



HISTORIC LANDMARKS COMMISSION AGENDA

Action Minutes

Wednesday, February 5, 2025

Regular Meeting
Commencing at 6:30 p.m.
City Hall Wing
Wing Rooms 118, 119 & 120
First Floor, City Hall Wing
200 East Santa Clara Street
San José, California

Commission Members

Paul Boehm, Chair
Rachel Royer, Vice Chair
Harriett Arnold
Himat Bainiwal
Lawrence Camuso
Steve Cohen
Sara Ghalandari

Christopher Burton, Director
Department of Planning, Building & Code Enforcement

AGENDA
ORDER OF BUSINESS

WELCOME

Meeting called to order at 6:32 p.m.

INTRODUCTION OF NEW COMMISSIONERS:

Himat Bainiwal and Steve Cohen

ROLL CALL

PRESENT: Commissioners Boehm, Camuso, Bainiwal and Cohen

ABSENT: Commissioners Royer, Arnold and Ghalandari

1. DEFERRALS

Any item scheduled for hearing this evening for which deferral is being requested will be taken out of order to be heard first on the matter of deferral. If you want to change any of the deferral dates recommended or speak to the question of deferring these or any other items, you should say so at this time.

No Items

2. CONSENT CALENDAR

Notice to the public: There will be no separate discussion of individual Consent Calendar items as they are considered to be routine and will be adopted by one motion. If a member of the Commission requests debate, separate vote or recusal on a particular item, that item may be removed from the Consent Calendar by the Chair and considered separately. The public may comment on the entire Consent Calendar and any items removed from the Consent Calendar by the Chair. Staff will provide an update on the consent calendar. If anyone in the audience wishes to speak on one of these items, please make your request at this time.

No Items

3. PUBLIC HEARINGS

Generally, the Public Hearing items are considered by the Historic Landmarks Commission in the order in which they appear on the agenda. However, please be advised that the Commission may take items out of order to facilitate the agenda, such as to accommodate significant public testimony, or may defer discussion of items to later agendas for public hearing time management purposes. If anyone in the audience wishes to speak on one of these items, please make your request at this time.

- a. [HP24-001](#): Historic Preservation Permit to allow the demolition of a City Landmark with the exception of the street-facing façades and the construction of a new fifteen (15) story mixed-use building consisting of up to 220 affordable residential units, and 3,760 square feet of ground floor commercial space on an approximately 0.50-gross-acre site located at 465-467 South 1st Street and 470-480 South Market Street.

PROJECT MANAGERS, ANGELA WANG AND BETHELHEM TELAHUN

RECOMMENDATION: STAFF RECOMMENDS THAT THE HISTORIC LANDMARKS COMMISSION RECOMMEND TO THE PLANNING DIRECTOR THAT THE:

- 1. FINDINGS REQUIRED UNDER [SECTION 13.48.240](#) OF THE HISTORIC PRESERVATION ORDINANCE CANNOT BE MADE FOR THE PROPOSED GATEWAY TOWER MIXED USE PROJECT; AND**
- 2. DENIAL OF THE HISTORIC PRESERVATION PERMIT WOULD CAUSE IMMEDIATE AND SUBSTANTIAL HARDSHIP ON THE APPLICANT BECAUSE THE NEW CONSTRUCTION IN ACCORDANCE WITH CHAPTER 13.48 WOULD BE ECONOMICALLY INFEASIBLE AND UNREASONABLE IN LIGHT OF THE FEASIBLE USES OF SUCH PROPERTY.**
- 3. APPROVAL OF HISTORIC PRESERVATION PERMIT (FILE NO. H24-001) UNDER MUNICIPAL CODE SECTION 13.48.260 (HARDSHIP) OF THE HISTORIC PRESERVATION ORDINANCE.**

Chairman Boehm introduced the item.

