Clara Street	
Assessor Parcel Number	467-23-035	
<b>Existing Zoning</b>	Downtown Primary Commercial	
<b>Council District</b>	3	
Historic Area	San Jose Commercial Historic District	
<b>Historic Classification</b>	City Landmark (State Meat Market, HL92-	
	70, Resolution No. 63845)	
	Contributing Property to San Jose	
	Commercial Historic District	
<b>Annexation Date</b>	Original City	
CEQA	SuZaCo Mixed-Use Project Supplemental	
	Environmental Impact Report	

#### **APPLICATION SUMMARY:**

File No. HP21-005: Historic Preservation Permit to allow the demolition of the south (rear) and west walls, roof, and interior of the building, window and door alterations on the east (South 4<sup>th</sup> Street) elevation, and the removal of the exterior plaster cladding on the north (East Santa Clara Street) and east facades and to allow the construction of a four-and-six story commercial building incorporating the existing street-fronting facades on a City Landmark (HL92-70) located at 142-150 East Santa Clara Street.

#### **RECOMMENDATION:**

Staff recommends that the Historic Landmarks Commission recommend to the City Council that:

- 1. The findings required under Section 13.48.240 of the Historic Preservation Ordinance cannot be made for the proposed work on the City Landmark (HL92-70) located at 142-150 East Santa Clara Street; and
- 2. The denial of the Historic Preservation Permit would cause immediate and substantial hardship on the applicant because the rehabilitation of the City Landmark (HL92-70) located at 142-150 East Santa Clara Street in accordance with Chapter 13.48 would be structurally and economically infeasible and unreasonable in light of the feasible uses of such property.
- 3. The Historic Preservation Permit (File No. H21-005) be approved under Section 13.48.260 (Hardship) of the Historic Preservation Ordinance.

#### PROJECT DATA

GENERA	GENERAL PLAN CONSISTENCY			
General	Plan Designation	Downtown		
Historic 1	Preservation Consistent	LU-13.1, LU-13.3, LU-13.4, LU-13.7, LU-13.15,		
<b>Policies</b>		LU13.22		
Historic 1	Preservation	LU-13.2, LU-13.6		
Inconsist	istent Policies			
SURROUNDING USES				
	<b>General Plan Land Use</b>	Zoning District	<b>Existing Use</b>	
North	Downtown	CG Commercial General	Commercial Retail	
South	Downtown	DC Downtown Primary	Commercial Retail	
		Commercial		
East	Downtown	DC Downtown Primary	Multifamily mixed use	
		Commercial		
West	Downtown	CG Commercial General and	Commercial Office,	
		DC Downtown Primary	Multifamily Residential,	
		Commercial	and Commercial Retail	

RELATED	RELATED APPROVALS				
Date	Action				
4/30/1935	1935 002936: Building permit				
3/29/1976	1976 092537: Building permit				
3/13/1981	1981 026979: Building permit for work on apartment unit.				
3/17/1982	Listing of San Jose Downtown Commercial District in the National Register				
6/23/1992	HL92-70: City Landmark designation				
8/11/1992	1992 000835: Building permit				
4/29/1993	1993 000835: Building permit				
8/18/2005	HP05-004: Historic Preservation Permit to allow exterior modifications for an				
	existing commercial building				
2/16/2006	2005 060514: Building permit for Redevelopment Agency facelift to façade of				
	existing commercial building. Recessed front entry to 142, 148 and 150 E Santa				
	Clara Street repair transom. Minor engineering on entry, some like for like window				
	replacement on second floor apartments.				
8/08/2006	HPAD06-854: Historic Preservation Permit Adjustment to reproduce the damaged				
	painted sign on the c. 1913 State Meat Market building				
1/24/2011	2011 006201: Building permit for tenant improvements to include demolition of				
	existing wall and expansion of existing restaurant into adjacent tenant space				
8/09/2011	2011 026230: Building permit for minor bath remodel in two apartment units				
2/11/2014	2014 005591: Building permit for expansion of existing dining area into adjacent				
	tenant area, removal of some interior walls, furring of steel columns				

#### **BACKGROUND**

The SuZaCo Mixed-Use Project (the "Project") entails the construction of a four and six-story U-shaped mass timber building with approximately 72,600 square feet of commercial space across three assessor parcels. The ground floor would provide 6,345 square feet of street-facing retail space and a 1,035 square-foot lobby entrance facing South 4th Street. The second through sixth stories would be occupied with office space, with a 994 square-foot outdoor balcony at the third story, smaller outdoor balcony spaces at the second, fourth, and fifth stories and a rooftop terrace. The proposed building height at the intersection of East Santa Clara Street and North 4<sup>th</sup> Street is approximately 85 feet to the rooftop and approximately 100 feet to the top of the solar roof canopy. To facilitate construction, the existing two-story mixed-use buildings at 17-19 South 4<sup>th</sup> Street and 130-134 East Santa Clara Street would be demolished. The southwest and southeast façades and interior of the City Landmark building at 142-150 East Santa Clara Street would be demolished, and the northwest and northeast Street façades would be retained.

The Project was referred to the Design Review Subcommittee of the Historic Landmarks Commission ("HLC") on July 21, 2021. Commissioners questioned whether the two-foot setback along South 4<sup>th</sup> Street for the proposed new construction on the designated City Landmark building was adequate and whether there might be an opportunity to provide a little more relief there with a deeper setback. Refer to the July 21, 2021 DRC Action Minutes included as Attachment A.

In response to the comments received at the DRC meeting, the trellis of the building was brought forward to create a prominent feature at the skyline and details to that feature were added. No changes were made to the proposed setback of the new infill building from the historic facades to be retained.

The Project was also referred to the HLC on September 1, 2021, under the "Early Referral" City Council Policy on the Preservation of Historic Landmarks which is applicable to any designated City Landmark, Contributing Structure in a City Landmark Historic District, building listed in the National Register of Historic Places and/or the California Register of Historical Resources, a Contributing Structure in a National Register Historic District, or a building that qualifies for any of the above based on the applicable City, State, or National qualification criteria. The Early Referral policy applies to the Project because 142-150 East Santa Clara Street is a designated City Landmark and located in the San Jose Commercial Historic District along with 130-134 East Santa Clara Street.

Commissioners inquired about the historic integrity of the building interior and with the first-floor commercial spaces. It was noted that consultant Page and Turnbull completed a review of the interiors, which have been altered, and concluded there are no significant historic interior features remaining. The HLC expressed concern about the proposed demolition of the majority of an individually listed City Landmark building and suggested that the building should be reused. Commissioners commented that the historic first and second floor façades of the City Landmark building would be distinctly different from the new construction of steel and glass infill building proposed to be inserted behind and above the historic facades which creates an incongruous appearance that lacks a harmony of design. The HLC recommended an increase in the setbacks of the new construction from the historic facades, and a reconsideration of the scale, materials, color, rhythm of fenestration and the use of different types of solid textures and materials to bring harmony to the building instead of using solid glass. It was recommended that the new construction should incorporate more compatible materials like brick, stone, cast stone, metal and stucco as seen on the first and second floors of the historic building. Refer to the September 1, 2021 HLC Action Minutes included as Attachment B.

No changes were made to the Project design in response to HLC comments. The applicant stated that the U-shaped property presented significant design challenges for the project and the proposed mass timber building was limited in height to 85 feet to comply with egress and fire safety requirements. The applicant stated that the building program could not be accommodated if the new building were set back a greater distance from the historic building. With regard to the compatibility of materials, the applicant responded that part of the overall façade is glass, but there is a fair amount of line work with the building recesses, balconies, overhangs and setbacks that frame the structure and the support system. He asserted that lines from the neighboring buildings, including canopies and awning lines, were carried over to the new building in the wood and steel and structure lines to create rhythm and strength. In addition, the new materials were selected to avoid false historicism.

#### PROJECT LOCATION AND DESCRIPTION

As shown below in Figure 1, the Project site consists of three lots that form a u-shape and total approximately 0.34-gross acres. The site is located at the southwest corner of the East Santa Clara Street and South 4<sup>th</sup> Street in Downtown San José.

The Project site is designated Downtown under the City's General Plan and has a zoning designation of Downtown Primary Commercial. The site is surrounded by a gas station and commercial uses to the north, San José City Hall to the east, multi-family residential uses to the south and commercial and residential uses to west.

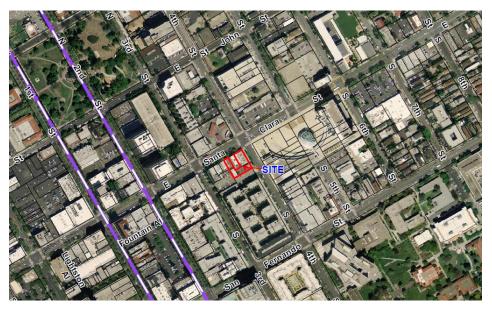


Figure 1: Aerial Map of Project Site Location

As shown below in Figure 2, the Project site includes two parcels that are located within the San José Commercial Historic District. One of these parcels (467-23-035) located at 142-150 East Santa Clara Street is indicated in red because it a designated City Landmark and the subject of the application for the Historic Preservation Permit ("HP Permit").

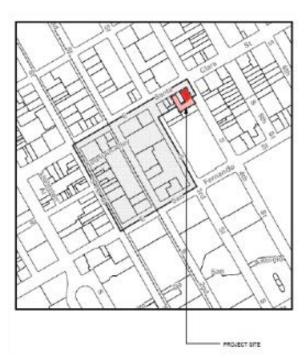


Figure 2: Map Project Site Partially Located in San Jose Commercial Historic District

On May 28, 2021, the applicant, Sunstone QOZB, LLC, applied for a HP Permit to allow the demolition of the south (rear) and west walls, roof, and interior of the building, window and door alterations on the east (South 4<sup>th</sup> Street) elevation, and the removal of the exterior plaster cladding on the north (East Santa Clara Street) and east facades and to allow the construction of a four-and-six story commercial building incorporating the existing street-fronting facades on a City Landmark (HL92-70) located at 142-150 East Santa Clara Street. A visual rendering is included in Figure 3 below and the project plans are included as Attachment C of this report.



Figure 3: Project as viewed from the corner of East Santa Clara and South 4th Streets

#### Treatment of North and East Facades to Remain

Page and Turnbull prepared a Treatment Plan for the proposed repair and rehabilitation of the north and east facades of the City Landmark building to provide supplementary information for the HP Permit. The Treatment Plan includes a condition assessment and treatment recommendations for the building. Refer to Attachment D.

The north and east facades of the building would be temporarily underpinned and shored prior to the construction of below grade concrete foundations and structures and the façade walls would be stabilized with a shotcrete to strengthen the interior faces of the walls. During demolition and construction, engineered shoring would be used to support the retained facades, and would be attached to avoid damage to character-defining features. Appropriate foundation shoring and support would be implemented based on consultation with a structural and/or civil engineer. Historic windows would be protected on both sides from construction-related impact. The design and procedures for shoring, stabilization, and protection of historic fabric would be detailed in the Project's Construction Documents.

The proposed work would remove the existing painted cement plaster on the north and east facades and expose and rehabilitate the brick masonry walls. Preservation and rehabilitation of the brick to be exposed is described in the Treatment Plan which recommends an evaluation of the feasibility of removing the cement plaster from the exterior and an assessment of the condition of the brick and mortar prior to proceeding with wholesale removal of the system. With the exception of this work, the character-defining features of the City Landmark façades would be repaired and rehabilitated. The building's character-defining features are outlined in the Historic Resource Description section of this report.

The existing three-bay spacing of the storefronts would be retained on the East Santa Clara Street façade and replacement display windows and recessed entrances with glazed doors and rectangular transoms would be installed as illustrated in Figure 4. Two new openings would be added to the southern portion of the retained façade along South 4<sup>th</sup> Street including a glazed entrance to access the commercial tenants' lobby space. On the north side of the South 4<sup>th</sup> Street façade, a broad display window consisting of eleven large rectangular lights would be added provide light and visibility to the ground-floor retail spaces as illustrated in Figure 5. New signage is proposed on the East Santa Clara Street façade that would align with the cornice capping the historic building transom.



Figure 4: Project as viewed from East Santa Clara Street

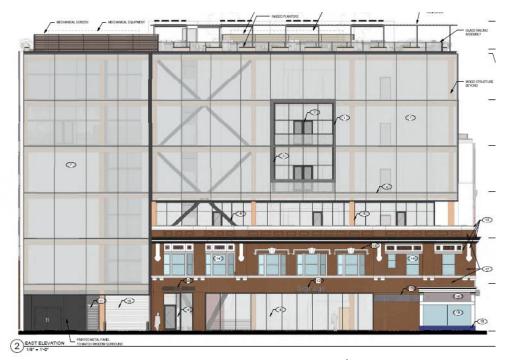


Figure 5: Project as viewed from South 4th Street

#### **New Construction**

The proposed work includes the construction of a new building behind the existing north and east facades of the City Landmark. The new construction would extend vertically from the retained façades and would have a rooftop terrace. The new building would feature contemporary materials and design elements to distinguish new construction from the historic building. At the third story, the new construction would be set back from the plane of the historic façades by approximately 12 feet along East Santa Clara Street and 5 feet along South 4<sup>th</sup> Street where outdoor balcony space is located. Smaller outdoor balcony spaces would be located at the second, fourth, and fifth stories. The fourth through sixth stories project forward and would be set back from the historic façades by approximately five feet along East Santa Clara Street, and two feet along South 4<sup>th</sup> Street.

#### **Historic Resource Description**

The building at located at 142-150 East Santa Clara Street is a designated City Landmark (Figure 6 and Figure 7). The City Council designated the State Meat Market Building a City Landmark in 1992 (HL92-70, Resolution No. 63845) based on its historical, cultural and architectural significance. The building qualified for landmark designation because it exemplifies the local, regional, state, or national history, heritage or culture within the theme of commerce during the City's Horticultural Era (1870-1918), it is identified with the work of Frank D. Wolfe, a prominent architect of the firm Wolfe and Higgins and the State Meat Market was the first of a chain of 477 markets established outside of San Francisco by the Kwong-Low Clan. The period of significance for its architectural association is 1915, and the period of significance for its historical association with the State Meat Market is 1934 -1985. The building is also a contributor to the Downtown Commercial Historic District, which was listed in the NRHP in 1983.



Figure 6: City Landmark as viewed from East Santa Clara Street

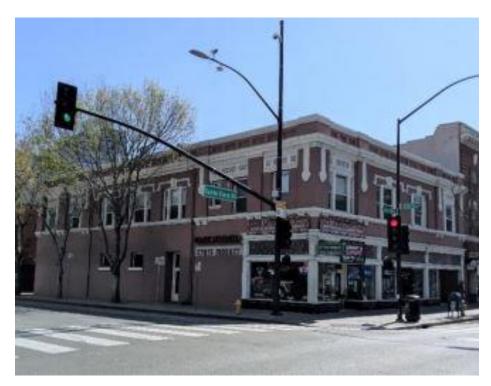


Figure 7: City Landmark as viewed from the corner of East Santa Clara Street and South 4th Street

The Treatment Plan prepared by Page and Turnbull states that permit records on file at the City of San Jose for 142-150 East Santa Clara Street date only to 1981, when the interiors of the second-floor residential units were remodeled. Seismic retrofitting of the building was undertaken in 1992, under permit 930-935. Though the original location of the storefront entries is not documented in building permit history or historic photographs identified to date, it is apparent through review of historic photographs that the entrance to unit 150 was at one time immediately adjacent to the northeast corner of the building. By 2005, this entrance had been centered within the storefront for its commercial unit. The street-facing facades on East Santa Clara Street and South 4<sup>th</sup> Street were rehabilitated in 2005 (funded by a City of San Jose Redevelopment Agency façade improvement grant). That project included repairing damaged masonry and cement plaster areas, repainting cement plaster cladding, rehabilitation of the leaded glass transom, replacing storefronts with compatible wood-frame storefront systems, repairing extant second-story wood-frame windows, configuring storefront entrance curbs and slabs for pedestrian access, and installing porcelain tile entrance thresholds. The partial "State Market" sign on the South 4<sup>th</sup> Street façade was retained and rehabilitated in accordance with HLC requirements. Repainting of the "State Market" sign was completed in 2006, under a separate permit.

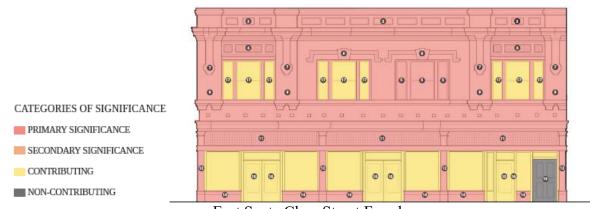
Comparing existing conditions with historic images, it appears that the second floor of the building retains all character-defining features with minimal alteration from what was likely their original appearance. Most original wood sash windows have been replaced with vinyl sashes, but replacements appear to have been incorporated into the original openings angled window bays. The first-floor storefronts were replaced entirely in 2005 and are compatible with the building's historic character, but do not consist of original materials. The original entry locations are not known, as the earliest available photograph of the property which clearly depicts the primary façade dates to the late 1970s.

The majority of the building's character-defining features are associated with its historic architecture and include the following:

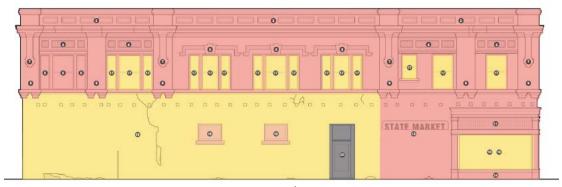
- Two-story, rectangular massing with flat roof
- Brick masonry construction
- Prominent molded cornice and tall parapet with a series of recessed panels
- Second-story fenestration pattern on primary façade, consisting of four, evenly spaced second floor recessed slanted bay windows with decorated lintels and pendant decoration at end windows, and label molding and large keystones at center windows
- Second-story fenestration pattern on northeast façade, consisting of two slanted bay windows
  with decorative lintels at the southeast end, three slanted bay windows with label molding
  and large keystones at the center of the second story, and two window bays with decorative
  lintels at the northwest end
- Original double-hung wood windows with ogee lugs at two bays
- Wide second-story pilasters resting on continuous sill, extending through cornice and parapet, present on both primary (northwest) and southeast façade
- Configuration of three ground-floor storefronts with recessed entries and large plate-glass display windows (current materials are not character-defining)
- Continuous transom over three ground floor storefronts at the primary (northwest) façade and a portion of the northeast façade, composed of small square corrugated, solarized glass lights (includes replacement materials from 2005 rehabilitation)
- Square pilasters with simple capitals between ground floor storefront bays
- Glazed tile bulkhead (includes replacement materials from 2005 rehabilitation)
- Painted "State Market" sign at northeast side of southeast façade, is associated with the building's operation as the State Meat Market.

One extant character-defining feature, the remnant of a portion of the painted "State Market" sign at northeast side of southeast façade, is associated with the building's operation as the State Meat Market.

Figure 5 below illustrates the significance and contributing or non-contributing status of features on the existing building.



East Santa Clara Street Facade



South 4<sup>th</sup> Street Facade

Figure 5: Significance and contribution of features on the north and east facades

#### **ANALYSIS**

The HP Permit application is analyzed with respect to conformance with: 1) the Envision San José 2040 General Plan; 2) Historic Preservation Ordinance; and 3) Approved Guidelines and Standards (Secretary of Interior's Standards for Rehabilitation and the Downtown San Jose Historic District Design Guidelines).

#### **Envision San Jose 2040 General Plan Conformance**

#### 1. Land Use/Transportation Diagram

The Envision San José 2040 General Plan Land Use/Transportation Diagram designation for the subject site is Downtown. This designation supports a range of uses and redevelopment at high intensities such as hotel, office, retail, residential and entertainment uses in the Downtown designation. Downtown development is intended to enhance the "complete community" by supporting pedestrian access, bicycle circulation, and increasing transit ridership.

Analysis: The commercial office and retail uses planned for the Project would be in conformance with the General Plan designation of San José Downtown.

#### 2. General Plan Policies

The Project **conforms or partially conforms** with the following Envision San José 2040 General Plan policies:

a. <u>Land Use Policy LU-13.1:</u> Preserve the integrity and fabric of candidate or designated Historic Districts.

Analysis: The Project site intersects with the National Register listed Downtown Commercial Historic District and includes a noncontributing building at 130-134 East Santa Clara Street and a district contributor and designated City Landmark at 142-150 East Santa Clara Street. The proposed new building at 130-134 East Santa Clara Street would enliven the street frontage by replacing a heavily altered noncontributing building with a visually interesting commercial building with an appropriate storefront at the street level. Those aspects of the street-facing façades of 142-150 East Santa Clara Street which contribute to the historic district's character – including its storefronts, second-story fenestration patterns and ornamentation, cornice, and parapet, would be substantially retained. The building would retain its eligibility as a contributor to the Downtown Commercial Historic District. Though noticeably different in scale and materials from the retained two-story historic masonry façades of 142-150 East Santa

- Clara Street, the proposed six-story building would visually bookend the east end of the district's span along East Santa Clara Street, providing a transition between the early twentieth century commercial architecture of nearby district contributors
- b. <u>Land Use Policy LU-13.3</u>: For landmark structures located within new development areas, incorporate the landmark structures within the new development as a means to create a sense of place, contribute to a vibrant economy, provide a connection to the past, and make more attractive employment, shopping, and residential areas.
  - Analysis: The Project would retain the circa 1913-1915 two-story façade of 142-150 East Santa Clara Street and would rehabilitate the three existing commercial storefronts facing East Santa Clara Street for continued retail use. These three pedestrian-focused storefronts would continue the ground-floor commercial use which has characterized the building's primary façade since its construction. Expansive glazing at the historic storefront locations, as well as on the northeast façade and new upper stories would provide transparent interfaces between outdoor and indoor spaces. The proposed upper stories would increase the commercial use capacity of the site, while retaining the distinctive historic façades which include the majority of the building's character-defining features. Through use of contemporary materials and design vocabulary, new elements of the proposed project would be clearly differentiated from the historic building. Nonetheless, the Project would only retain the façades of the original building, with entirely new construction within, behind, and above these two exterior walls. Thus, the project is considered "facadism" as identified as identified in the City of San Jose's Design Guidelines for Adaptive Reuse.
- c. <u>Land Use Policy LU-13.4</u>: Require public and private development projects to conform to the adopted City Council Policy on the Preservation of Historic Landmarks.
  - Analysis: The Project was referred to the Design Review Committee (DRC) of the HLC for comment on July 21, 2021 and to the HLC on September 1, 2021, as outlined in the Background section of this staff report. In response to the comments received at the DRC meeting, the trellis of the building was brought forward to create a prominent feature at the skyline and details to that feature were added. No additional changes were made to the Project design in response to comments made by the full HLC at a subsequent meeting. The applicant stated that the U-shaped property presented significant design challenges for the project and the proposed mass timber building was limited in height to 85 feet to comply with egress and fire safety requirements. The applicant stated that the building program could not be accommodated if the new building were set back a greater distance from the historic building. With regard to the compatibility of materials, the applicant responded that part of the overall façade is glass, but there is a fair amount of line work with the building recesses, balconies, overhangs and setbacks that frame the structure and the support system. He asserted that lines from the neighboring buildings, including canopies and awning lines, were carried over to the new building in the wood and steel and structure lines to create rhythm and strength. In addition, the new materials were selected to avoid false historicism.
- d. <u>Land Use Policy LU-13.7:</u> Design new development, alterations, and rehabilitation/ remodels within a designated or candidate Historic District to be compatible with the character of the Historic District and conform to the Secretary of the Interior's Standards for the Treatment of Historic Properties, appropriate State of California requirements regarding historic buildings and/or structures (including the California Historic Building Code) and to applicable historic design guidelines adopted by the City Council.