Planning Project Manager Angela Wang provided an overview of the project, which is proposed on an approximately half-acre site encompassing three parcels in the South First Street area of downtown. She noted the project site contains three structures - a designated City Landmark, a Structure of Merit listed on the Historic Resources Inventory, and a non-historic building. Ms. Wang reported that a project with a higher floor count, more residential units and more square-feet of commercial space was previously approved on the site. She explained that the City Landmark building is significant for its association with Dr. Charles Herrold and as the site of California's first radio transmitter in 1894. Ms. Wang stated the proposed project will retain the facades of the two historic buildings, with minor storefront alterations to the Market Street façade of the City Landmark. She stated the project is consistent with four Historic Preservation Land Use policies and inconsistent with two Historic Preservation policies related to the preservation of City Landmarks. Ms. Wang stated the project is not in conformance with four of the ten Secretary of the Interior's Standards for Rehabilitation. She informed the commission that while the Historic Preservation Ordinance findings cannot be made that the proposed project would not be detrimental to the historical, cultural and architectural significance of the City Landmark for which it was found eligible and designated and the work would not be consistent with the spirit and purposes of the Historic Preservation Ordinance, the Historic Preservation (HP) Permit may be approved if the approving body finds that denial of the HP Permit will cause immediate and substantial hardship on the applicant. Ms. Wang stated that the applicant submitted documentation attached to the staff report that preservation of the City Landmark would be economically infeasible and unreasonable in light of the feasible uses of the property.

Environmental Project Manager Bethelhem Telehun provided an overview of the environmental review of the project. Ms. Telehun informed the commission that in December 2016 the City Council approved the Supplemental Environmental Impact Report (SEIR) for the previous project which disclosed significant unavoidable impacts to historical resources due to the demolition of the Herrold College building. She stated that the current project is being evaluated as an addendum to the SEIR for the previously approved project because it will not result in any new or more significant impacts. The addendum for the current project will be posted to the City's website on February 14, 2025. The current project will be required to comply with all mitigation measures that were outlined in the SEIR.

Planning Project Manager Angela Wang informed the commission that based on review of the hardship documentation provided by the applicant, staff recommends that the commission recommend to the Planning Director the approval the HP Permit under the hardship section of the Historic Preservation Ordinance.

Applicant Eric Schoennauer representing Core Development Group, provided a brief presentation to the commission. He introduced Core Development Group project manager Aaron Barger, and design firm DLR Group representatives Laura Belsky and Peter Hess. Mr. Schoennauer informed the commission the Core Development Group has been unable to secure funding for the project as a market-rate development. He stated the change in project scope and adjustments to make the project 100% affordable will allow Core Development Group to pursue other financing options that make the project financially feasible. Mr. Schoennauer stated that the treatment at the ground level of the City Landmark and Structure of Merit will be the same as the previous project with respect to the historic nature of the site, and there will be a historic display in the lobby with information about Dr. Herrold and the birth of radio broadcasting with cooperation from History San Jose and Preservation Action Council San Jose. He stated there will be a plaza environment on the William Street side to accommodate outdoor seating.

DLR Group architect Laura Belsky provided an overview of the design of the building, showing representative floorplans and the treatment of the historic façades. Ms. Belsky pointed out the location of the City Landmark and the Structure of Merit facades to be retained on South First Street and South Market Street and showed floor plans that included the historic display space as well as other physical features of the project.

Chairman Boehm called for commissioner questions.

Commissioner Camuso inquired about the setback of the new construction from the historic building facades. Ms. Belsky responded the setback along South First Street is four feet, and the setback along South Market Street is one foot. Mr. Schoennauer highlighted an image of the building cross-section showing the setbacks. Commissioner Camuso inquired if there are photographs of the interiors of the two historic buildings and if there is any significance or importance to the interior spaces. Mr. Schoennauer responded the project team took photographs of the spaces, but he would need to defer to staff on any historic significance. Historic Preservation Officer, Dana Peak Edwards, responded the City Landmark building has had various uses and many alterations to accommodate different tenants over the years. Ms. Belsky responded there had been some changes to the façade of the City Landmark to modernize the building like the contemporary glazing on the South Market Street façade. She explained the project will replace the contemporary storefront with a more historically compatible storefront and they plan to reuse materials from the existing building in common spaces as much as possible.

Chairman Boehm read into the record questions and comments submitted on behalf of Commissioner Ghalandari who was unable to attend the meeting. Commissioner Ghalandari's written comments inquired why an alternate scenario not considered that would retain the City Landmark, but demolish the Structure of Merit. Aaron Barger, Core Development, responded that priority was made for the City Landmark. Commissioner Ghalandari's written comments inquired if there was a scenario where the City Landmark could be retained with the same number of units. Mr. Barger responded it was not possible to retain the building and also provide parking, which while not required by the City, is necessary to make the building leasable.