Analysis: The proposed infill façade at 130-134 East Santa Clara Street would be contemporary in its materials and design, while responding to the proportions and alignments of neighboring district contributors. The ground-floor retail storefront would share the composition of neighboring storefronts, with an entry flanked by broad rectangular display windows and topped by a wide transom. Horizontal elements at the second and third stories of the proposed primary façade, including visible floorplates, balconies, sills, and signage, would align with and refer to horizontal elements such as belt courses and cornices of the neighboring two- and three-story buildings. The pedestrian-focused retail storefront, second- and third-story recessed balconies, and visible mass timber framing of the infill façade would enliven the block and provide visual interest that is compatible with the commercial uses which dominate the ground floors of neighboring district contributors. Further, the proposed building at 130-134 East Santa Clara Street is distinctly urban in its massing and details, appropriate to the dense, mixed-use character of the district. The proposed new six-story building at 142-150 East Santa Clara Street would replace the interior structure, roof, and two facades of the historic building and remove all interior elements and two exterior façades of the historic building, resulting in irreversible alteration to the historic building fabric. While its glass exterior and visible timber framing provide contemporary approaches to the use of materials compatible with historic buildings, the new construction would be visibly larger than the original building and would not relate stylistically or materially to the design of the historic building at 142-150 East Santa Clara Street. The additional stories would create a significant change in the overall visual impression of the property and its environment and would not fully conform with the Secretary of the Interior's Standards for the Treatment of Historic Properties.

- e. <u>Land Use Policy LU-13.15</u>: Implement City, State, and Federal historic preservation laws, regulations, and codes to ensure the adequate protection of historic resources.
  - Analysis: An application was made for an HP Permit which has been processed in conformance with Chapter 13.48 (Historic Preservation) of the San José Municipal Code, and a Supplemental Environmental Impact Report ("SEIR") was prepared for the Project, which was analyzed in conformance with the California Environmental Quality Act ("CEQA"). The Project was evaluated for conformance with the Secretary of the Interior's Standards for the Treatment of Historic Properties, which are federal guidelines implemented on the local level.
- f. <u>Land Use Policy LU-13.22</u>: Require the submittal of historic reports and surveys prepared as part of the environmental review process.
  - Analysis: Page and Turnbull prepared four reports for the Project as part of the historic preservation and environmental review process including historic resource evaluations for 130-134 East Santa Clara Street and 17-19 South 4<sup>th</sup> Street, Treatment Report for 142-150 East Santa Clara Street and Project Analysis.

The project **does not conform** with the following Envision San José 2040 General Plan policies:

g. <u>Land Use Policy LU-13.2</u>: Preserve candidate or designated landmark buildings, structures and historic objects, with first priority given to preserving and rehabilitating them for their historic use, second to preserving and rehabilitating them for a new use, or third to rehabilitation and relocation on-site. If the City concurs that no other option is feasible, candidate or designated landmark structures should be rehabilitated and relocated to a new site in an appropriate setting.

h. <u>Land Use Policy LU-13.6</u>: Ensure modifications to candidate or designated landmark buildings or structures conform to the Secretary of the Interior's Standards for Treatment of Historic Properties and/or appropriate State of California requirements regarding historic buildings and/or structures, including the California Historical Building Code.

Analysis for "a" and "b": Professional evaluation of the Standards and Guidelines by Page and Turnbull and the Historic Preservation Officer concluded that the Project would not conform with five of the ten Standards (Standard 1, 2, 5, 9, and 10) relative to the historic building at 142-150 East Santa Clara Street due to the proposed removal of the building's interior structure, the roof, and southeast and southwest façades, and construction of a six-story heavy timber and glass commercial building within historic building's footprint. The Project would not fully conform with the Guidelines for additions and rehabilitation because the scale of the proposed addition to 142-150 East Santa Clara Street would significantly increase its height, and would require the removal of the majority of the original structure, retaining only two historic façades. As a result, the Project would diminish the significance and historic integrity of 142-150 East Santa Clara Street.

The Envision San Jose 2040 General Plan includes "Focused Growth" as a major strategy and Downtown is designated as a Growth Area which promotes intensification in this area. The General Plan also includes Destination Downtown as a major strategy and supports focused growth downtown. Ambitious job and housing growth capacity is planned for the Downtown supported by regional transit systems and the development of Downtown as a regional job center. The SEIR for the Envision San Jose 2040 General Plan disclosed that intensification of the Downtown could result in the demolition of historic resources and a cumulative impact was identified and mitigation measures adopted. The significant impact of the Project on the historic district is analyzed in the SEIR to disclose specific project impacts. CEQA requires the decisionmaking agency to balance, as applicable, the economic, legal, social, technological, or other benefits, including region-wide or statewide environmental benefits, of a proposed project against its unavoidable environmental risks when determining whether to approve the project. If the specific economic, legal, social, technological, or other benefits, including region-wide or statewide environmental benefits, of a proposed project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered "acceptable," and the City Council may adopt a statement of overriding consideration and also approve the Historic Preservation Permit.

#### **Zoning Ordinance Conformance**

The Project site is in the Downtown Primary Commercial area and the DC Downtown Core Zoning District which provides for a broad range of mixed-use, high intensity development including residential, commercial, retail and entertainment uses.

Analysis: The commercial office and retail uses planned for the Project are consistent with the zoning designation for the subject site.

#### **Historic Preservation Ordinance**

In taking action on a HP Permit application, Section 13.48.240(A) of the Historic Preservation Ordinance states that the decision-making body shall consider the following:

1. The comments of the Historic Landmarks Commission and all evidence presented at the public hearings;

- 2. The historic architectural value and significance of the landmark or district;
- 3. The texture and materials of the building in question, and the relationship of such features to similar features of other buildings within a historic district;
- 4. The position of such buildings within a historic district;
- 5. The position of such buildings in relation to the public right-of-way and other buildings on the site.

These items have been considered and incorporated into the below analysis within the context of the application standards and guidelines.

#### Secretary of Interior's Standards for the Treatment of Historic Properties

The Historic Preservation Ordinance (Section 13.48.250) states that in making the required findings, the application shall be reviewed in accordance with the approved standards and guidelines. Page and Turnbull evaluated the Project for consistency with the Secretary of the Interior's Standards for Rehabilitation (Standards) in the Project Analysis report (refer to Attachment E). The intent of the Standards is to assist the long-term preservation of the significance of an historic resource through the preservation of historic materials and features.

Page and Turnbull concluded that the Project would conform with five of the ten Standards. The work would conform with Standards 3, 4, 6, 7 and 8. The Project would not conform with Standards 1, 2, 5, 9, and 10. Detailed conformance analysis with each Standard is outlined below.

## Standard 1: A property shall be used for its historic purpose or be placed in a new use that requires minimal change to the defining characteristics of the building and its site and environment.

Analysis: The subject property has been continuously used as a commercial and residential building, for which it was originally constructed. Proposed alterations seek to continue use of the ground-floor commercial storefronts, and to change the upper story use from residential to commercial with the construction of a new six-story commercial space behind the retained façades. The storefronts facing East Santa Clara Street, including the existing recessed entrances and glass tile transom, would be retained for commercial use. Addition of a lobby entrance and broad display windows at the south side of the northeast façade would introduce new elements to the remaining historic portion of the building, with a contemporary style compatible with the new construction and differentiated from the historic fabric. A portion of the building to the southeast of the existing historic building would extend the glazed walls to the second floor.

While retaining many of the aspects of its historic character related to the ground-floor commercial use at the historic northwest façade, the construction of a new six-story commercial building, and alteration of the retained façades with a ground-floor lobby entrance and display windows facing South 4th Street, would significantly change the appearance of the historic resource and its environment. As designed, the proposed project would not be in compliance with Rehabilitation Standard 1.

Standard 2: The historic character of a property shall be retained and preserved. The removal of historic materials or alteration of features and spaces that characterize a property shall be avoided.

Analysis: As noted in discussion of Standard 1, the proposed project includes the construction of a six-story commercial building within and adjacent to the existing footprint of the historic building at 142-150 East Santa Clara Street. The majority of character-defining features, including storefronts, fenestration patterns, and decorative elements, which are located on the northwest and northeast façades of the building, would be retained as part of the proposed project. Though proposed additional glazing at the south portion of the northeast façade would not obscure or remove character-defining features, this alteration would change the character of the building as viewed from South 4th Street. Proposed removal of the plaster cladding from the northeast and northwest façades would remove historic material that is a character-defining feature of the property. In addition, the building's two-story massing is a character-defining feature of the historic building,

which conveys its early 20th-century design and mixed commercial and residential use. Thus, the increase in height of development at the site from two to six stories would change this aspect of its historic character. Further, removal of the interior structure, roof, and southwest and southeast façades would effectively leave only two original façades, which could no longer be considered to constitute a building. While the interior structure, southwest and southeast façades, and roof do not possess distinctive design elements, they do contribute to the status of 142-150 East Santa Clara Street as a building, which is integral to its historic significance. As designed, the proposed project would <u>not</u> be in compliance with Rehabilitation Standard 2.

Standard 3: Each property shall be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or architectural elements from other buildings, shall not be undertaken.

Analysis: As designed, the proposed project would not create a false sense of historic development. No conjectural features or elements from other properties are proposed to be added to the historic building at 140-150 East Santa Clara Street. All new construction would be visually distinct in materials and style from the retained portions of the historic building and would be clearly distinguishable from the original. Therefore, the proposed project would be in compliance with Rehabilitation Standard 3.

## Standard 4: Most properties change over time; those changes that have acquired historic significance in their own right shall be retained and preserved.

Analysis: The historic features of the property at 142-150 East Santa Clara Street include the characteristics of the ca. 1913-1915 commercial and residential building, as well as the painted "State Market" sign remnant at the northeast façade, associated with its ground floor use by the State Meat Market between 1934 and the mid-1980s. Aside from this sign, which will be retained and preserved, no previous alterations to the building have gained significance in their own right. Therefore, the proposed project would be in compliance with Rehabilitation Standard 4.

## Standard 5: Distinctive features, finishes, and construction techniques or examples of craftsmanship that characterize a historic property shall be preserved.

Analysis: As designed, the proposed project would retain and rehabilitate the most prominent materials, features, finishes and construction techniques on the two street-facing façades of the subject building. These include the ground-floor glazed storefronts with glazed tile bulkhead and glass tile transom, pilasters segmenting the storefront bays, second-story fenestration pattern and window forms, window bay ornamentation, and distinctive cornice and parapet. Alterations

to the historic façades would include addition of a new entrance and broad area of glazing at the south portion of the northeast façade. This would replace some original masonry wall and two original punched openings. Proposed removal of the plaster cladding from the northeast and northwest façades would remove a historic finish material that is a character-defining feature of the property. All historic materials constituting the interior structure of the building, as well as its southwest and southeast façades and roof, would be removed as part of the proposed project. Though lacking in architectural detail or distinction, these rear and side façades and the building's interior structure contribute to its character-defining massing, materials, and historic commercial and residential uses. As designed, the proposed project would not be in compliance with Standard 5.

Standard 6: Deteriorated historic features shall be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature shall match the old in design, color, texture, and other visual qualities and, where possible, materials. Replacement of missing features shall be substantiated by documentary, physical, or pictorial evidence.

Analysis: Proposed repairs to distinctive materials and historic features present on the retained northeast and northwest façades would prioritize retention of original materials wherever possible. Limited replacement in-kind would be used only where necessary due to deterioration. The existing storefront systems, including display windows, doors, and individual entry transoms, are not original to the building, as they were installed as part of the 2005 rehabilitation. Thus, replacement of these storefront systems in-kind would not constitute replacement of historic materials. Similarly, only two sets of windows within the second-story window bays at the northwest and northeast façades appear to be original. Replacing the other, non-original windows within the original openings would not constitute replacement of historic materials. Therefore, the proposed project would be in compliance with Rehabilitation Standard 6.

Standard 7: Chemical or physical treatments, such as sandblasting, that cause damage to historic materials shall not be used. The surface cleaning of structures, if appropriate, shall be undertaken using the gentlest means possible.

Analysis: The Treatment Plan prepared by Page and Turnbull recommends that treatments applied to the retained historic northeast and northwest façades should be undertaken using the gentlest means possible to avoid damage to historic materials. The proposed conditions of approval of the Historic Preservation Permit would require that the facades of the City Landmark building shall be preserved and rehabilitated in accordance with the Historic Treatment Report prepared by Page and Turnbull and dated December 3, 2021. Therefore, the proposed project would be in compliance with Rehabilitation Standard 7.

Standard 8: Significant archeological resources affected by a project shall be protected and preserved. If such resources must be disturbed, mitigation measures shall be undertaken.

Analysis: The Project will include excavation for site preparation and construction of a partial basement. If archaeological deposits are discovered during demolition or site construction, the Project would be in compliance with Rehabilitation Standard 8 as long as standard discovery procedures and Best Management Practices outlined by the City of San Jose as condition of approval and part of the mitigation monitoring and reporting program are followed.

Standard 9: New additions, exterior alterations, or related new construction shall not destroy historic materials that characterize the property. The new work shall be differentiated from the old and shall be compatible with the massing, size, scale, and architectural features to protect the historic integrity of the property and its environment.

Analysis: The As noted in the discussion of Standards 1 and 2, proposed alterations include construction of a six-story mass timber commercial building within the footprint of the existing historic building at 142-150 East Santa Clara Street. The distinctive features of the northwest and northeast façades of the historic building would be preserved. Its interior structure, including all walls, vertical supports, and floor plates, as well as the southwest and southeast façades, would be demolished to accommodate the proposed new construction. The completed new six-story commercial building would rise four stories higher than the retained two-story historic façades. A fully new six-story portion with a vehicle passageway at the ground floor would extend from the south corner of the retained northeast façade.

The proposed appearance of the six-story commercial building at the site of 142-150 East Santa Clara Street is a broadly glazed rectilinear structure designed to visually highlight the interior mass timber framing. At its third story, the proposed building would feature an approximately 12-footdeep recess at its northwest facade and five-foot-deep recess at its northeast facade to provide a visual distinction between the historic and new portions of the building. This recess would be present only at the third story; the building facades would step out again for the fourth through sixth stories, though not fully to the plane of the historic building's northwest and northeast façades. The fourth-through sixth-story façades of the six-story building would be stepped back approximately five feet from the plane of the historic northwest façade, and two feet from the plane of the historic northeast façade. As visually permeable surfaces, the glass curtain walls of the upper four stories would allow the solidity of the historic brick façades at the first and second stories to remain visually prominent when observed from East Santa Clara or South 4th streets. The appearance of regular bays that would be provided by the segmentation of the proposed project's curtain wall and by the visible interior mass timber framing would provide a reference to the regular, repetitive upper-story bays of the retained façades. Recessed balcony openings at the fourth and fifth stories on each of the northeast and northwest façades would break up the solidity of the curtain walls, and are framed with neutral colors to allow the historic façades to remain the visual focus at this corner. Proposed new openings and signage would respect the existing ground-floor alignment of the building's historic storefronts.

The distinctive northwest and northeast façades of 142-150 East Santa Clara Street will remain predominantly intact. The proposed new construction has been designed to refer to the building's historic character, and to allow the retained character-defining features to remain visually prominent. However, the altered building will be distinctly different in overall character from its current and historic appearance. The contemporary design of the new six-story commercial building, four stories of which would be visible at the exterior above the retained historic street façades and would connect to the northeast façade at the ground level, does not relate stylistically or materially to the design of the historic building. The additional stories would create a significant change in the overall visual impression of the property and its environment. Therefore, the proposed project would not be in compliance with Rehabilitation Standard 9.

Standard 10: New additions and adjacent or related new construction shall be undertaken in such a manner that if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.

Analysis: While removal of the proposed six-story building in the future would return the retained façades to their original two-story appearance, the essential form and integrity of the building would be compromised by the absence of all interior structural elements and southwest and southeast façades. What would remain after removal of the proposed new construction could no longer function or be identified as a building. Therefore, the proposed project as designed would not be in compliance with Rehabilitation Standard 10.

#### Downtown San Jose Historic District Design Guidelines

The Project was also evaluated by Page and Turnbull for conformance with the Downtown San José Historic District Design Guidelines in the Project Analysis report (Attachment E). The Downtown San José Historic District Design Guidelines (Guidelines) were developed to ensure that the district's character-defining settings and design elements are retained and enhanced by planned infill and alteration projects and include design goals, principles, and guidelines for infill projects, additions to historic buildings and rehabilitation and adaptive reuse.

The report concluded that the Project would substantially adhere to the principles and guidelines for infill development within the Downtown Commercial Historic District. The Project would conform with the guidelines for Building Height, Massing, Openings, Entries, Exterior Materials, Ground Floors, Setbacks and Parking. The Project would partially conform with the guidelines for Façade and Rear Façade and the guidelines for Corner Element, Pedestrian Passageways and Vehicular Access are not applicable. The primary façade of the building would provide an appropriately proportioned commercial storefront and would respect the proportions of neighboring district contributors while providing a visually distinctive addition to the streetscape.

The report concluded that the Project would partially adhere to the guidelines for additions to historic buildings. It would allow all character-defining features of the retained street-facing northeast and northwest façades to remain largely intact and unobscured, contributing to the street-level visual continuity of the district contributors on the south side of East Santa Clara Street between South 3<sup>rd</sup> and South 4th Streets. However, the proposed new six-story building to be constructed behind the retained facades of 142-150 East Santa Clara Street would dramatically increase the height of the overall building to become the tallest structure on its block frontage and the second tallest in the district overall. The resulting building would be lower only than the 13-story, Bank of Italy building and anchors the district at its west end. Further, as discussed above regarding the Secretary of the Interior's Standards for Rehabilitation, the proposed new construction would require removal of the roof, interior structure, and two façades of 142-150 East Santa Clara Street. The historic resource would essentially lose its status as an individual building, and its eligibility for continued listing as a City Landmark would be compromised.

The report concluded that the Project would partially meet the City of San Jose's goals, and partially adheres to the principles and guidelines for rehabilitation and adaptive reuse with respect to the historic building at 142-150 East Santa Clara Street. The project would retain and rehabilitate the two façades bearing the majority of character defining features at this district contributor and City Landmark. Alterations developed to facilitate the expanded commercial use of the building would not obstruct the features of the historic façades. Preservation and rehabilitation of these features would prioritize the retention and repair of historic materials wherever possible, with in-kind replacement of historic materials when necessary. Non-original features such as the current storefront systems, installed in 2005, would be replaced with compatible materials and styles. Overall, the Project seeks to retain the visual aspects of 142-150 East Santa Clara Street which contribute to the historic character and visual continuity of the Downtown Commercial Historic District. As with the discussion of the Secretary of the Interior's

Standards for Rehabilitation, the areas where the Project does not adhere to the City of San Jose's guidelines for Rehabilitation and Adaptive Reuse in the Downtown Commercial Historic District are in its proposed removal of the interior structure, roof, and southwest and southeast façades of the historic building. These alterations would cause the historic resource to essentially lose its status as an individual building, and its eligibility for continued listing as a City Landmark would be compromised.

#### **Findings**

Section 13.48.240(B) of the Historic Preservation Ordinance requires that the work will not be detrimental to a historic district or to a structure or feature of significant architectural, cultural, historical, aesthetic, or engineering interest or value, and the work is consistent with the spirit and purposes of the Historic Preservation Ordinance.

In making these findings Section 13.48.250 the Historic Preservation Ordinance states the HP Permit application shall be reviewed in accordance with the approved standards and guidelines. The Secretary of the Interior's Standards for Rehabilitation (Standards) and the Downtown San José Historic District Design Guidelines are applicable to the Project. As outlined in the body of this report and the attached reports prepared by Page and Turnbull, the Project would not conform with five of the ten Standards (Standard 1, 2, 5, 9, and 10) relative to the historic building at 142-150 East Santa Clara Street due to the proposed removal of the building's interior structure, the roof, and southeast and southwest façades, and construction of a six-story heavy timber and glass commercial building within historic building's footprint. The Project would not fully conform with the Guidelines for additions and rehabilitation because the scale of the proposed addition to 142-150 East Santa Clara Street would significantly increase its height, and would require the removal of the majority of the original structure, retaining only two historic façades. As a result, the Project would diminish the significance and historic integrity of 142-150 East Santa Clara Street. The remaining two façades could no longer be considered a building and the Project would compromise its individual listing on the National Register, California Register, and San José Historic Resources Inventory as a City Landmark to the extent that it would lose its eligibility as a City Landmark.

General Plan historic preservation land use policies LU-13.2 and LU13.6 envisage the preservation and rehabilitation of designated City Landmarks and project conformance with Secretary of the Interior's Standards for Treatment of Historic Properties when modifications are proposed. Section 13.48.010 of the Historic Preservation Ordinance states that the purposes of the ordinance are to carry out the goals and policies of the city's general plan; increase cultural, economic and aesthetic benefits to the city and its residents; preserve, continue and encourage the development of the city to reflect its historical, architectural, cultural, and aesthetic value or tradition; and to protect and enhance the city's cultural and aesthetic heritage. The Project does not conform with the Standards and Guidelines or General Plan historic preservation land use policies LU-13.2 and LU13.6 and would not protect and enhance the cultural and aesthetic heritage of the City Landmark. Therefore, the required findings in Section 13.48.240(B) cannot be made that the Project would not be detrimental to the City Landmark at 142-150 East Santa Clara Street and the work is consistent with the spirit and purposes of the Historic Preservation Ordinance.

#### Hardship

Section 13.48.260 of the Historic Preservation Ordinance states that if the City Council is unable to make the findings required under Section 13.48.240 for issuance of a HP permit (either with or without conditions), the City Council may nevertheless issue a HP permit (either with or without conditions) if it finds that denial of the HP permit would cause immediate and

substantial hardship on the applicant because development in accordance with the chapter is infeasible from a technical, mechanical, structural or economic standpoint. Since the required findings required under Section 13.48.240 cannot be made as outlined above, the applicant submitted the following evidence to support a claim of structural and economic hardship which is outlined in more detail in Attachment F.

The applicant submitted an Economic Hardship report - Economic and Technical Viability of Historic Rehabilitation - dated December 3, 2021. The report analyzes the economic feasibility of fully renovating the City Landmark building, as well as the technical feasibility given the level of expenditure required in light of the potential use. The applicant asserts that current use is constrained by its layout, as well as the Ellis Act and other regulations. The applicant proposes the preservation and structural reinforcement of building's façades and an expansion of the total square footage and asserts that the increased square footage generates economies of scale by spreading the cost across a larger building and this generates an economically feasible project.

The report includes a letter from DCI Engineers which reviewed the existing building and drawings produced from a seismic upgrade by BMP Construction Inc. in 1992. The DCI Engineers letter states the existing building does not meet current building code requirements, including overall seismic stability as well as localized resiliency of elements. The letter states that the gravity frame of the building is comprised of wood joists spanning to steel beams supported on interior steel columns and perimeter Unreinforced Masonry (URM) brick walls and these walls also provide the lateral stability on three sides of the building. The engineers letter states that URM shear walls are not allowed in current building codes and can experience significant damage during a seismic event due to the lack of reinforcing and ductility required in modern codes.

The engineers letter states that there is no property line offset between the building and the adjacent building to the south and assert that the two buildings could experience "pounding" during a major seismic event. The letter states that the seismic upgrade that occurred circa 1992 appears to have addressed the façade stability and soft story along East Santa Clara Street; however, this upgrade did not address the property line and pounding issue and the engineers assert that there is no way for a seismic upgrade to resolve the property line offset issue by simply strengthening the existing structure. The engineers assert that existing URM wall would need to be removed and replaced with a new structure that provides the necessary gap between the buildings. This would require substantial modifications to the roof framing, second floor framing, the existing façade and foundations, essentially rebuilding a large portion of the building.

The engineers assert that new foundations would be required to support these improvements which includes underpinning the neighboring property's foundation which would add substantial cost and complexity to the upgrades. The applicant concluded that there are significant technical challenges to a structural renovation of the building and the net effect of doing so would necessitate changes that are incompatible with the Secretary of the Interior Standards and would incur an unreasonable cost in light of the feasible uses of the property.

If the City Council is unable to make the required findings required under Section 13.48.240 for issuance of a HP permit that that the work will not be detrimental to a historic district and the work is consistent with the spirit and purposes of the Historic Preservation Ordinance, the City Council may nevertheless issue a HP permit under Section 13.48.260 of the Historic Preservation Ordinance if it finds that denial of the HP permit would cause immediate and substantial hardship on the applicant because development in accordance with the chapter is infeasible from a technical, mechanical, structural or economic standpoint.

The draft approval conditions for the Historic Preservation Permit (File No. H21-005) are outlined below for HLC comment.

#### APPROVED SUBJECT TO THE FOLLOWING CONDITIONS:

- 1. **Historic Preservation Permit Limitations.** This Historic Preservation Permit does not authorize any land uses. Land uses are separately regulated by Title 20 of the San Jose Municipal Code (Zoning Ordinance).
- 2. **Acceptance of Permit.** Per Section 13.48.270(D), should the permittee fail to file a timely and valid appeal of this Permit within the applicable appeal period, such inaction by the permittee shall be deemed to constitute all of the following on behalf of the permittee:
  - a. Acceptance of the Permit by the permittee; and
  - b. Agreement by the permittee to be bound by, to comply with, and to do all things required of or by the permittee pursuant to all of the terms, provisions, and conditions of this permit or other approval and the provisions of Chapter 13.48 applicable to such Permit.
- 3. **Facade Retention**. The design and procedures for shoring, stabilization, and protection of historic fabric shall be detailed in the Project's Construction Documents and provided to the Historic Preservation Officer for review and approval prior to issuance of building permit.
- 4. **Treatment Plan**. The facades of the City Landmark building shall be preserved and rehabilitated in accordance with the Historic Treatment Report prepared by Page and Turnbull and dated December 3, 2021.
- 5. **Exterior Plaster Cladding**. The existing cement plaster cladding on the exterior of the building shall only be removed following a condition assessment of the underlying brick and mortar. A plan for assessing the underlying conditions and the feasibility of the wholesale removal of the exterior plaster cladding shall be prepared by a qualified historic architect and reviewed and approved by the Historic Preservation Officer prior to the initiation of any such work.
- 6. **Conformance to Plans.** Construction and development shall conform to the conditions in this Historic Preservation Permit, and plans, entitled "SuZaCo Site Development Permit Application," dated January 12, 2022, last update dated October 3, 2022, on file with the Department of Planning Building, and Code Enforcement. If there are inconsistencies among the Permits and the plans, this Permit take precedence.
- 7. **Timing.** No work on the buildings may be implemented unless and until this Historic Preservation Permit is released to the Building Division.
- 8. **Building Permit.** Obtainment of a Building Permit is evidence of acceptance of all conditions specified in this document and the applicant's intent to fully comply with said conditions.
- 9. **Plan and Report Modifications.** Any modifications to the approved plans and Historic Treatment Report will require a Historic Preservation Permit Amendment or Adjustment at the discretion of the Director of Planning.
- 10. **No Signage Approval.** Any signage shown on the Approved Plan Set is conceptual only. Signs are subject to review and approval through the submittal of a Sign Permit application (Permit Adjustment) <a href="https://www.sanjoseca.gov/home/showpublisheddocument?id=15381">https://www.sanjoseca.gov/home/showpublisheddocument?id=15381</a>.
- 11. **Permit Expiration.** This Permit shall automatically expire in four years from and after the date of issuance hereof by the Director of Planning, if within such time period, a Building

Permit has not been obtained, pursuant to and in accordance with the provision of this Permit. The date of issuance is the date this Permit is approved by the Director of Planning. However, the Director of Planning may approve a Historic Preservation Permit Adjustment/Amendment to extend the validity of this Permit in accordance with Chapter 13.48 of the Municipal Code (Historic Preservation Ordinance). The Historic Preservation Permit Adjustment/Amendment must be approved prior to the expiration of this Permit.

- 12. **Conformance with Municipal Code.** No part of this approval shall be construed to permit violation of any part of the San José Municipal Code.
- 13. **Revocation.** This Historic Preservation Permit is subject to revocation for violation of any of its provisions or conditions.
- 14. **Building Division Clearance for Issuing Permits.** Prior to the issuance of a Building Permit, the following requirements must be met to the satisfaction of the Chief Building Official:
  - a. *Construction Plans*. This permit file number, *HP21-005* shall be printed on all construction plans submitted to the Building Division.
  - b. Americans with Disabilities Act. The permittee shall provide appropriate access as required by the Americans with Disabilities Act (ADA).
  - c. Construction Plan Conformance. A project construction plan conformance review by the Planning Division is required. Planning Division review for project conformance will begin with the initial plan check submittal to the Building Division. Prior to any building permit issuance, building permit plans shall conform to the approved Planning development permits and applicable conditions.
- 15. Conformance Required with Approved Mitigation, Monitoring and Reporting Program for the Final Supplemental Environmental Impact Report (FSEIR) for the SuZaCo Mixed-Use Project adopted by City Council by Resolution No. XXXXX.

#### CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

The City of San José, as the lead agency for the project, prepared a Draft Supplemental Environmental Impact Report (Draft SEIR) to the Downtown Strategy 2040 Environmental Impact Report (Resolution No. 78942). The Notice of Preparation (NOP) was circulated from August 24, 2021 to September 3, 2021, and the Draft SEIR was circulated for public review and comment from June 27, 2022 to August 11, 2022.

The Draft SEIR found that the project would result in a significant and unavoidable impacts to Cultural Resources due to the demolition of the interior, roof, and west and south walls of the building at 142-150 East Santa Clara Street, and the project would cause a substantial adverse change in the significance of a designated City Landmark. Mitigation measures to be adopted for the proposed project would not reduce this impact to a level of less than significant.

If City Council were to approve the project as proposed, in compliance with CEQA Guidelines Section 15093, a Statement of Overriding Considerations must be adopted with findings that the specific economic, legal, social, technological, or other benefits, including region-wide or statewide environmental benefits, of a proposed project outweigh the unavoidable adverse environmental effects if an environmentally superior alternative is not chosen.

#### PUBLIC HEARING NOTIFICATION

A notice of the public hearing was distributed to the owners and tenants of all properties located within 1,000-feet of the project site, published in a newspaper of general circulation, and posted on the City website. The staff report is also posted on the City's website. Staff has been available to respond to questions from the public.

**Project Manager:** Dana Peak Edwards

**Approved by:** /s/ Robert Manford, Deputy Director for Christopher

Burton, Planning Director.

#### **Attachments:**

Exhibit A: July 21, 2021 Design Review Committee Action Minutes

Exhibit B: September 1, 2021 HLC Action Minutes

Exhibit C: Project Plan Set

Exhibit D: 142-150 East Santa Clara Historic Treatment Report (Page and Turnbull, December

3, 2021)

Exhibit E: Project Analysis (Page and Turnbull, April 8, 2022)

Exhibit F: Economic Hardship Report (Suzaco, December 3, 2021)

Owner/Address	Architect/Address
Sunstone QOZB, LLC	RMW
60 S Market Street, Suite 450	30 E Santa Clara Street #200
San Jose, CA 95113	San Jose, CA 95113

#### **HP21-005**

#### Links to the Attachments A - F

Click on the title to view document

Exhibit B: September 1, 2021 HLC Action Minutes

Exhibit C: Project Plan Set

Exhibit D: 142-150 East Santa Clara Historic Treatment Report (Page and Turnbull, December

3, 2021)

Exhibit E: Project Analysis (Page and Turnbull, April 8, 2022)

Exhibit F: Economic Hardship Report (Suzaco, December 3, 2021)

Sheet		
Number	Sheet Name	File Name
GENERAL	_	
G0.01	TITLE	001-TS
G0.02	PARCEL MAP	002-G
G0.03	CONTEXT	003-G
G0.04	VICINITY DIAGRAM	004-G
ARCHITE	CTURE	
A0.10	RENDERINGS	005-A
A0.11	RENDERINGS	006-A
A1.10	DEMO PLANS	007-A
A2.00	BASEMENT	008-A
A2.01	SITE / GROUND FLOOR PLAN	009-A
A2.02	FLOOR PLANS	010-A
A2.03	FLOOR PLANS	011-A
A2.04	FLOOR PLANS	012-A
A2.05	ROOF PLAN	013-A
A2.20	ENLARGED PLANS - WASTE MANAGEMENT	014-A
A3.00	BUILDING SECTIONS	015-A
A4.00	ELEVATIONS	016-A
A4.01	ELEVATIONS	017-A
A4.10	SOLID / TRANSPARENCY RATIO	018-A
A6.01	PRECEDENT	019-A
CIVIL		
C1.0	TITLE SHEET	020-C
C2.0	GRADING & UTILITY SHEET	021-C
C3.0	STREET SECTIONS & DETAILS	022-C
C4.0	STORMWATER MANAGEMENT PLAN	023-C
C4.1	STORMWATER MANAGEMENT & MEDIA FILTER NOTES	024-C
C5.0	FIRE PROTECTION PLAN	025-F

SHEET TOTAL: 25



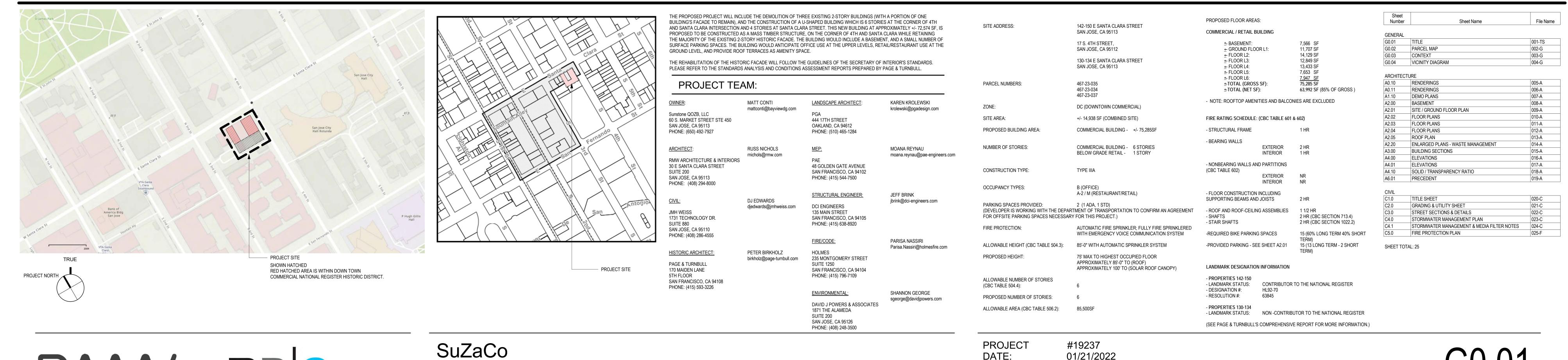


SuZaCo

# SuZaCo SITE DEVELOPMENT PERMIT APPLICATION

NEW 6 - STORY COMMERCIAL BUILDING PLUS PARTIAL BASEMENT





01/21/2022

03/11/2022 (rev)

DATE:

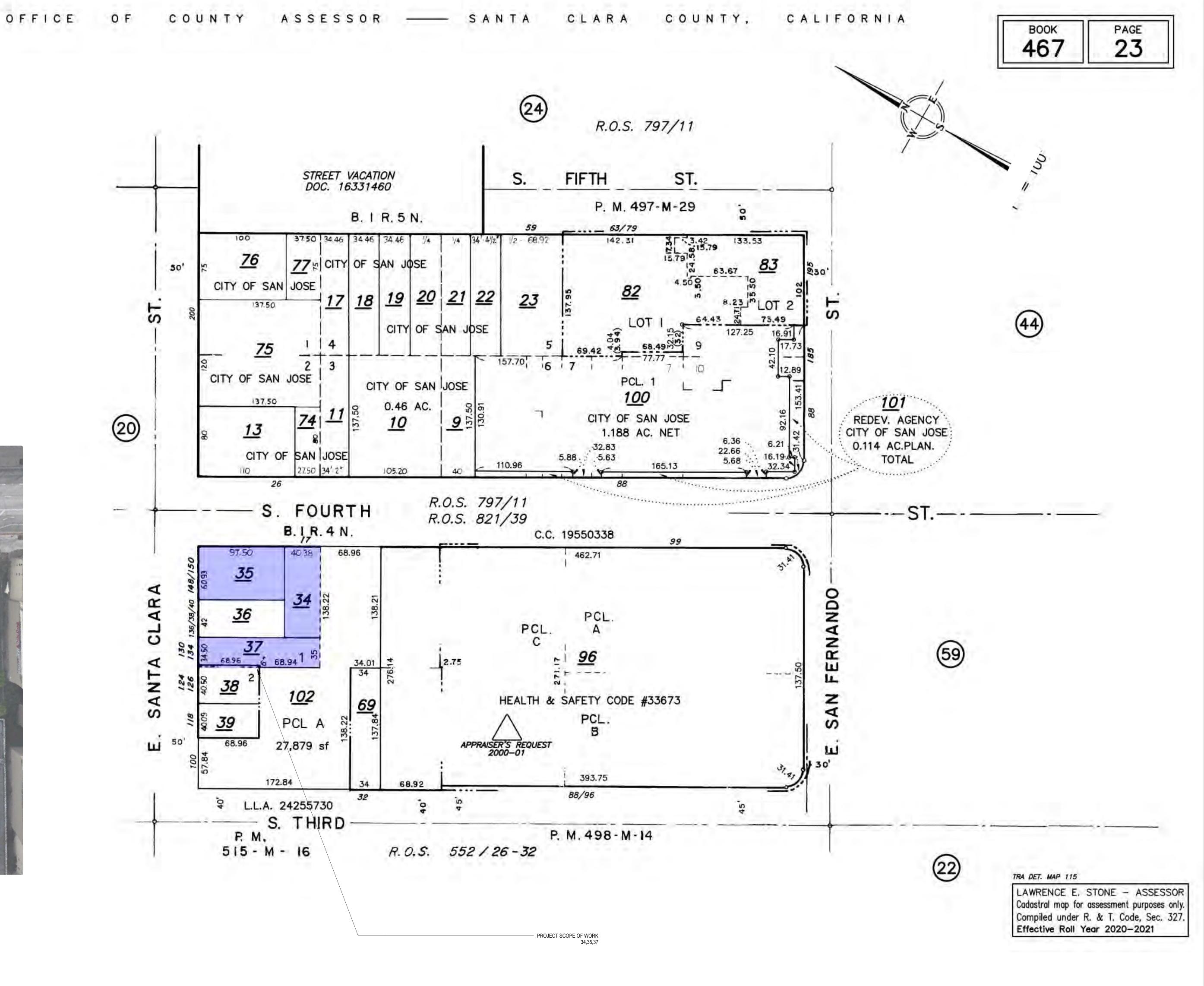
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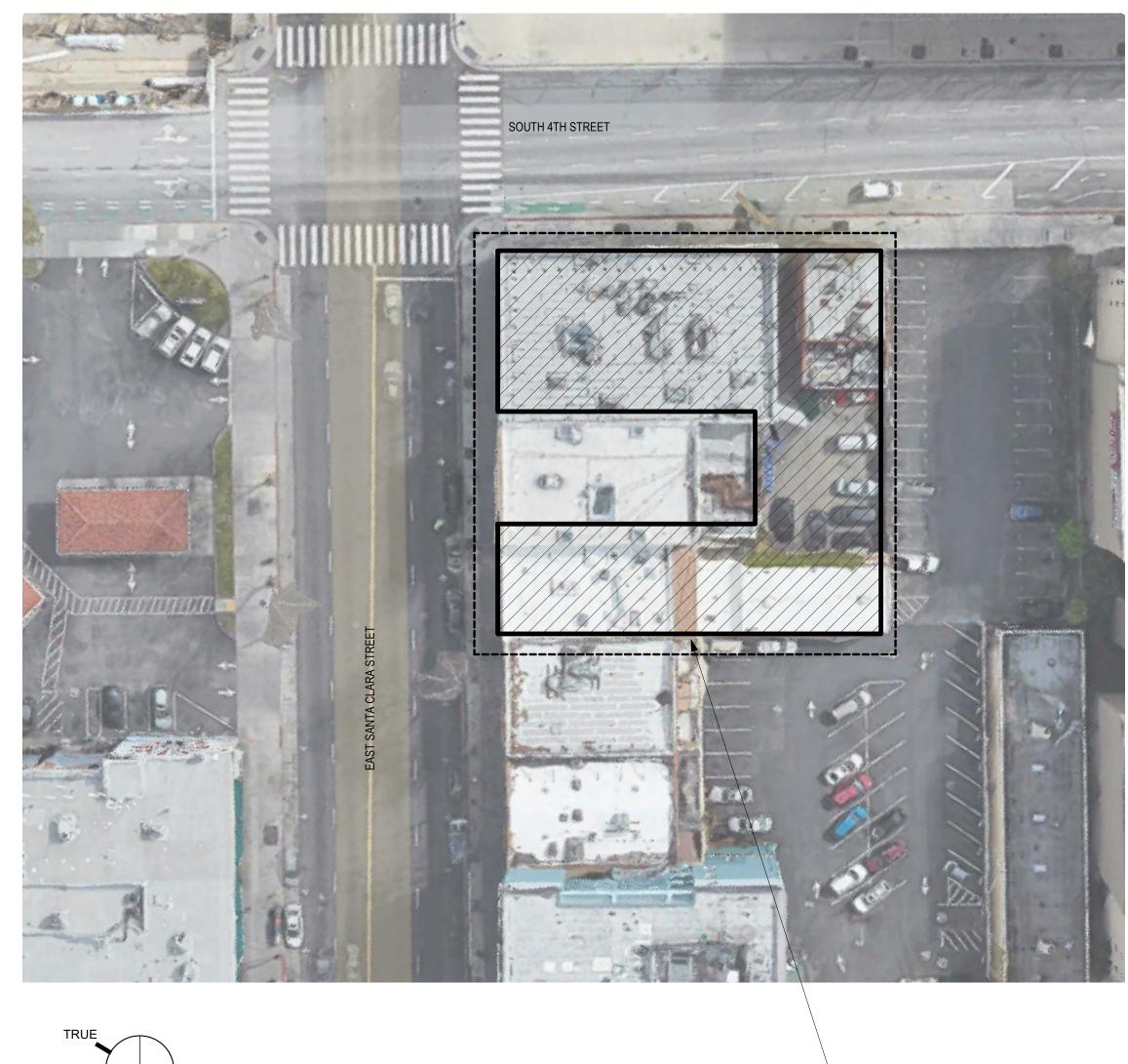
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**VICINITY MAP:** 

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SOUTH 4TH ST AND EAST SANTA CLARA ST