Commissioner Cohen inquired if the City Landmark building is eligible for State or National recognition. Dana Peak Edwards responded that on page 6 of the staff report, it states the building is eligible for the National Register and the California Register under

Criteria A/1 and B/2, related to development patterns and events and people. Commissioner Cohen inquired about the change in project scope from the previously approved project, noting the loss of market rate units which would have brought financial benefits to the SOFA neighborhood. He commented that the City previously approved a project with a bigger scope, and inquired if it was worthwhile to consider the impacts on the City Landmark for a project with fewer units. Ms. Belsky clarified the project still maintains 220 affordable units (same as the original project), and the 80 market-rate units were removed from the program. Mr. Schoennauer responded the benefit of the original project plan is zero since it was financially infeasible to build. Commissioner Cohen inquired why parking could not be reduced or removed to retain the City Landmark, given that other projects have been proposed which have much less parking. Mr. Schaneauer responded that no multi-family high-rise building in San Jose has ever been built without parking and the project would be infeasible without some parking. Commissioner Cohen inquired if retaining and reusing historic materials on the interiors was an indication there is historic significance to the interior that should be preserved. Mr. Schoennauer responded the materials were aesthetically relevant but not necessarily historically significant, and that the criteria the commission should be using to evaluate projects should be based on the guidelines provided by staff rather than personal preferences. Commissioner Cohen distributed to commissioners and staff a list of criteria from the 2040 General Plan he believes the project does not meet and quoted portions of the General Plan from pages 16, 5, 11, 13-14, 22 and 29. The applicant responded these criteria seemed open to interpretation. There was no discussion about the circulated document. Commissioner Cohen asked for clarification about the performance space on the plan. Mr. Schaneauer responded the space is designed for potential occupation by a performing arts group. Commissioner Cohen inquired if it would be possible to relocate the leasing office because of the impact to a National Register-eligible building, things could be moved around or eliminated. Commissioner Cohen inquired about the materials used in the façade of the proposed new building and how they would work with the adjacent historic properties in the area. Ms. Belsky responded the guidelines do not recommend matching the historic buildings, but differentiating the new construction and relating the scale to the historic building facades at the lower levels of the building. Ms. Belsky responded that the façade of the new construction is mostly window wall construction with a metal panel at ground level, but with wood imprint panels where the coloring matches the hues of the historic buildings. Commissioner Cohen commented that SOFA is an arts district and that most people at the street level care about only the lowest fourteen feet, and inquired what is the relationship of the lower portion of the proposed building to that of the historic area, and what materials are in that portion of the façade. Commissioner Cohen commented the modern glass and aluminum portions of the façade do not relate to the historic district and provide a harsh differentiation. Ms. Belsky responded there are two façade portions on South First Street, one of which contains the entry of the building and relates to the taller portion of the new building which is mostly glass, and a portion of the façade which relates to the historic buildings on site which has softer elements including wood-like panels. She stated the elevation was in keeping with the design guidelines which require differentiation but similarity of scale with historic elements.

Commissioner Bainiwal inquired about the economic feasibility of the project, asking about the cost per unit and what is the likelihood the project will be funded. Mr. Barger responded the project was approved in 2016 as 300 units of market-rate housing but following discussion between funding companies and the County of Santa Clara, the project did not move forward. He commented that the project scope was modified to 300 units of mixed-income housing, and in 2020 they received a measure award of \$64 million dollars. Mr. Barger noted they submitted project amendments in 2020 and 2022

while working on financing to keep the project at 300 units, but since that time the cost to build and the rents that could be achieved made the 300 unit-project infeasible. He stated they removed the upper 80 units, taking out ten floors of building requirements, but in order to make the project feasible, they still needed parking. Mr. Barger stated that they still have the measure award funds and they will go forward with an LHFA funding application in March for 220 housing units.

Chairman Boehm opened public comment.