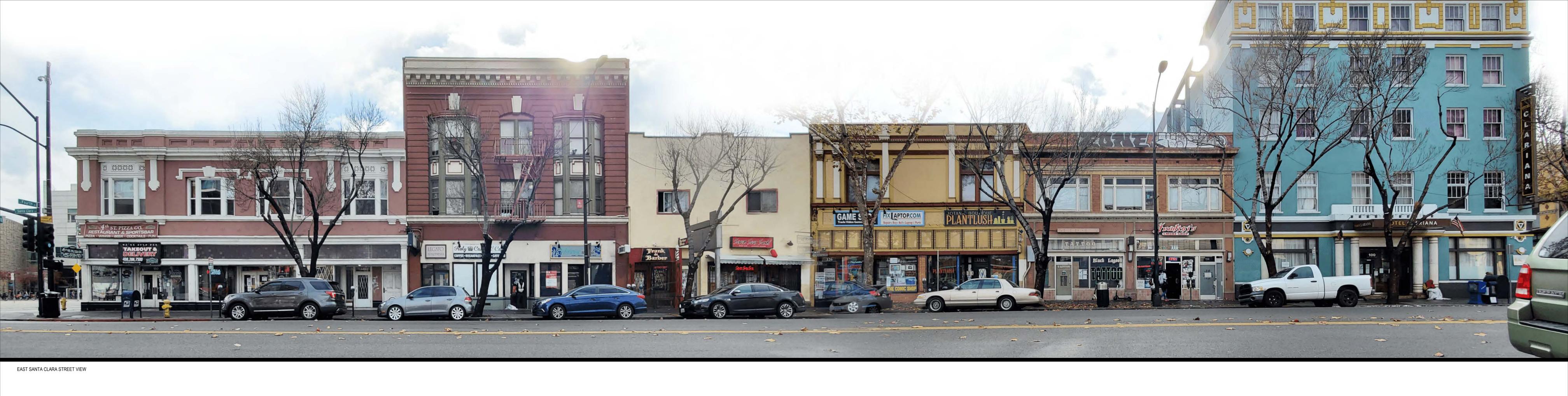




PROJECT SITE

#19237

01/21/2022









INTERSECTION VIEW AT OPPOSITE SIDE









SOUTH 4TH STREET & EAST SANTA CLARA STREET INTERSECTION

SOUTH 4TH STREET VIEWS

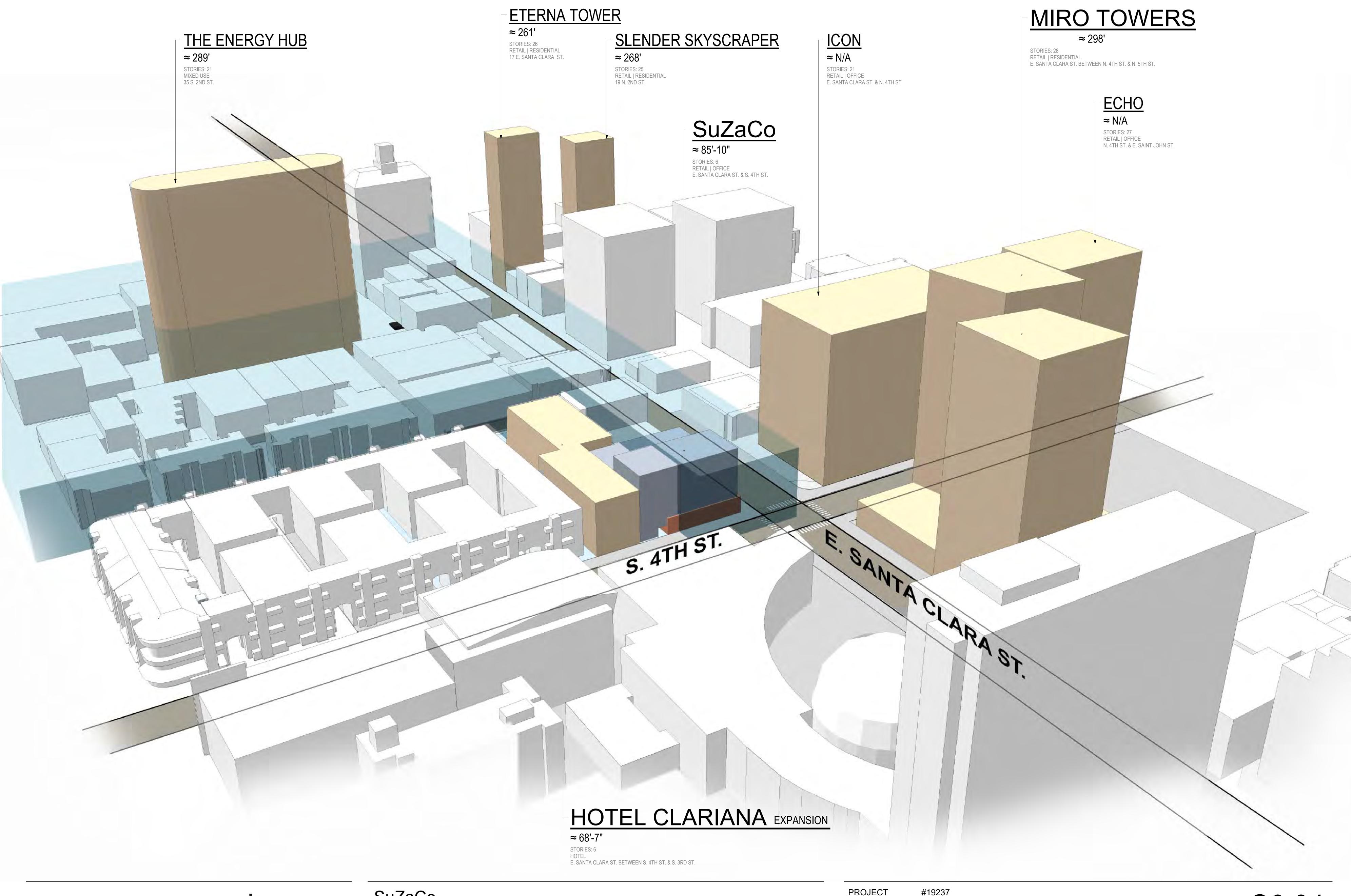






















SuZaCo









**DEMOLITION KEYNOTES:** 

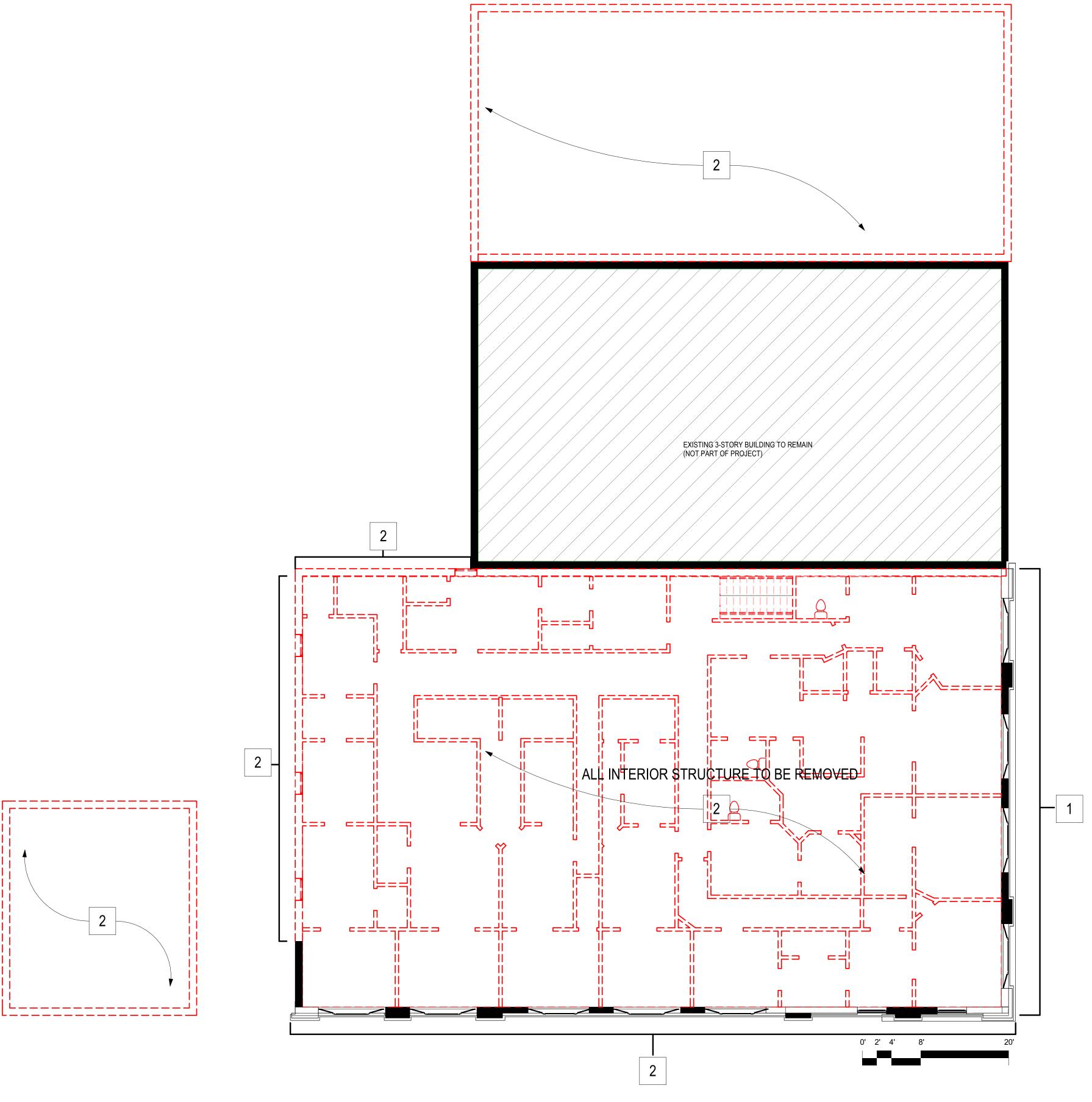
1 TO REMAIN, PROTECT IN PLACE

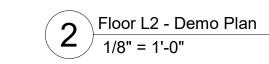
**DEMOLITION PLAN GENERAL NOTES:** 

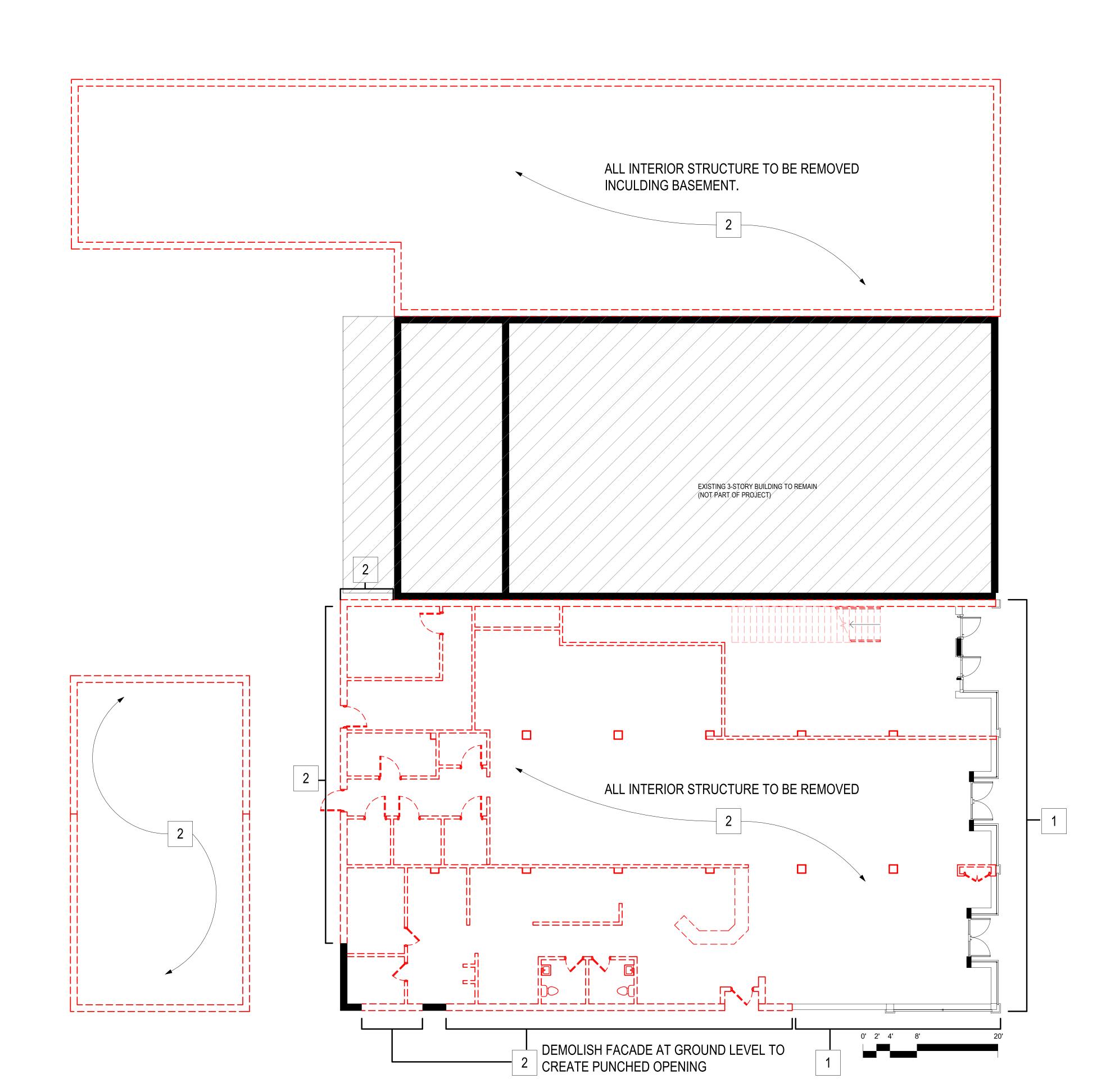
**EXISTING FACADE STABALIZATION:** 

A LAYER OF REINFORCED SHOTCRETE WILL BE APPLIED TO THE BACK-SIDE (INTERIOR) OF THE EXISTING FAÇADE TO PROVIDE LOCALIZED AND GLOBAL STABILITY. THE SHOTCRETE WILL BE ATTACHED TO THE EXISTING FAÇADE THROUGH THE USE OF UNIFORMLY SPACED ADHESIVE DOWELS. SUPPLEMENTAL BRACING IN THE FORM OF STRUCTURAL STEEL MEMBERS WILL BE INCORPORATED INTO THE SYSTEM TO PROVIDE TEMPORARY BRACING DURING CONSTRUCTION. ONCE THE NEW BUILDING IS COMPLETED, THE EXISTING FAÇADE AND SHOTCRETE BACKING WILL BE CONNECTED DIRECTLY TO THE FLOOR FRAMING SYSTEM TO PROVIDE LONG-TERM STABILITY, INCLUDING RESISTANCE AGAINST SEISMIC EVENTS.

FULL SHORING AND STRUCTURAL SUPPORT PLANS WILL BE PROVIDED AT THE TIME OF SUBMISSION FOR PERMIT.









Ground Floor L1 - Demo Plan
1/8" = 1'-0"

#19237

01/21/2022





#19237 01/21/2022





#19237 05/24/2021

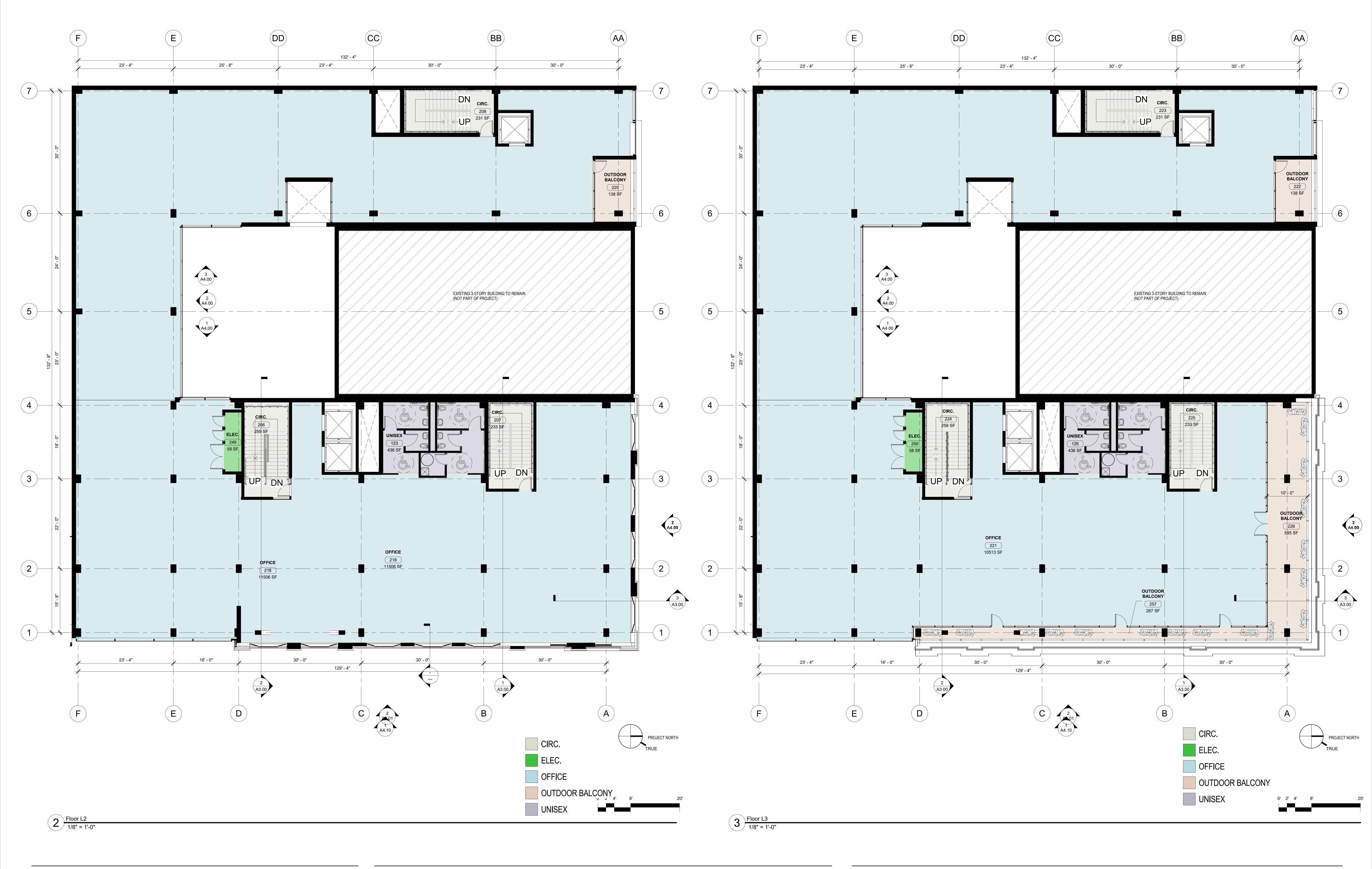
DURING CONSTRUCTION, SHORING SYSTEM WILL BE LOCATED IN THE PUBLIC RIGHT OF WAY. THE SYSTEM WILL BE CUT DOWN WELL BELOW GRADE WHEN COMPLETED.



DURING CONSTRUCTION, SHORING SYSTEM WILL BE LOCATED IN THE PUBLIC RIGHT OF WAY. THE SYSTEM WILL BE CUT DOWN WELL BELOW GRADE WHEN COMPLETED.









SuZaCo
SOUTH 4TH ST AND EAST SANTA CLARA ST

PROJECT DATE:

#19237 01/21/2022



RVVV BDG

SuZaCo

SOUTH 4TH ST AND EAST SANTA CLARA ST

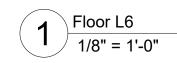
PROJECT DATE:

#19237 01/21/2022

A2.03 FLOOR PLANS





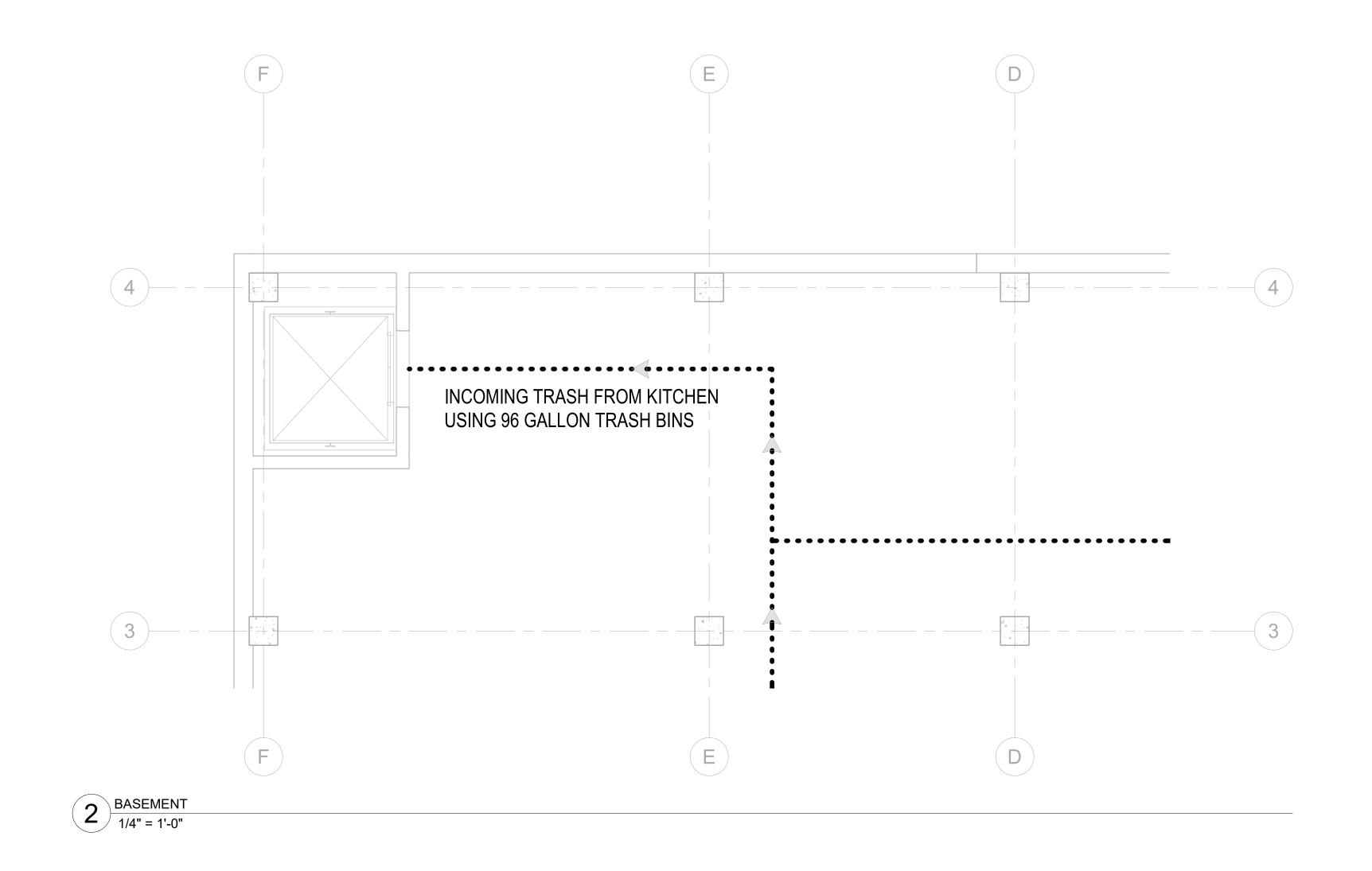


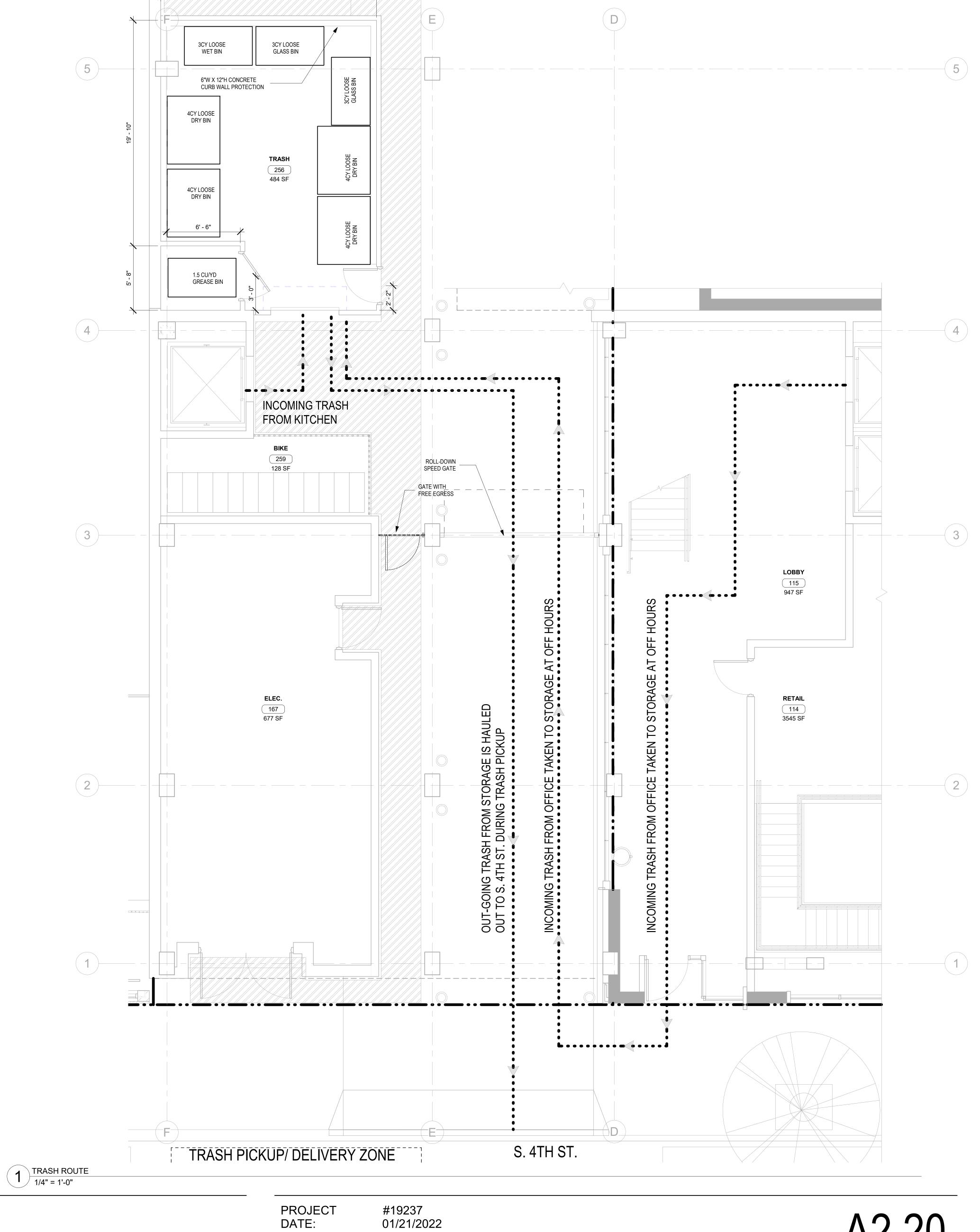






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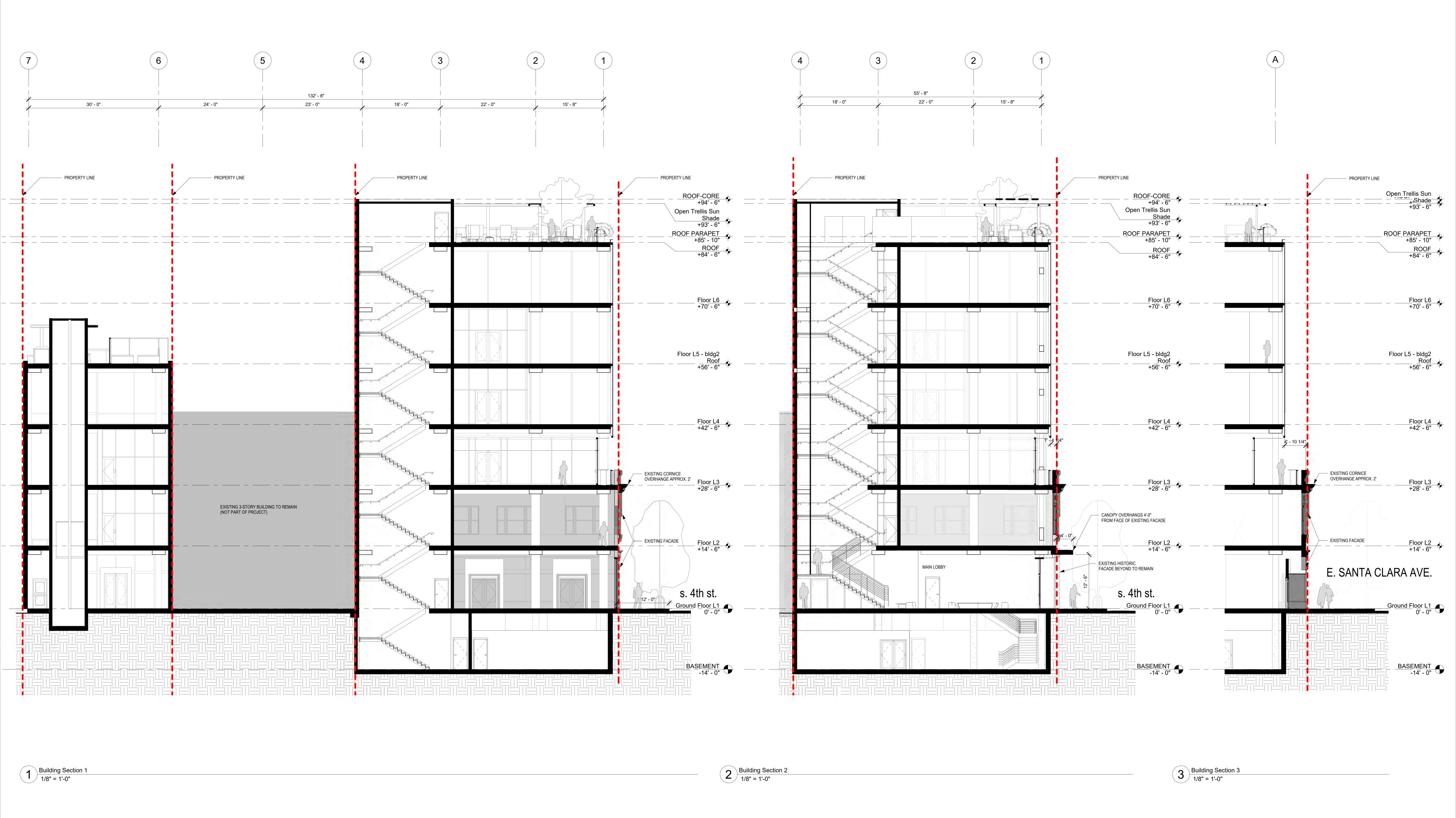


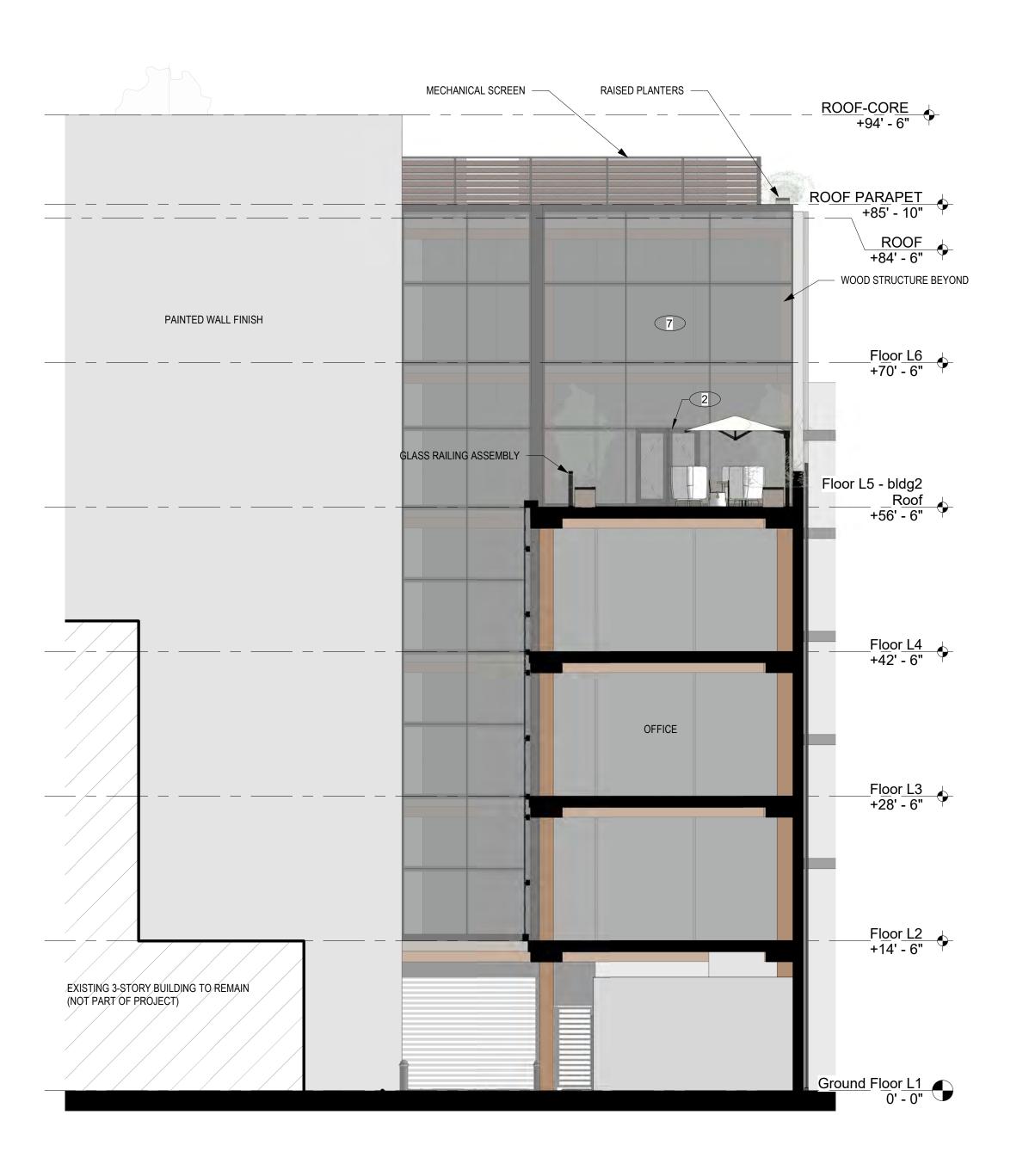


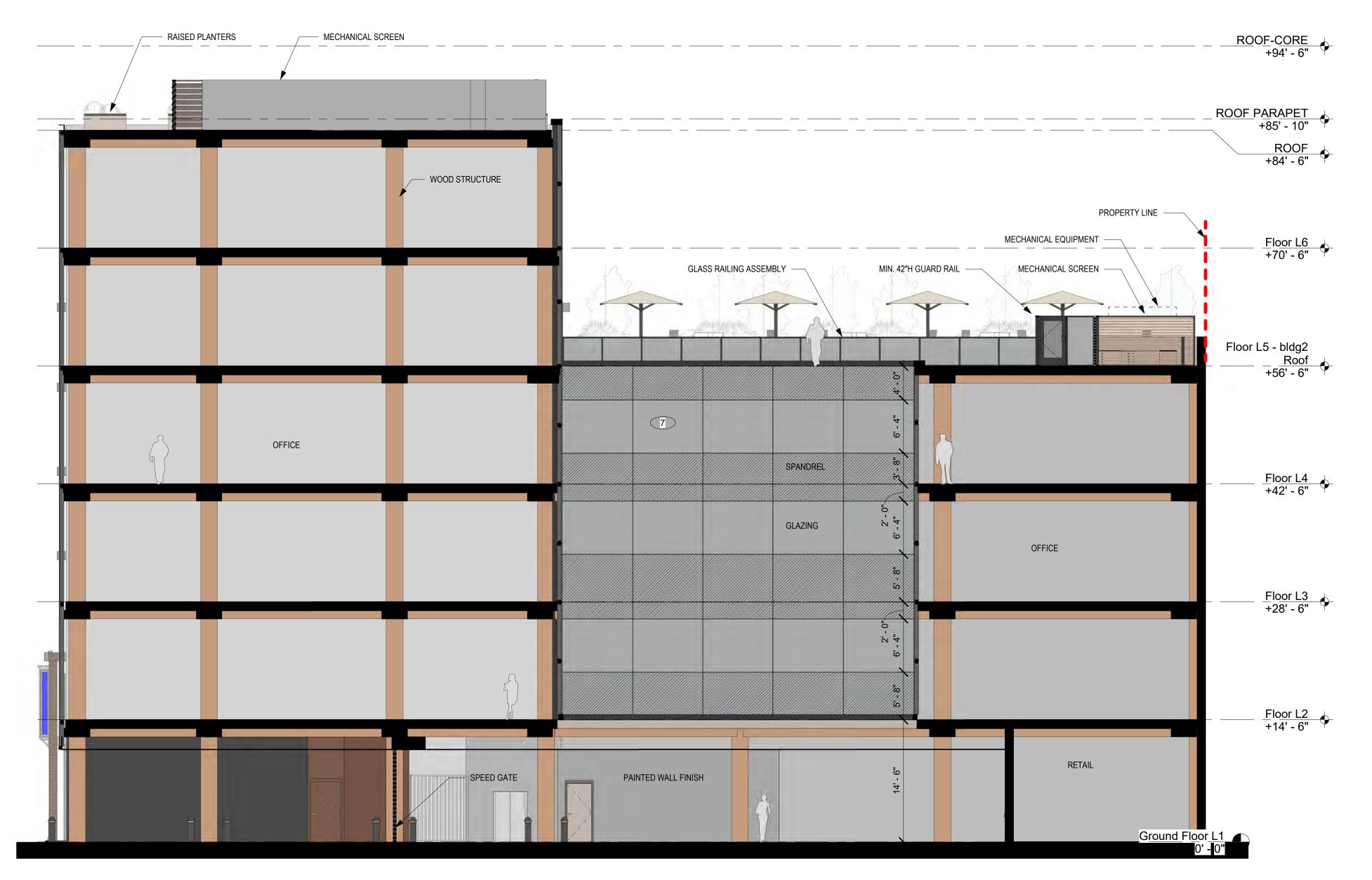
18' - 11 5/8"



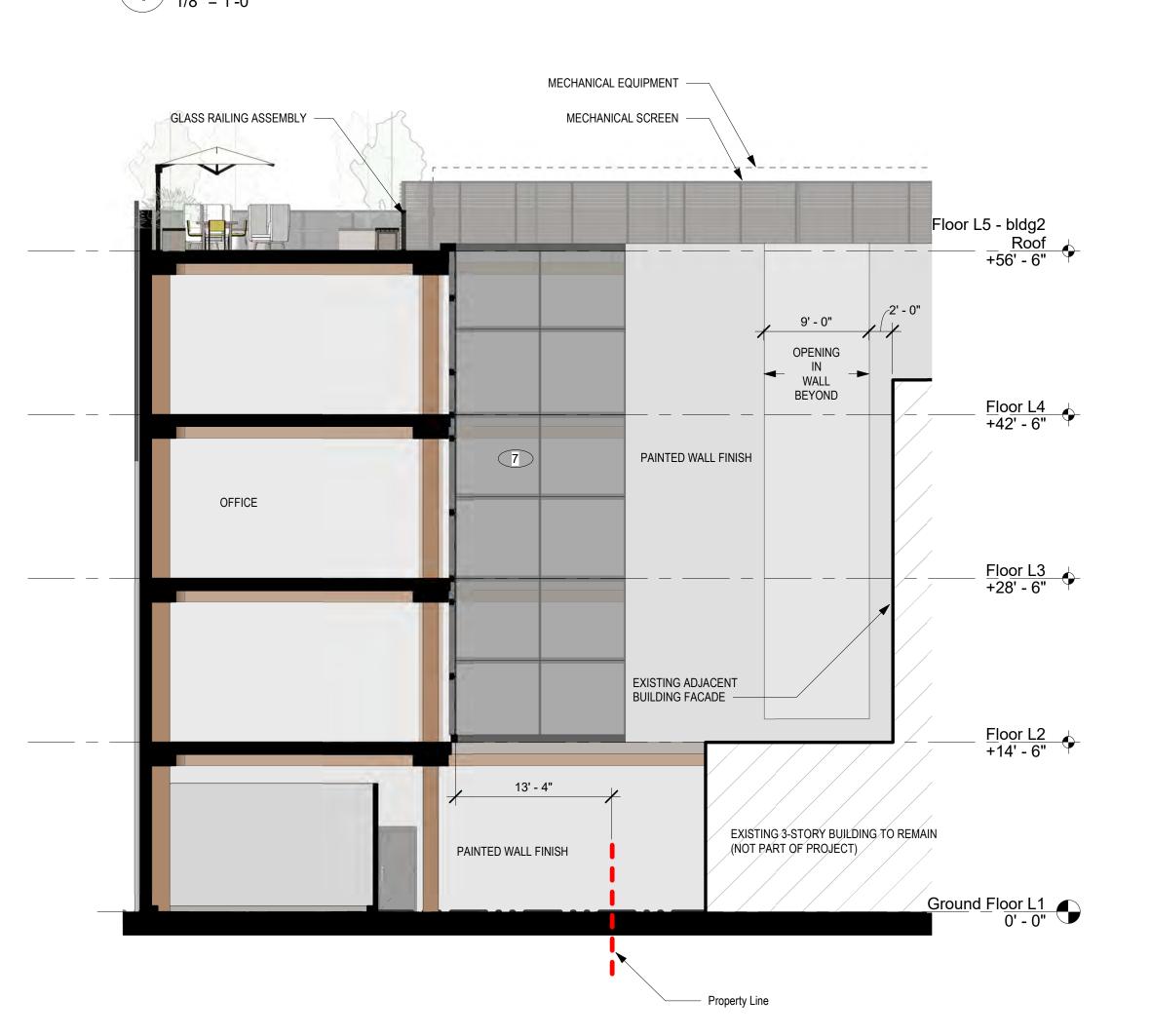
SuZaCo SOUTH 4TH ST AND EAST SANTA CLARA ST A2.20







1 Elevation 2 @ Easement 1/8" = 1'-0"



2 Elevation 1 @ Easement 1/8" = 1'-0"

8 Elevation 3 @ Easement 1/8" = 1'-0"



SuZaCo

PROJECT DATE:

#19237 01/21/2022

### **KEYNOTES**:

- 1 PAINTED METAL SURROUND
- 2 GLASS DOORS WITH PAINTED ALUM STILE/RAILS
- 3 WOOD FINISH AT SIDE WALLS AND SOFFIT WITHIN THE BALCONY INSETS
- 4 SPANDREL GLASS WITH PAINTED ALUM FRAME AT DECK EDGE 5 WOOD CLAD COLUMNS AT EXTERIOR
- 6 PAINTED STRUCTURAL STEEL BRACE FRAME
- 7 ENERGY EFFICIENT BUTT GLAZING SYSTEM WITH PAINTED ALUM FRAMES
- FRAME SURROUND 9 CUSTOM AWNING AND SIGNAGE
- 10 NEW ROLL-UP SPEED GATE BEYOOND WITH OPEN GRILL (11) NEW EGRESS GATE BEYOND
- 12) CUSTOM SIGNAGE LOCATION FINAL DESIGN TBD
- 13 REPAIR AND RESTORE EXISTING ORNAMENTAL DETAIL AND TRIM AS

8 NEW ENERGY EFFICIENT BUTT GLAZING ASSEMBLY WITH PAINTED STEEL

- 14) SECOND FLOOR WINDOWS: REPLACE EXISTING WINDOWS WITH NEW ENERGY EFFICIENT GLASS. NEW PAINTED WOOD WINDOW FRAME TO MATCH EXISTING AS CLOSELY AS POSSIBLE
- 15) EXISTING STATE MARKET SIGNAGE TO REMAIN. REPAINT TO MATCH
- (16) EXISTING SOLAR TILES TO REMAIN
- 17) REMOVE EXISTING PLASTER SYSTEM TO EXPOSE EXISTING BRICK. CLEAN,
  - REPAIR, AND RESTORE BRICK AS REQUIRED.
- 18) EXISTING TILE BASE TO REMIAN. REPAIR AND RESTORE AS REQUIRED. 19) REPLACE EXISTING STOREFRONT WINDOWS AND FRAMES WITH NEW
  - ENERGY EFFICENT GLASS ASSEMBLY. REPAIR AND RESTORE EXISTING TRIM AS REQUIRED.