Mike Sodergren, Preservation Action Council San Jose (PAC*SJ), commented the organization has been aware of this project since it was first approved in 2016. He commented that while PAC*SJ generally despises facadism for historic properties and would like to see full or substantial incorporation of historic properties into projects, this case is somewhat unique in that the project was proposed for something bigger. Mr. Sodergren expressed concern over setting a precedent using the hardship provision, saying PAC*SJ does not want to see a bunch of hardship cases coming back and recommending demolition or just leaving a façade in place. He commented in this case PAC*SJ believes the applicant has acted in good faith and PAC*SJ will support the project as proposed. Mr. Sodergren commented that the pro formas presented in these projects do not seem to have consistency in terms of what the City is asking for and inquired about the evaluation criteria for the integrity of the data. He inquired if it is the same data that is presented to the banks in terms of return on investment, or whether the data was evaluated by one of the big accounting firms.

Chairman Boehm closed public comment and asked for commissioner comments.

Commissioner Cohen commented he would not support the project and there are conditions that would need to be met. He stated the property needs a complete historic evaluation to see if it would qualify for listing on the National Register. Commissioner Cohen commented he would like to see the wood elements brought lower down on the façade to the pedestrian realm for a warmer experience rather than just glass and aluminum. He suggested brick might be a good alternative to keep the modern look while not interfering with the historic façades. Commissioner Cohen stated that 89 units will not make much of a difference to the ten-thousand unit requirement for the City. He commented that the City has demolished so many City Landmarks or they have been set on fire. Commissioner Cohen commented this building, which is probably going to be eligible for the National Register, is unique and special to the City, and losing the building is a much bigger deal than losing 89 units, whether affordable or market rate housing.

Commissioner Camuso commented that without the significance of the historic building, it is a decent looking development. He expressed appreciation that the façade is being saved and restored, but expressed concern about the true significance of the City Landmark building and wanted to hear more about it. Commissioner Camuso stated he did not think he could support the project.

Chairman Boehm read written comments provided by Commissioner Ghalandari stating that Commissioner Ghalandari appreciated that the reduction of scope of the project helps the building relate better to the surroundings and that the historic storefronts will be retained. Commissioner Ghalandari comments referred to page 13 of the staff report where it is stated there is not sufficient information at this time to determine compliance with the Secretary for the Interior's Standards 6 and 7, but that plans will be reviewed for compliance during the building permit review process, and then concludes that the modified project conforms with applicable standards. The written comments asked staff to clarify that statement, impose appropriate conditions and clarify mitigation on the project. Commissioner Ghalandari's written comments stated she understood the City

Landmark is situated in the middle of the site between the Structure of Merit and the parking lot. She reiterated the suggestion that a project could allow the preservation of the City Landmark and the new construction on the other lots in a financially feasible manner that could retain as many units as possible. Commissioner Ghalandari's written comments noted that if the lot size and configuration did not account for this, the project applicant and City staff should confirm and clarify for the commission that this scenario had been fully explored and deemed economically and practically infeasible.

Chairman Boehm expressed agreement with the earlier comments by commissioners, especially in recognizing the importance of the City Landmark, and that the compatibility of the building design would be improved by bringing wood or brick to the pedestrian level. He commented there seemed to be significant changes since the 2016 approval of the project and asked for clarification on the elevations. Chairman Boehm commented that the modern look of the design did not fit in with the surrounding historic buildings. Chairman Boehm commented that he would like to see a different material used in the new construction rather than glass, and stated the façade should look historic in some way. He agreed with Commissioner Cohen echoing the earlier comments about the design of the façade and expressed hesitation to deny the project given the previous approval, but he stated that he would like to see the design improved. The applicant team clarified the design is the same as what was approved in 2016, other than the building is shorter because higher floors were removed from the scope of the project.

Commissioner Cohen commented the use of the property is dramatically different than what was approved in 2016, and expressed concern that the historic display space proposed would not come to fruition based on earlier projects approved in San Jose. Mr. Barger responded the use is the same as what was previously approved, just the scale is a little smaller. Mr. Barger asked for clarification on what Commissioner Cohen meant by a change in use, and stated that affordable housing is not deemed to be a substandard or different use from market rate housing. Commissioner Cohen stated the project received a hardship pass before, but stated this is a smaller project making it different than what was previously approved. Mr. Barger responded that the 2016 approval was based on the City's desire for identity development and high-rise residential projects, and he did not understand what was meant by the term "pass." He commented that a lot of effort and collaboration has gone into the project and how the historic buildings would be preserved.