### **KEYNOTES:**

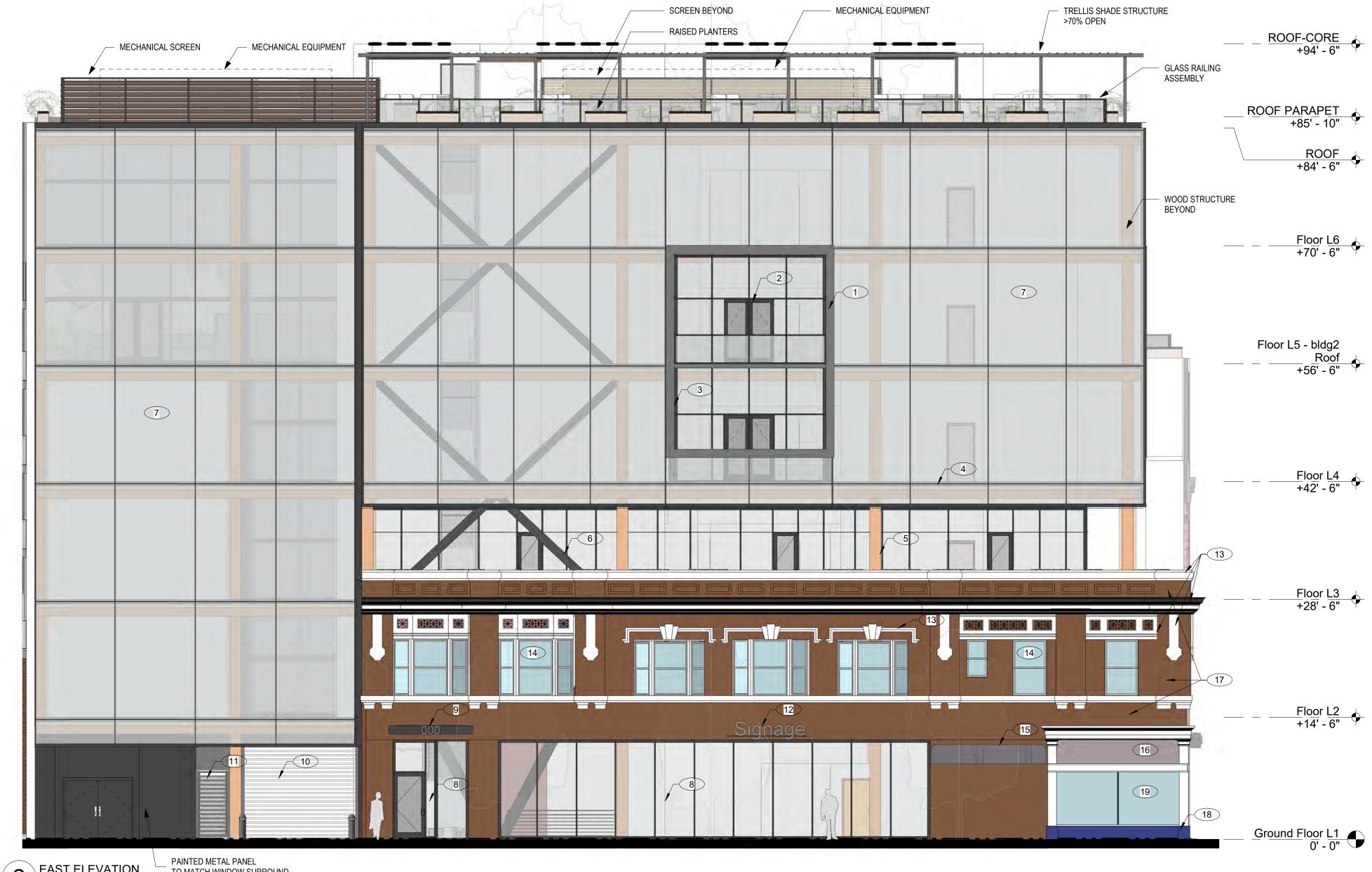
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- 7 ENERGY EFFICIENT BUTT GLAZING SYSTEM WITH PAINTED ALUM FRAMES
- FRAME SURROUND

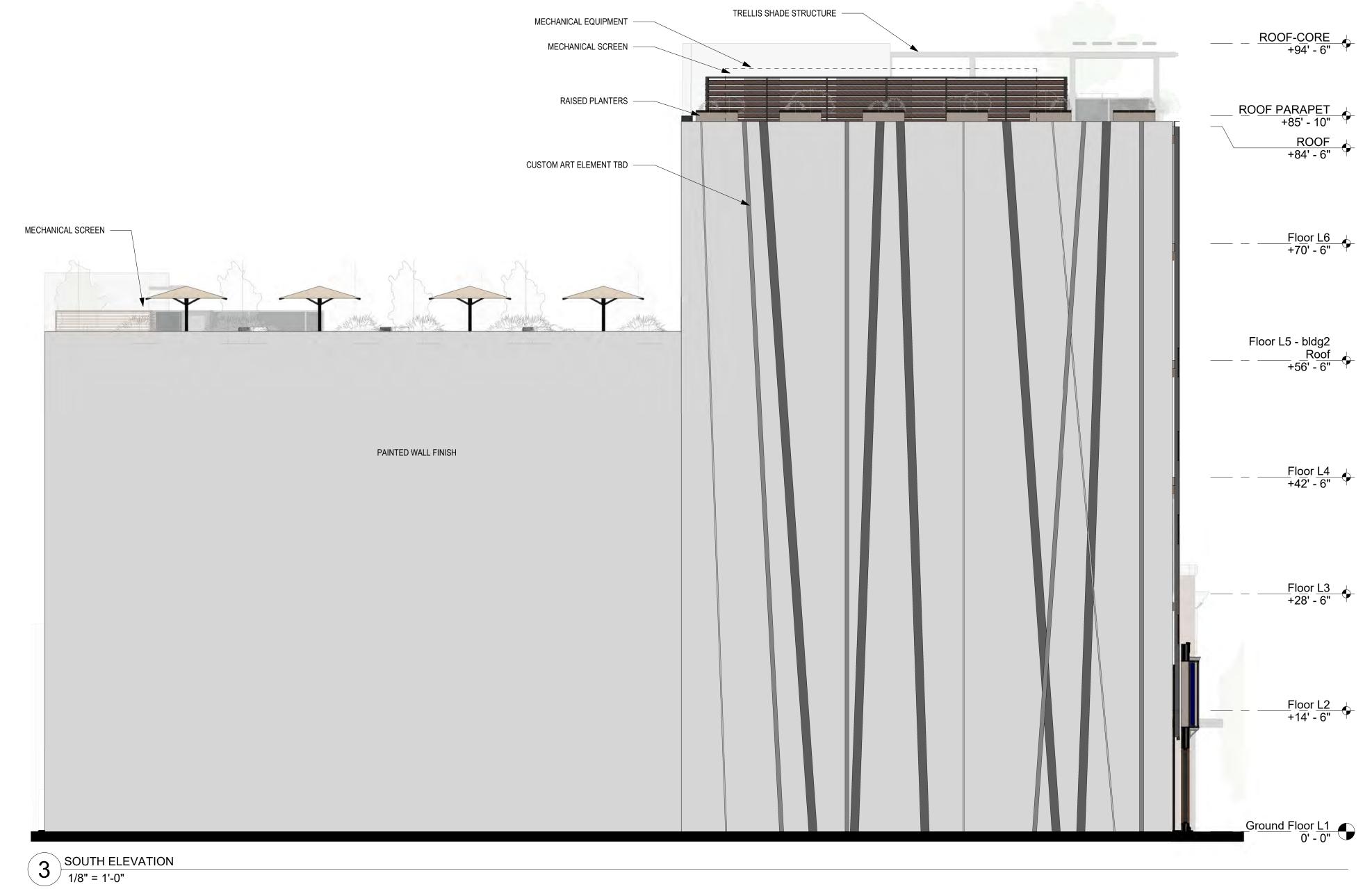
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#19237

01/21/2022

100% SOLID

80% SOLID

EAST ELEVATION 25% SOLID

NORTH ELEVATION 32% SOLID

WEST ELEVATION 100% SOLID

SOUTH ELEVATION

ELEVATION 3 @ EASEMENT

ELEVATION 1 @ EASEMENT 47% SOLID ELEVATION 2 @ EASEMENT 78% SOLID

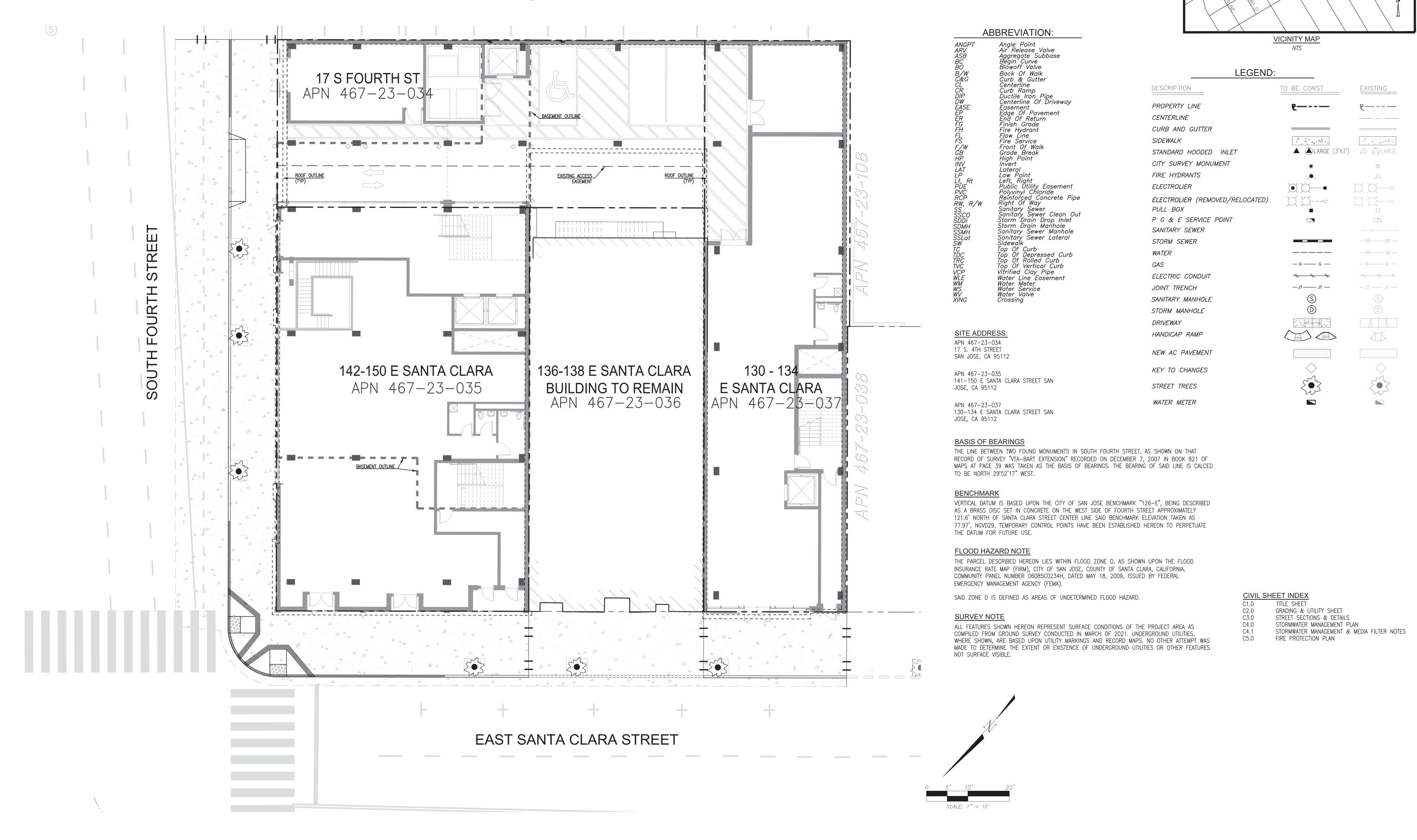
	East Elevation @ 4th St.	North Elevation  @ Santa Clara Ave.	South Elevation	West Elevation	Easement Elevation 1	Easement Elevation 2	Easement Elevation 3
Opaque		2,260 SF 32%	9,600 SF 100%	8,416 SF 100%	1,530 SF 47%	5,690 SF 78%	2,464 SF 80%
Transparent							