Chairman Boehm expressed concern there would not be enough emphasis on the history of radio broadcasting, and raised the point there could be conditions imposed related to the commissioner's concerns. Historic Preservation Officer, Dana Peak Edwards, informed the commission conformance with the project plans is required, and clarified the reason this project came before the commission is because the permit expired, not because there was any change in project or design, and changes would otherwise be handled through an administrative adjustment process instead.

Commissioner Cohen inquired about the importance of parking and how the General Plan concerns should be emphasized by the commission. Ms. Peak Edwards responded the General Plan focus of the commission should be on the City's Landmark General Plan policies cited in the staff report, and the project does not completely conform to all of these policies. Ms. Peak Edwards informed the commission there is a companion Site Development Permit which will be analyzed separately and more fully against General Plan policies. She noted the Site Development Permit will be heard at a Director Hearing, whereas the focus of the commission is on the historic preservation aspect. Commissioner Cohen commented the applicant could shrink the project and if not, there is no hardship as they could still use the land for commercial in the way that it was

already built. He suggested the commission does not know the full historical status of the property which is proposed for demolition and that the National Register is a big deal. Ms. Peak Edwards reminded the commission there are specific findings that need to be made under Historic Preservation Ordinance Section 13.48.240, and staff recommends the commission to recommend to the Planning Director those findings cannot not be made - that the project does not meet the spirit and purpose of the ordinance and that it will have a detrimental impact to the City Landmark, which is supported by the Secretary for the Interior's Standards analysis. Ms. Peak Edwards stated if the commission agrees with the report that the project will have an adverse impact and denial of the historic preservation permit would cause immediate and substantial hardship on the applicant, the commission can recommend approval or denial of the permit based on whether the commission believes there is or is not a hardship.

Commissioner Cohen expressed concern about the City Landmark property being potentially eligible for listing in the National Register.

Ms. Peak Edwards responded the National Register status is not relevant in this case as it is already a City Landmark. She noted the City does not regulate National Register properties and the Historic Preservation Ordinance only applies to City Landmark properties. Ms. Peak Edwards informed the commission about their role as a recommending body and that staff would report at the Director Hearing commission comments and the outcome of the recommendation, whether or not one was made by consensus,

Commissioner Bainiwal inquired if it would be possible to delay the item to a future commission meeting to gather more information about the City Landmark building interior and use history, stating the earlier permit said it was previously an auto shop. He expressed doubt about the historic significance of the interior in light of the many adjustments in use, but suggested more information may assuage concerns by the commission about the project. Ms. Peak Edwards responded there are time constraints related to the project funding cycle which would prohibit waiting another month for the commission recommendation, and the information requested about the building is not germane to the findings which need to be made under the Historic Preservation Ordinance.

Chairman Boehm read comments into the record made by Anthony Raynsford, a former Vice Chair of the commission from years earlier. The comments state an objection to the excessive use of glass without mediating solid elements such as spandrels between windows; the projecting bays group multiple stories together, interfering with the perception of visual scale at the street view; and the building massing with projecting bays cast strong shadows which visually compete with the historic facades at street level. Chairman Boehm added to these comments the statement that there should be compatible materials with the historic facades and suggested the commission should make a recommendation to either approve or deny the hardship, and called for a motion to be made.

Commissioner Cohen made a motion to recommend denial of the Historic Preservation Permit because the hardship documentation lacked convincing proof. Commissioner Camuso seconded the motion. Chairman Boehm called for commissioners discussion on the motion. Commissioner Bainiwal commented that the if the reasons for denying the Historic Preservation Permit are not relevant, the motion should not be raised, and stated the project should go ahead because he did not hear any legitimate reasons raised to deny the hardship request. Chairman Boehm called for a vote on the motion.

The Historic Landmarks Commission voted 3-1-3 (Bainiwal opposed; Arnold, Ghalandari, and Vice Chair Royer absent) to recommend denial of the Historic

4. PLANNING REFERRALS

No Items

5. GENERAL BUSINESS

No Items

6. REFERRALS FROM CITY COUNCIL, BOARDS, COMMISSIONS, OR OTHER AGENCIES

No Items

7. OPEN FORUM

Members of the public are invited to speak on any item that does not appear on today's Agenda and that is within the subject matter jurisdiction of the Commission. The Commission cannot engage in any substantive discussion or take any formal action in response to the public comment. The Commission can only ask questions or respond to statements to the extent necessary to determine whether to: (1) refer the matter to staff for follow-up; (2) request staff to report back on a matter at a subsequent meeting; or (3) direct staff to place the item on a future agenda. Each member of the public may fill out a speaker's card and has up to two minutes to address the Commission.

*Mike Sodergren, PAC*SJ, commented that he sent a memo discussing the Demolition by Neglect ordinance, saying there was an opportunity to bring this issue to the foreground based on the City Council's Code Enforcement study session driven by Steven Cohen and others in the community around the SOFA area. Mr. Sodergren commented that upon speaking to the Planning Director, he found he was unaware of the draft prepared by Anthony Raynsford, but it should be put forward now because it is under evaluation and changes are needed. Mr. Sodergren commented on the community engagement meeting for the master plan at San Jose State University and noted there are buildings from the 1950's slated for demolition on campus, including the music and science buildings. He noted that the CSU regents will determine if that happens, but he believes the City should comment on the master plan. Mr. Sodergren commented that the comment period lasts until March 3rd, and he requested the Historic Preservation Officer and the commission review that information and provide comment on the plan as members of the public.*

A member of the public commented they have an active project which relates to a property listed in the Historic Resources Inventory that was approved for a certain color roofing material, but the customer would like a darker color to match the rest of the roofs in the neighborhood. Ms. Peak Edwards responded that she would speak to him directly about the issue, as such permits are handled on the staff level and are not considered by the commission.

*Chairman Boehm raised the topic of an Adaptive Reuse Incentive Committee as recommended earlier by Commissioner Ghalandari. He suggested they discuss state and federally driven funding or grant money or other sources to provide incentives for adaptive reuse and asked this item be put on the agenda for discussion under General Business or where appropriate at a future commission meeting. Chairman Boehm also raised the issue Vice Chair Royer had brought up previously asking about a Financial Hardship Committee to discuss guidelines, saying there is not clear criteria of what constitutes a hardship. Chairman Boehm stated he would invite PAC*SJ to share their thoughts on this as they have done some research on it. He asked that the creation a Financial Hardship Committee be added to a future agenda for discussion of under General*

Business. Chairman Boehm commented he would like for some time this Spring season for the topic of historic district signage to be put on the agenda for landmark and conservation districts to discuss how to facilitate signage installation. City staff responded there is a process for installing signs, usually approved at the Director level, but it is often a contentious issue which takes a good amount of community involvement because people are quite passionate about what signs identify their community.

Chairman Boehm closed public comment. No action was taken.

8. GOOD AND WELFARE

a. Report from Secretary, Planning Commission, and City Council

- i. Verbal update on the status of Planning approvals by the City Council, Planning Commission and Planning Director of projects with a historic resource component.

No updates.

- ii. Summary of communications received by the Historic Landmarks Commission.
Dana Peak Edwards acknowledged the correspondence by Commissioner Ghalandari which was previously read into the record.

- iii. Next Meeting is March 5, 2025 in San Jose City Hall, Wing Rooms 118-120.

b. Report from Committees

- i. Design Review Subcommittee: No meeting was held on November 21, 2024 or December 19, 2024. The next meeting is scheduled for Thursday, February 20, 2025 at 11:00 a.m.

c. Approval of Action Minutes

- i. **Recommendation:** [Approval of Action Minutes for the Historic Landmarks Commission Meeting of November 6, 2024.](#)

Commissioner Cohen made a motion to approve the minutes of the November 6, 2024 meeting and the motion was seconded by Commissioner Camuso. The commission voted 4-0-3 (Commissioners Arnold, Ghalandari and Royer absent) to approve the motion.

d. Status of Circulating Environmental Documents

Staff reported the addendum to the HP24-001 Gateway project would be posted on February 14th, but would not be open for public comment.

ADJOURNMENT

Meeting adjourned at 8:10 p.m.