# SUZACO 150 E SANTA CLARA STREET

SAN JOSE, CALIFORNIA





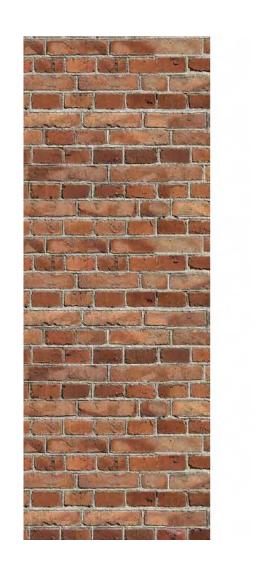






05/24/2021







**EXISTING** 



STAINLESS STEEL BLACKENED



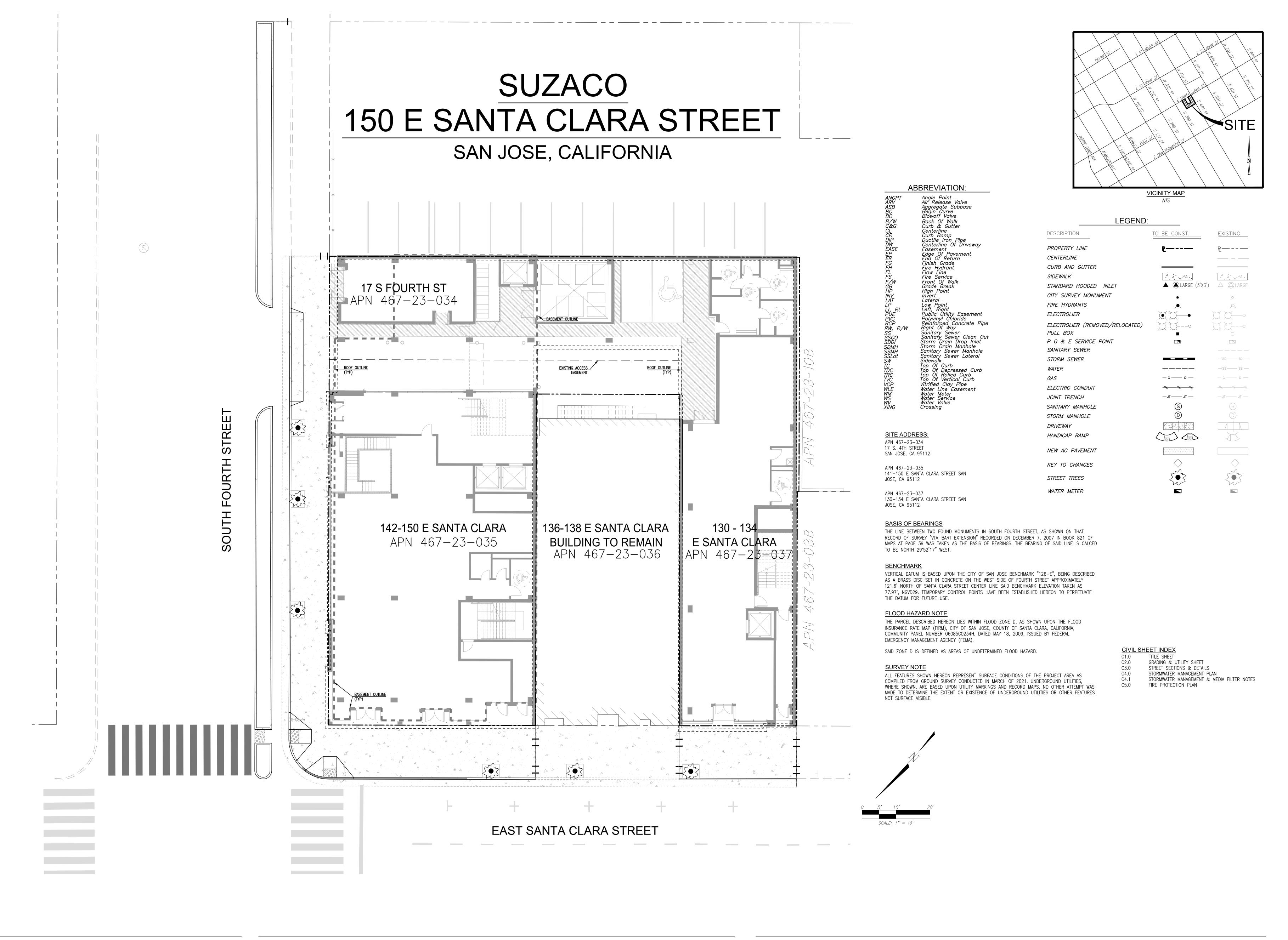
**BUTT-GLAZING** 



TIMBER







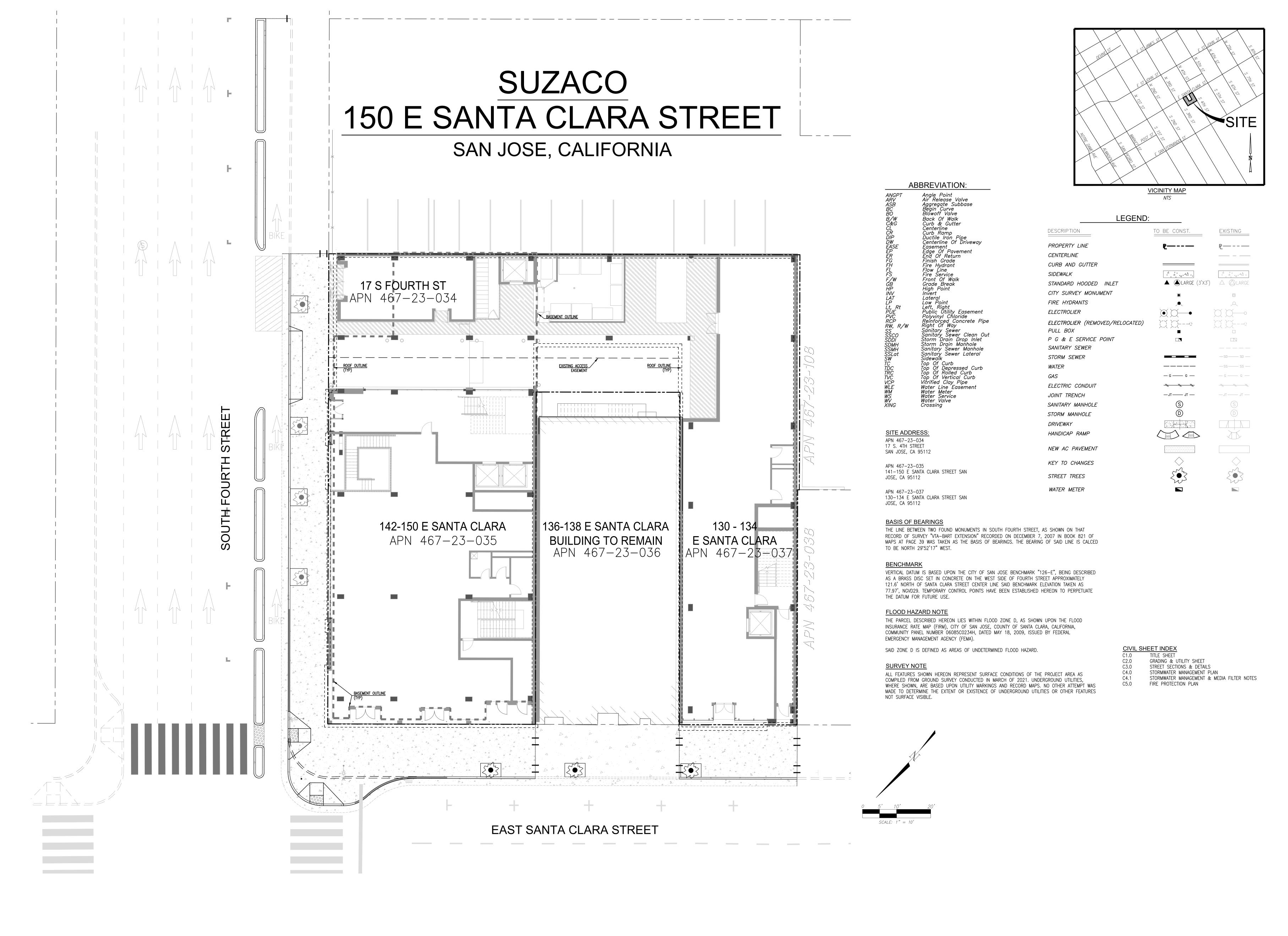






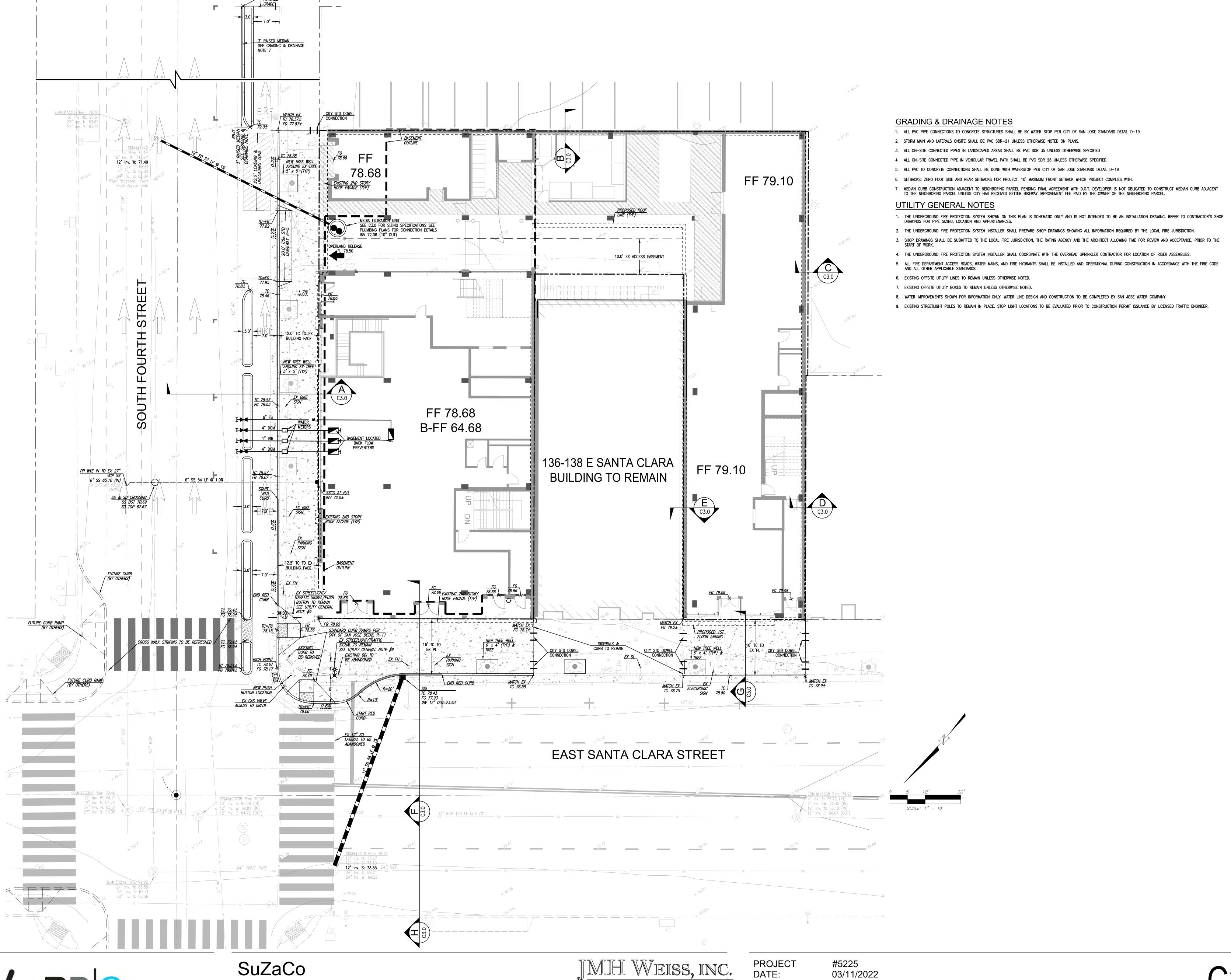


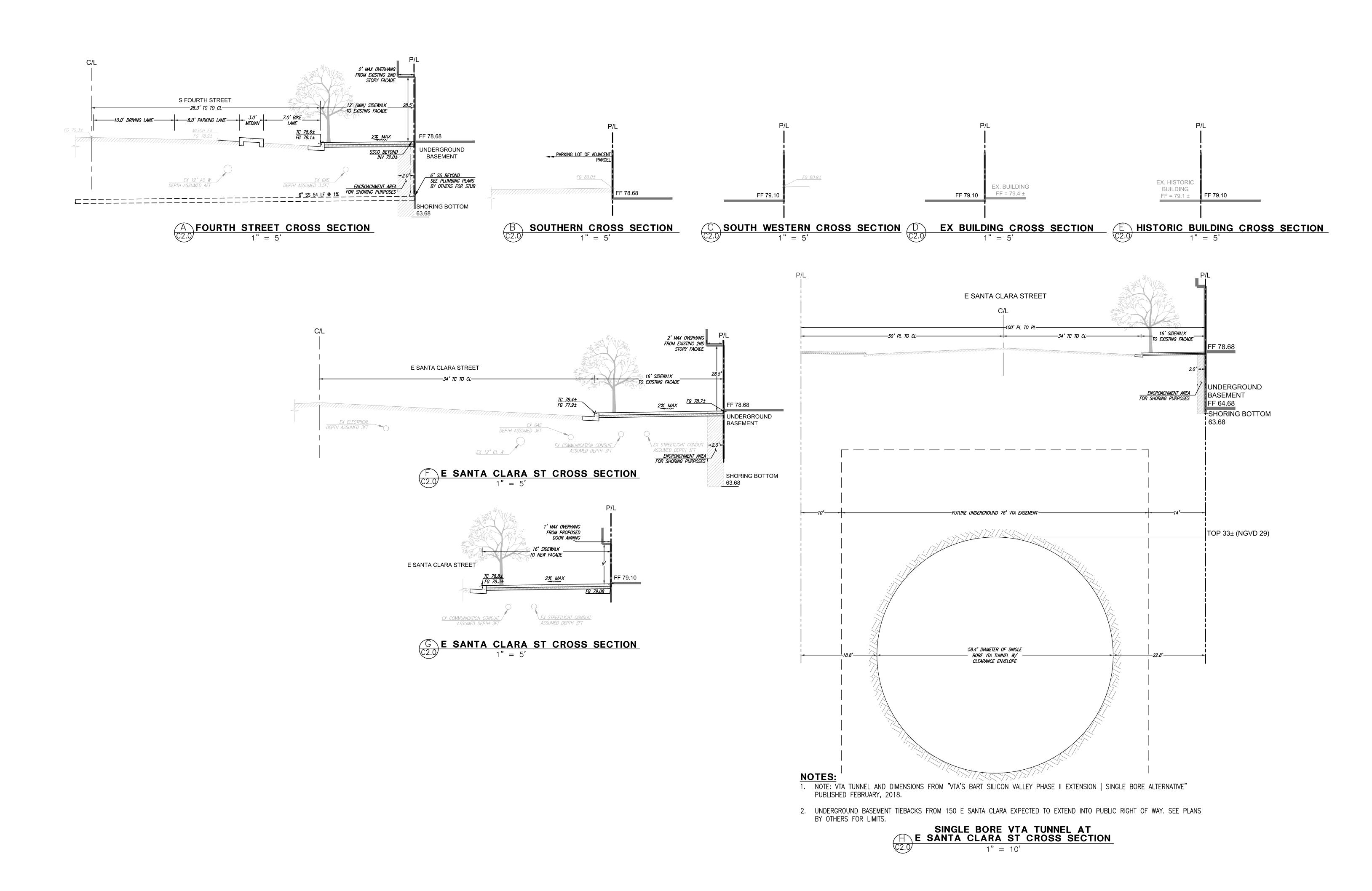
08/09/2021





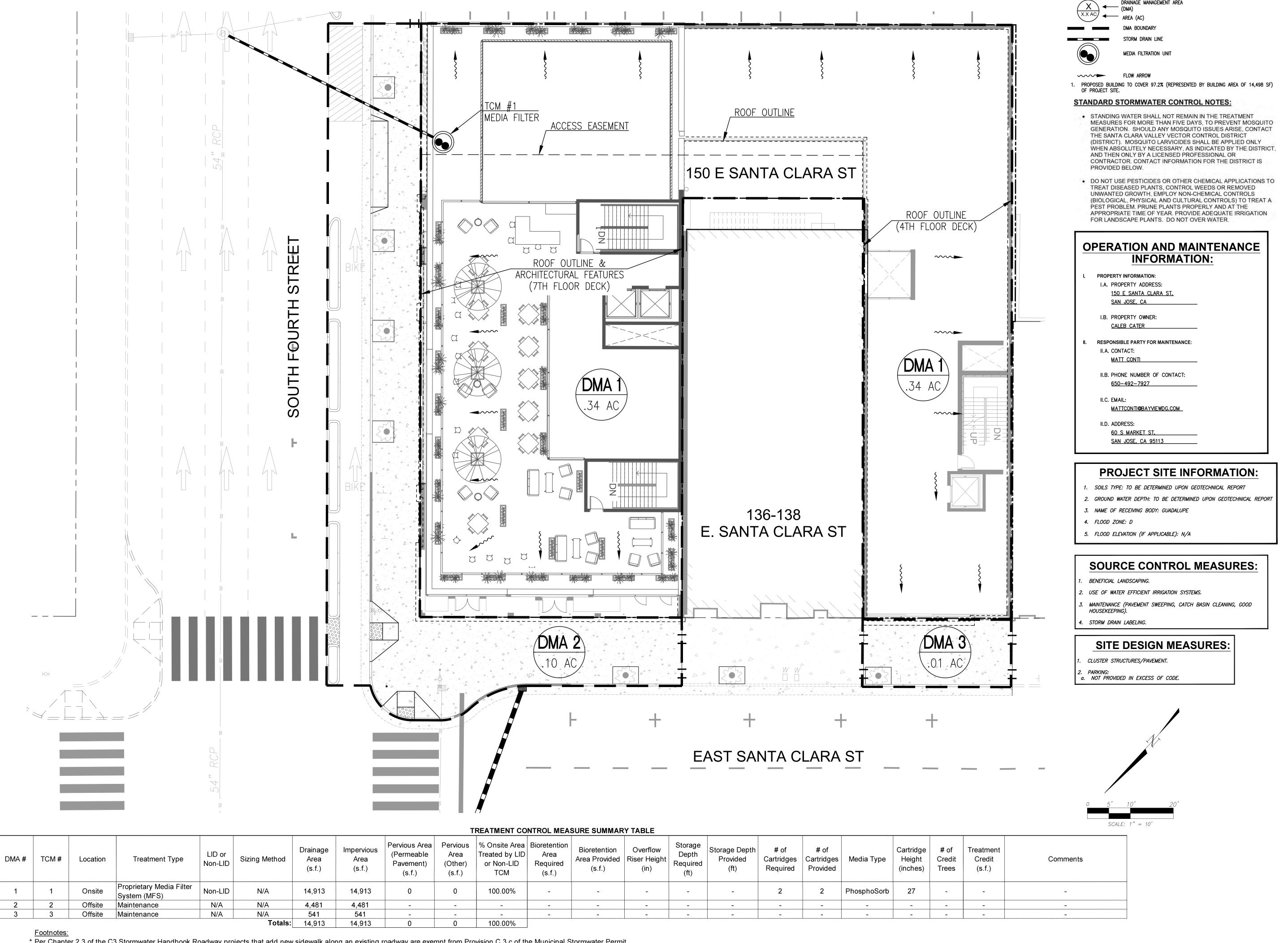
03/11/2022











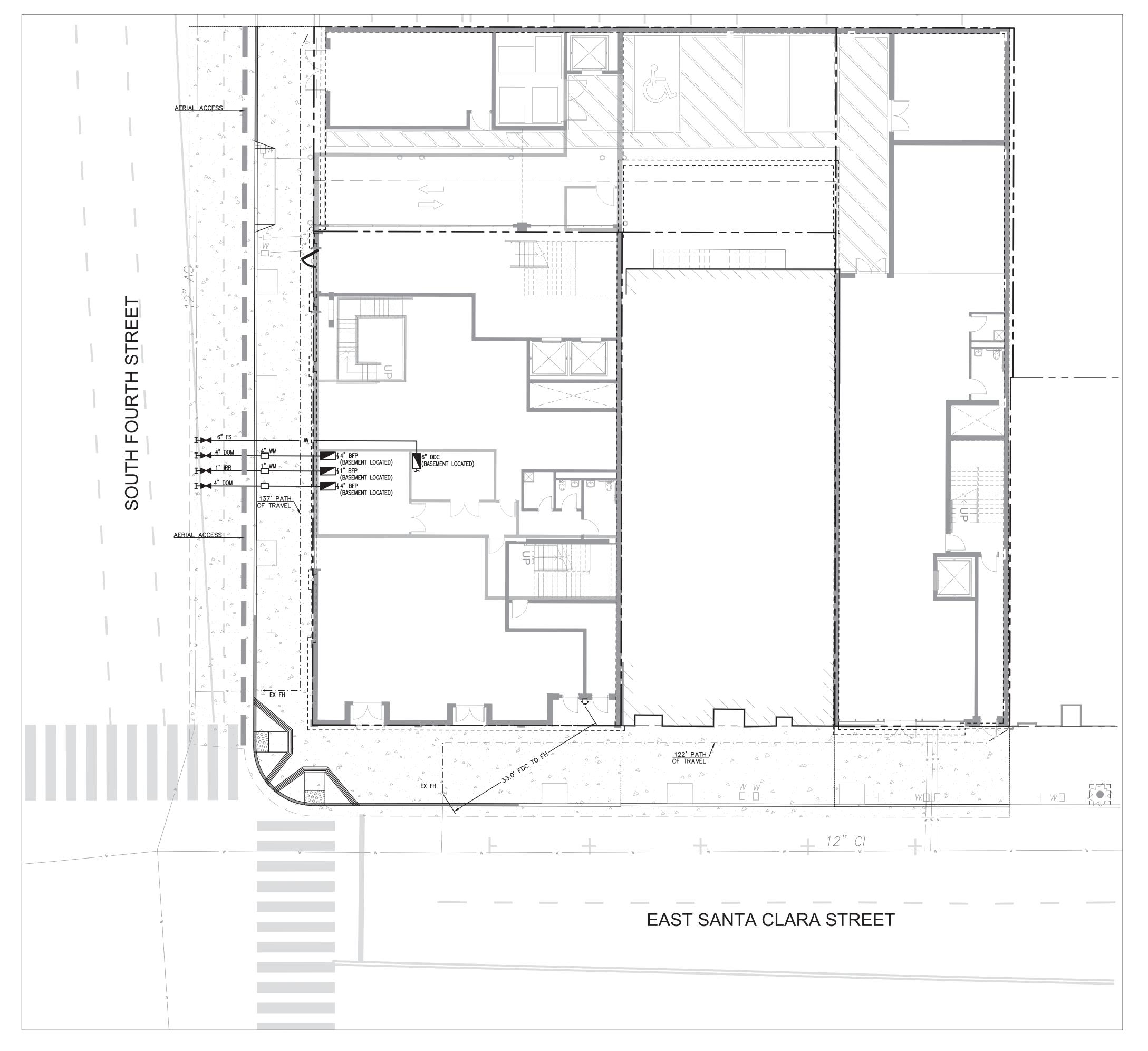
\* Per Chapter 2.3 of the C3 Stormwater Handbook Roadway projects that add new sidewalk along an existing roadway are exempt from Provision C.3.c of the Municipal Stormwater Permit.

SuZaCo





LEGEND & NOTES



#### FIRE GENERAL NOTES

- 1. THE UNDERGROUND FIRE PROTECTION SYSTEM SHOWN ON THIS PLAN IS SCHEMATIC ONLY AND IS NOT INTENDED TO BE AN INSTALLATION DRAWING. REFER TO CONTRACTOR'S SHOP DRAWINGS FOR PIPE SIZING, LOCATION AND APPURTENANCES.
- 2. THE UNDERGROUND FIRE PROTECTION SYSTEM INSTALLER SHALL PREPARE SHOP DRAWINGS SHOWING ALL INFORMATION REQUIRED BY THE LOCAL FIRE JURISDICTION.
- 3. SHOP DRAWINGS SHALL BE SUBMITTED TO THE LOCAL FIRE JURISDICTION, THE RATING AGENCY AND THE ARCHITECT ALLOWING TIME FOR REVIEW AND ACCEPTANCE, PRIOR TO THE START OF WORK.
- 4. THE UNDERGROUND FIRE PROTECTION SYSTEM INSTALLER SHALL COORDINATE WITH THE OVERHEAD SPRINKLER CONTRACTOR FOR LOCATION OF RISER ASSEMBLIES.
- 5. ALL FIRE DEPARTMENT ACCESS ROADS, WATER MAINS, AND FIRE HYDRANTS SHALL BE INSTALLED AND OPERATIONAL DURING CONSTRUCTION IN ACCORDANCE WITH THE FIRE CODE AND ALL OTHER APPLICABLE STANDARDS.

#### FIRE PROTECTION NOTES:

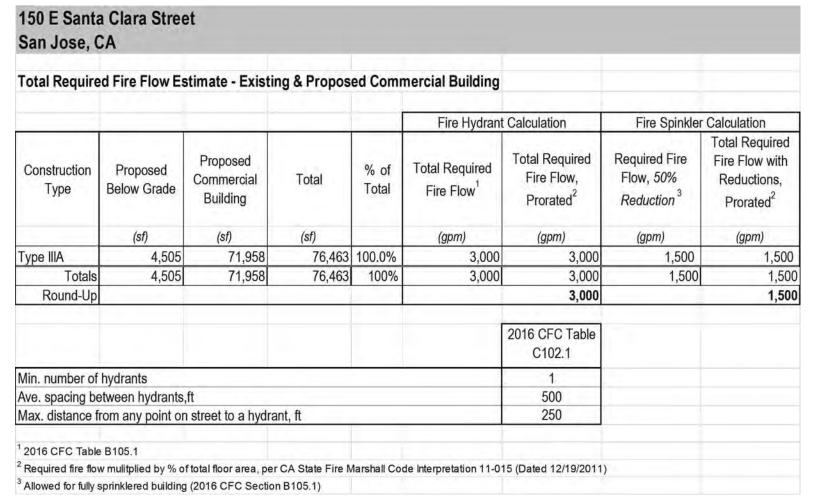
1. BUILDING — 76,463 sq. ft.
BLDG CONSTRUCTION TYPE — IIIA
REQUIRED FIRE FLOW — 3,000 gpm

- REQUIRED FIRE FLOW 3,000 gpm

  ADJUSTED FIRE FLOW 1,500 gpm (USING 50% REDUCTION PER CFC 2016 FOR SPRINKLERED BUILDING & SJFPB ORDINANCE)

  MINIMUM 1 FIRE HYDRANTS

  AVERAGE SPACING 500 FT. (INCREASE BY 50% TO 1000 FT. BASED ON APPENDIX C TABLE C102.1 F.)
- 2. ALL FIRE TRUCK ACCESSIBLE ROADWAYS FOR THIS PROJECT ARE, OR, WILL BE, DESIGNED TO SUPPORT FIRE APPARATUS OF AT LEAST
- 3. FIRE DEPARTMENT CONNECTIONS (FDC) WILL BE PROVIDED WITHIN 100' OF THE NEAREST FIRE HYDRANT



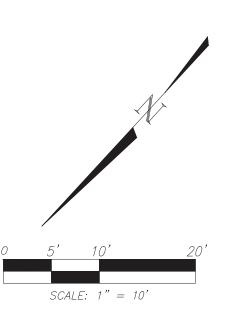




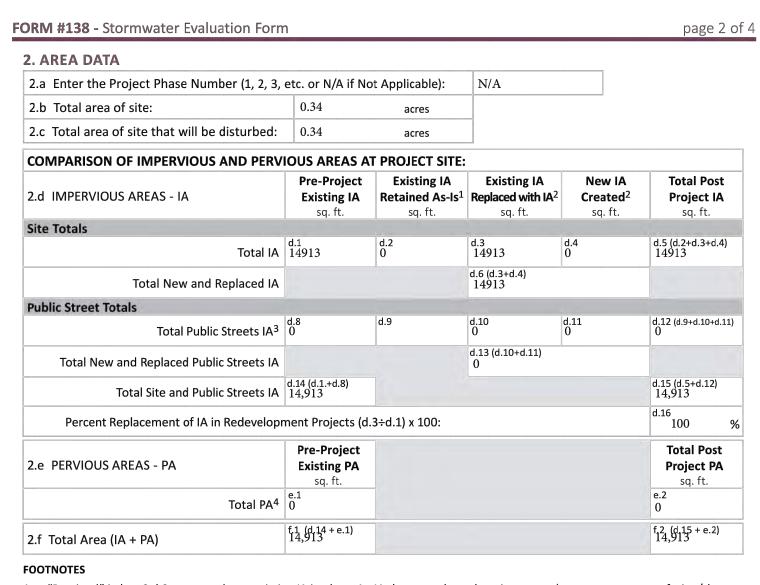




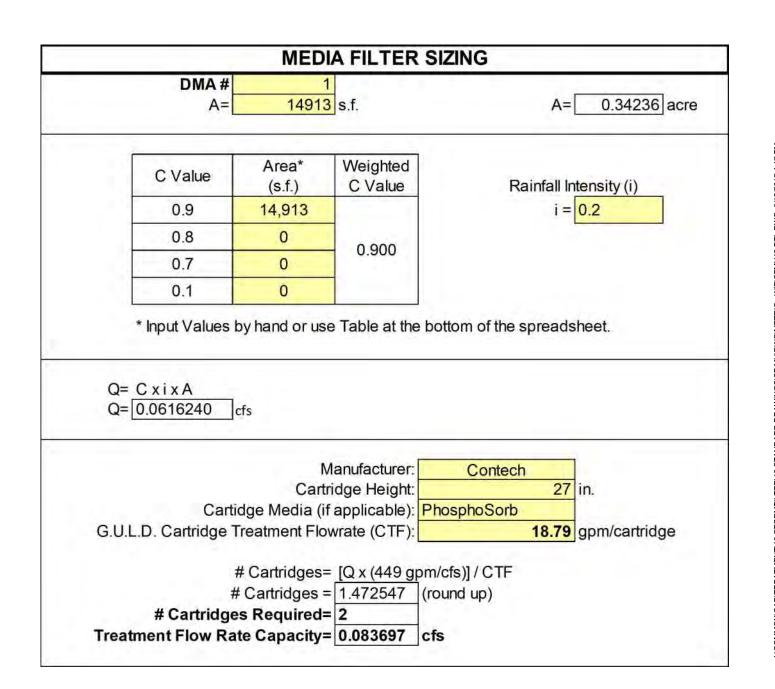


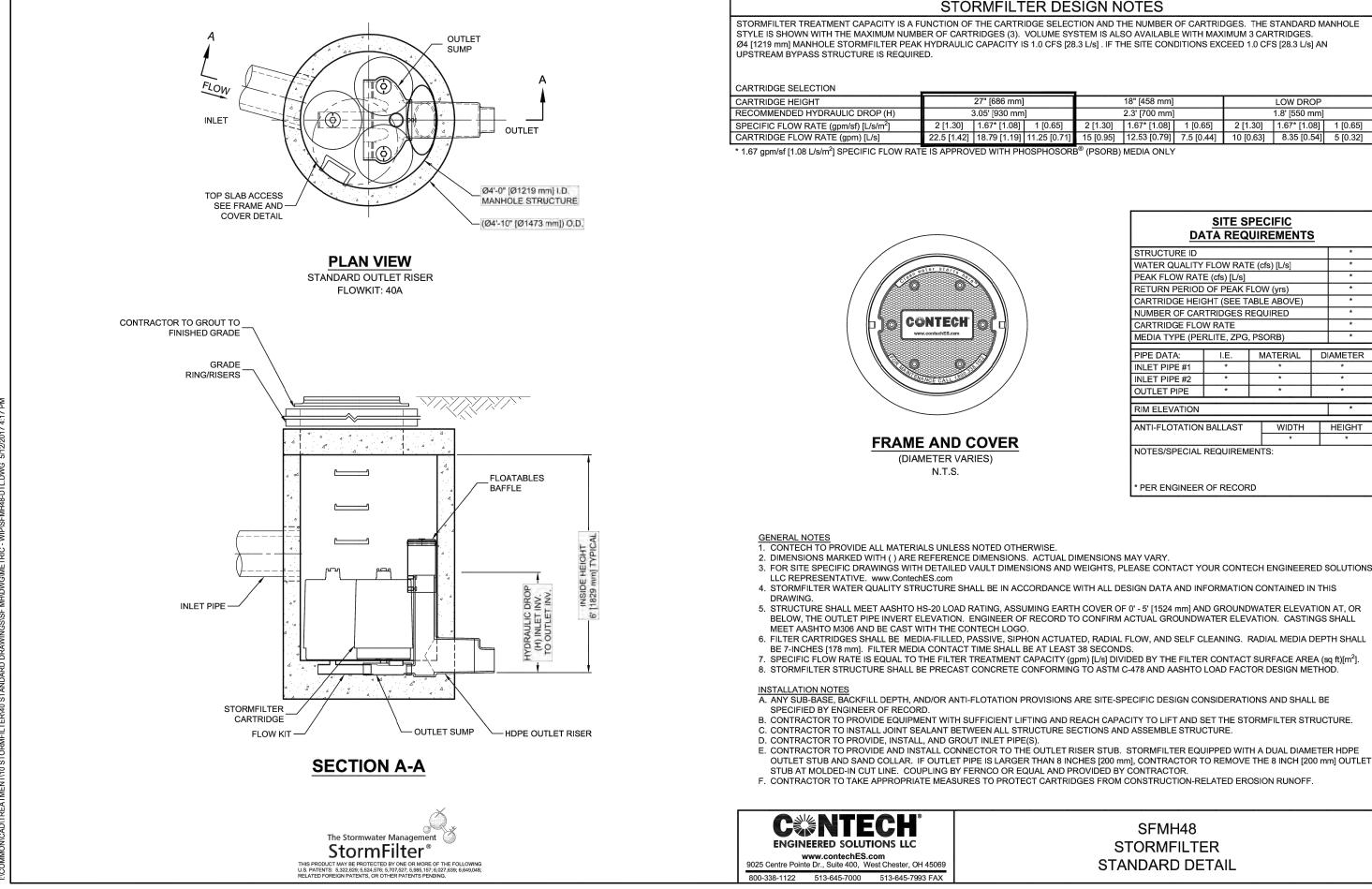
TABLE 1 ROUTINE MAINTENANCE ACTIVITIES FOR MEDIA FILTERS							
NO.	MAINTENANCE TASK	FREQUENCY OF TASK					
1	INSPECT FOR STANDING WATER, SEDIMENT, TRASH AND DEBRIS.	MONTHLY DURING RAINY SEASON					
2	REMOVE ACCUMULATED TRASH AND DEBRIS IN THE UNIT DURING ROUTINE INSPECTIONS.	MONTHLY DURING RAINY SEASON, OR AS NEEDED AFTER STORM EVENTS					
3	INSPECT TO ENSURE THAT THE FACILITY IS DRAINING COMPLETELY WITHIN FIVE DAYS AND PER MANUFACTURER'S SPECIFICATIONS.	ONCE DURING THE WET SEASON AFTER MAJOR STORM EVENT.					
4	REPLACE THE MEDIA PER MANUFACTURER'S INSTRUCTIONS OR AS INDICATED BY THE CONDITION OF THE UNIT.	PER MANUFACTURER'S SPECIFICATIONS.					
5	INSPECT MEDIA FILTERS USING THE ATTACHED INSPECTION CHECKLIST.	QUARTERLY OR AS NEEDED					

NOTE: MEDIA FILTRATION UNIT TO BE SERVICED BY VACUUM TRACK.



- 1. "Retained" in box 2.d.2 means to leave existing IA in place. An IA that goes through maintenance (e.g., pavement resurfacing/slurry seal/grind), but no change in grade is considered "retained."
- 2. The "replaced" and "new" IA in boxes 2.d.3, and 2.d. 4 are based on the total area of the site and not specific locations on site. For example, impervious parking created over a pervious area is not "new" IA if an equal amount of pervious area replaces IA somewhere else on the site. Constructed IA on a site that does not exceed the Total Pre-Project IA in box 2.d.1. will be considered "replaced" IA. A site will have "new" IA only if the Total Post-Project IA in box 2.d.5. exceeds the Total Pre-Project IA (2.d.5 - 2.d.1 = 2.d.4).
- 3. These areas are locations of the public street that are being dedicated (sidewalk or street easement) to the City of San José. 4. Include bioretention areas, infiltration areas, green roofs, and pervious pavement in PA calculations.





### CatchBasin StormFilter™

Important: These guidelines should be used as a part of your site

The CatchBasin StormFilter™ (CBSF) consists of a multi-chamber Once in the cartridge chamber, polluted water ponds and steel, concrete, or plastic catch basin unit that can contain up to percolates horizontally through the media in the filter cartridges. four StormFilter cartridges. The steel CBSF is offered both as a Treated water collects in the cartridge's center tube from where it

The CBSF is installed flush with the finished grade and is applicable for both constrained lot and retrofit applications. It When flows into the CBSF exceed the water quality design can also be fitted with an inlet pipe for roof leaders or similar

The CBSF unit treats peak water quality design flows up to 0.13 Applications cfs, coupled with an internal weir overflow capacity of 1.0 cfs for The CBSF is particularly useful where small flows are being the standard unit, and 1.8 cfs for the deep steel and concrete units. Plastic units have an internal weir overflow capacity of 0.5 head to spare. The unit is ideal for applications in which

### **Design Operation**

standard and as a deep unit.

The CBSF is installed as the primary receiver of runoff, similar Retro-Fit to a standard, grated catch basin. The steel and concrete CBSF The retrofit market has many possible applications for the CBSF. units have an H-20 rated, traffic bearing lid that allows the filter The CBSF can be installed by replacing an existing catch basin to be installed in parking lots, and for all practical purposes, without having to "chase the grade," thus reducing the high cost takes up no land area. Plastic units can be used in landscaped of re piping the storm system. areas and for other non-traffic-bearing applications.

The CBSF consists of a sumped inlet chamber and a cartridge chamber(s). Runoff enters the sumped inlet chamber either by sheet flow from a paved surface or from an inlet pipe discharging directly to the unit vault. The inlet chamber is equipped with an internal baffle, which traps debris and floating oil and grease, and an overflow weir. While in the inlet chamber, heavier solids are allowed to settle into the deep sump, while lighter solids and soluble pollutants are directed under the baffle and into the cartridge chamber through a port between the baffle and the overflow weir.

#### **OPERATION AND MAINTENANCE**

is directed by an under-drain manifold to the outlet pipe on the

value, excess water spills over the overflow weir, bypassing the

treated or for sites that are flat and have little available hydraulic

standard catch basins are to be used. Both water quality and

catchment issues can be resolved with the use of the CBSF.

downstream side of the overflow weir and discharged.

cartridge bay, and discharges to the outlet pipe.

## **ENGINEERED SOLUTIONS**

#### **OPERATION AND MAINTENANCE**

### CatchBasin StormFilter™

Maintenance procedures for typical catch basins can be applied to the CatchBasin StormFilter (CBSF). The filter cartridges contained in the CBSF are easily removed and replaced during maintenance activities according to the following guidelines. 1. Establish a safe working area as per typical catch basin

- lbs. each). 3. Turn cartridge(s) counter-clockwise to disconnect from pipe
- 4. Remove 4" center cap from cartridge and replace with lifting cap. interrupt the mosquito growth cycle. 5. Remove cartridge(s) from catch basin by hand or with vactor
- 6. Remove accumulated sediment via vactor truck (min. clearance 13" x 24").
- 7. Remove accumulated sediment from cartridge bay. (min. clearance 9.25" x 11"). 8. Rinse interior of both bays and vactor remaining water and
- 9. Install fresh cartridge(s) threading clockwise to pipe manifold.
- Replace cover and grate. 11. Return original cartridges to Contech for cleaning. Media may be removed from the filter cartridges using the
- vactor truck before the cartridges are removed from the catch basin structure. Empty cartridges can be easily removed from the catch basin structure by hand. Empty cartridges should be reassembled and returned to Contech as appropriate. Materials required include a lifting cap, vactor truck and fresh filter cartridges. Contact Contech for specifications and availability of the lifting cap. The vactor truck must be equipped with a hose capable of reaching areas of restricted clearance. the owner may refresh spent cartridges. Refreshed cartridges are also available from Contech on an exchange basis. Contact the maintenance department of Contech at 503-258-3157 for more information. Maintenance is estimated at 26 minutes of site time. For units with more than one cartridge, add approximately 5 minutes for

each additional cartridge. Add travel time as required.

URBANGREEN

**Maintenance Guidelines** 

In certain areas of the United States, mosquito abatement is desirable to reduce the incidence of vectors. In BMPs with standing water, which could provide mosquito

breeding habitat, certain abatement measures can be taken. Periodic observation of the standing water to determine if service activity. the facility is harboring mosquito larvae. 2. Remove steel grate and diamond plate cover (weight 100 Regular catch basin maintenance.

Mosquito Abatement

3. Use of larvicides containing Bacillus thuringiensis israelensis (BTI). BTI is a bacterium toxic to mosquito and black fly In some cases, the presence of petroleum hydrocarbons may

#### Using Larvicides in the CatchBasin StormFilter Larvicides should be used according to manufacturer's

Two widely available products are Mosquito Dunks and Summit B.t.i. Briquets. For more information, visit http://www. summitchemical.com/mos\_ctrl/d efault.htm. The larvicide must be in contact with the permanent pool. The larvicide should also be fastened to the CatchBasin StormFilter

by string or wire to prevent displacement by high flows. A magnet can be used with a steel catch basin. For more information on mosquito abatement in stormwater BMPs, refer to the following: http://www.ucmrp.ucdavis.edu/ publications/managingmosquitoesstormwater8125.pdf

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# **CENTECH** Operation and Maintenance

Toll-free: 800.548.4667

contechstormwater.com Vault, CIP and Linear StormFilter Operation and Maintenance Guidelines

The Stormwater Management StormFilter®

Vault, Cast-In-Place, and Linear Units Important: These guidelines should be used as a part of your site stormwater Description

The Stormwater Management StormFilter® (StormFilter) is a passive, flow-through, stormwater filtration system. The system is comprised of one or more vaults that house rechargeable, media-filled, filter cartridges. The StormFilter works by passing stormwater through the media-filled cartridges, which trap particulates and adsorb materials such as dissolved metals and hydrocarbons. Once filtered through the

media, the treated stormwater is directed to a collection pipe or discharged into an open channel drainage way. The StormFilter is offered in multiple configurations, including vault, linear, catch basin, manhole, and cast-in-place. The vault, linear, manhole, and catch basin models utilize pre-manufactured units to ease the design and installation processes. The cast-in-place units are customized for larger flows and may be either covered or

The StormFilter is a passive, flow-through, stormwater filtration system designed to improve the quality of stormwater runoff from the urban environment before it enters receiving waterways. It is intended to function as a Best Management Practice (BMP) to meet federal, state, and local

uncovered underground units.

©2006 CONTECH Stormwater Solutions

requirements for treating runoff in compliance with the Clean Water Act. Through independent third party studies, it removal.

has been demonstrated that the StormFilter is highly effective for treatment of first flush flows and for treatment of flow-paced flows during the latter part of a storm. In general, the StormFilter's efficiency is highest when pollutant concentrations are highest. The primary non-point source pollutants targeted for removal by the StormFilter are: suspended solids (TSS), oil and grease, soluble metals, nutrients, organics, and trash and debris.

The StormFilter is sized to treat the peak flow of a water quality design storm. The peak flow is determined from calculations based on the contributing watershed hydrology and from a design storm magnitude set by the local stormwater management agency. The particular size of a StormFilter unit is determined by the number of filter cartridges (see Figure 1) required to treat this peak flow.

The flow rate through each filter cartridge is adjustable, allowing control over the amount of contact time between the influent and the filter media. The maximum flow rate through each cartridge can be adjusted to between 5 and 15 gpm using a calibrated restrictor disc at the base of each filter cartridge. Adjustments to the cartridge flow rate will affect the number of cartridges required to treat the peak flow.

Basic Function The StormFilter is designed to siphon stormwater runoff through a filter cartridge containing media. A variety of filter media is: available and can be customized for each site to target and remove the desired levels sediments, dissolved phosphorus, dissolved metals, organics, and oil and grease. In many cases, a combination of media is recommended to maximize the effectiveness of the stormwater pollutant



Figure 1. The StormFilter Cartridge

Priming System Function When stormwater in the StormFilter unit enters a StormFilter cartridge, it percolates horizontally through the cartridge's filter media and collects in the center tube of the cartridge, where the float in the cartridge is in a closed (downward) position. Water continues to pass through the filter

media and into the cartridge's center tube. The air in the cartridge is displaced by the water and purged from beneath the filter hood through the one-way check valve located in the cap. Once the center tube is filled with water (approximately 18 inches deep), there is enough buoyant force on the float to open the float valve and allow the treated water in the center tube to flow into the under-drain manifold. This causes the check valve to close, initiating a siphon that draws polluted water throughout the full surface area and volume of the filter. Thus,

the entire fifter cartridge is used to fifter water throughout the duration of the storm, regardless of the water surface elevation in ne unit. This siphon continues until the water surface elevation drops to the elevation of the hood's scrubbing

he carridges are connected to the underdrain manifold with a plastic connector, Since some media used is potentially buoyant, a threaded connector affixed to the under-drain manifold (with glue or other adhesive) is necessary to ensure that the cartridge isn't lifted out of place. For the heavier compost media, a slip connector is

spreaders that trap floating debris and surface films, even during overflow conditions. Depending on individual site characteristics, some systems are equipped with high and/or base flow bypasses. High flow bypasses are installed when the calculated peak storm event generates a flow that overcomes the overflow capacity of the system. This is especially important for precast systems. Base flow bypasses are sometimes installed to bypass continuous inflows caused by ground water seepage, which usually do not require treatment. All StormFilter units are designed with an overflow. The overflow operates when the inflow rate is greater than the treatment capacity of the filter cartridges.

The StormFilter is also equipped with flow

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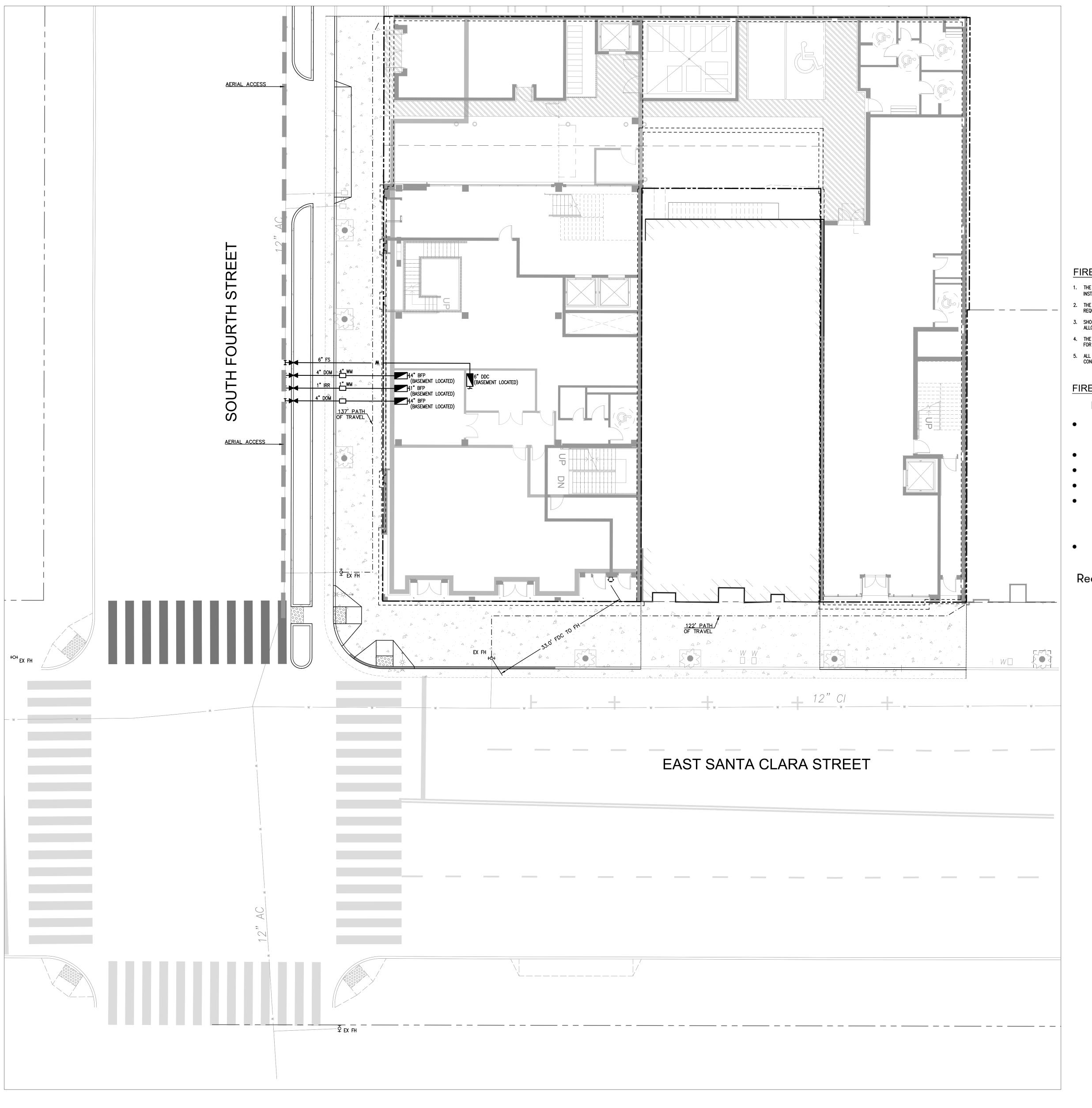
UrbanGreen™.

www.ContechES.com/stormwater 800-338-1122 © 2013 Contech Engineered Solution









#### FIRE GENERAL NOTES

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#### FIRE PROTECTION NOTES (PROVIDED BY HOLMES FIRE):

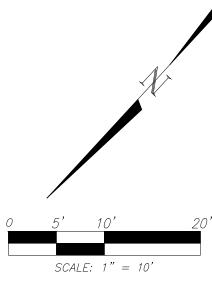
#### **BUILDING SUMMARY**

- Location: Southwest corner of East Santa Clara Street and South Fourth Street intersection in San Jose, CA.
- 6 stories above grade plane, 1 story below grade with roof level below 85 ft.
- Use and Occupancy Groups: Primary Group B, with retail spaces (Group M) on Basement and level 1.
- Construction: Type III-A
- Building Area: 72,573 SF
  - o Basement: 5,305
  - o Levels 1-6: 67,268
- Retail and Parking: Ordinary Hazard

Office spaces for floors 2 to 6: Light Hazard

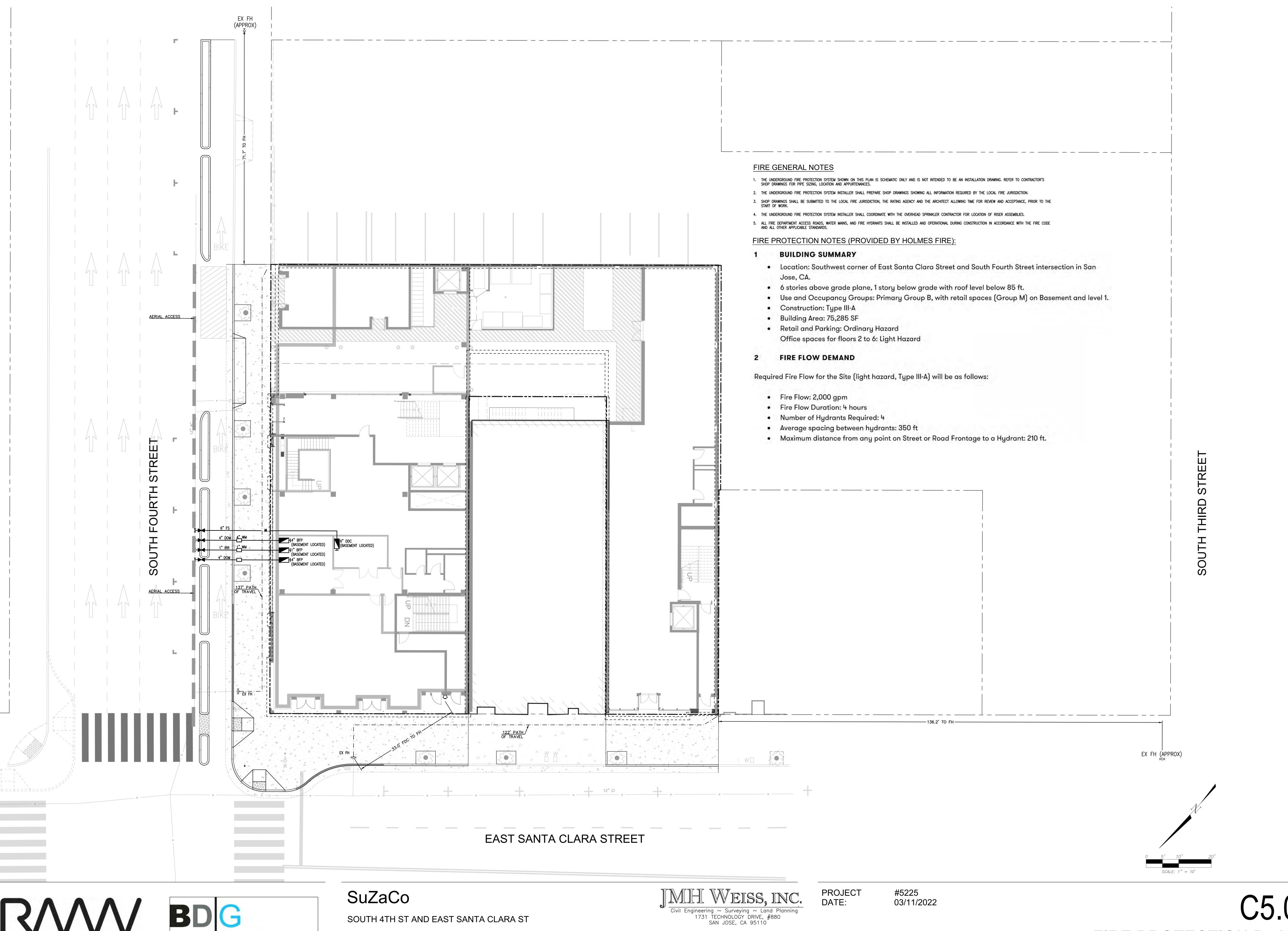
Required Fire Flow for the Site-Type III-A Construction Type1:

- Fire Flow: 2,200 gpm
- Fire Flow Duration: 4 hours
- Number of Hydrants Required: 4
- Average spacing between hydrants: 350 ft
  - Maximum distance from any point on Street or Road Frontage to a Hydrant: 210 ft.









**Bayview** Development Group