COUNCIL AGENDA: 3/28/23 FILE: 23-441 ITEM: 10.1b



Memorandum

#### TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: Historic Landmarks Commission

**SUBJECT: SEE BELOW** 

**DATE:** March 13, 2023

#### **COUNCIL DISTRICT: 3**

#### SUBJECT: CITY LANDMARK DESIGNATION (FILE NO. HL22-003) AND HISTORICAL PROPERTY (MILLS ACT) CONTRACT (FILE NO. MA22-003) FOR 619 N. FIRST STREET

#### **RECOMMENDATION**

The Historic Landmarks Commission (HLC) voted 5-0-2 (Commissioners Royer and Janke absent) to recommend that the City Council take all of the following actions:

- a. Adopt a resolution designating 619 N. First Street (HL22-003) as a City Landmark of special historical, cultural, aesthetic or engineering interest, or value of an historic nature.
- b. Adopt a resolution approving the Historical Property Contract (Mills Act) between the City of San José and the property owner, Jamila Stanford, for the property located at 619 N. First Street (APN: 259-18-055) on a 0.18-gross acre site.

#### SUMMARY AND OUTCOME

The designation of the subject property as a City Landmark would preserve the historic integrity of an unusual Craftsman-style building and recognize its historical and architectural value. Approval of the Mills Act Contract would result in a reduced property tax rate for the property over a minimum ten-year period where the property owner is required to use at least 10% of the property tax savings for the preservation, restoration, and rehabilitation of the City Landmark.

The City Landmark designation and Mills Act contract for 619 N. First Street would preserve the sense of place and historic integrity of the Craftsman style residential building constructed in 1907 and would promote awareness of its historical and architectural significance as an embodiment of distinguishing characteristics of an architectural type and association with the work of architecture firm Wolfe & McKenzie whose individual work has influenced the development of the City of San José.

#### **BACKGROUND**

On December 12, 2022, the property owner, Jamila Stanford, submitted an application to nominate 619 N. First Street as a City Landmark and an application for a Mills Act Contract, provided that the property is designated.

On March 1, 2023, the HLC held a public hearing on the applications for the City Landmark designation and Historical Property (Mills Act) contract for the building at 619 N. First Street.

Staff provided a brief overview of the history of the building and its character-defining features. The building is currently listed in the City of San José's Historic Resources Inventory as a Candidate City Landmark and was designed by the prominent architectural firm Wolfe & McKenzie. The two-story building, currently used as an office, was built in 1907 and is an unusual example of Craftsman architectural style with its peaked roofline and flared eaves with ornate fascia and Japanese influences and original windows that mimic the roofline.

The owner commented that she is interested in preserving the building because it is so unique and there are not many buildings crafted this way. Vice Chairman Raynsford referred to the proposed 10year maintenance plan and inquired how the upgrades to the electrical and plumbing (proposed in Year 4 and Year 5) relate to preserving the historic integrity of the building. The applicant responded that she based the items that would require repair on the present state and what she anticipates would need to be addressed over their lifespan. She stated for example in 5 years it is likely that some repairs or upgrades to the electrical system will be needed, but there may need to be some flexibility in the timing because the HVAC system could go out tomorrow and that would need to be addressed. Commissioner Camuso noted that work on the windows is proposed in Year 8 and inquired about the state of the windows, what specific work is proposed, and how the windows would be repaired or replaced. Commissioner Camuso noted the building retains its original wavy window glass which is an important feature of a landmark building. The applicant commented that some of the windows may need to be repaired (crack in the glass of one window) and she is aware of the special type of glass in the windows and that she would find a contractor or company that specializes in these types of windows and glass. The work would be based on the specific conditions and what would need to be replaced or repaired. Chairman Boehm inquired whether the building was originally constructed as a duplex and Ms. Shah, Project Manager, responded it has been used as a house and a duplex and is currently used for commercial purposes. Chairman Boehm expressed appreciation for the commitment to install a plaque and inquired when the applicant purchased the building. The applicant responded that the building was purchased in May 2019 and is used commercially as offices.

Three members of the public commented on the applications. Ben Leech and Mike Sodergren of Preservation Action Council San Jose (PAC\*SJ) expressed appreciation that a commercial building, rather than a single-family house, is being proposed for a Mills Act contract, especially since it is in a corridor where there are a lot of former residences that have been successfully converted to commercial uses. Mr. Leech commented that the building is a great example of adaptive reuse where older residences can continue to contribute to the vitality of the neighborhood. Paul Soto, a resident of San José, commented that the wood on the house that was so artfully crafted came from Native

American lands and the aesthetic was bought at a price. Mr. Soto commented that the Mills Act is a privilege extended to people who have wealth and the Chicano, by force of law, did not have that opportunity.

The HLC made the findings that 619 N. First Street meets the City Landmark designation criteria in Section 13.48.110(H) and the Historical Property Contract requirements of Section 13.48.540 of the San José Municipal Code, and unanimously recommended that the City Council approve the City Landmark designation and the Mills Act contract.

#### ANALYSIS

The property at 619 N. First Street qualifies for the City Landmark designation because it meets the following designation criteria in Section 13.48.110(H) of the San José Municipal Code:

#### Criterion 6: Its embodiment of distinguishing characteristics of an architectural type or specimen.

Analysis: The building is an excellent example of a Craftsman style. It embodies many elements of the style including the peak roofline and flared eaves with ornate fascia and Japanese influences and original windows that mimic the roofline. The building is one of the best examples of a Craftsmanstyle residential building in its setting in the North First Street and North San José Area. Therefore, the property is eligible for listing as a City Landmark under Criterion 6 because it embodies the Craftsman architectural style and its distinguishing characteristics.

*Criterion 7: Its identification as the work of an architect or master builder whose individual work has influenced the development of the City of San José.* 

Analysis: The building at 619 N. First Street was designed by the renowned architecture firm Wolfe & McKenzie, which specialized in the design of numerous single-family houses in the Santa Clara Valley in the first decade of the twentieth century. They designed one-quarter of the houses in the Naglee Park and Hanchett Park subdivisions between 1902 and 1910. Architectural historian, George Espinola, is quoted as saying of Wolfe & McKenzie, "more than any other architects, defined the residential character of San José during the transition from Victorian to the modern era." Therefore, the property is eligible under Criterion 7 as the work of an architect whose work influenced the development of the City of San José.

The property at 619 N. First Street qualifies for a Historical Property Contract because it meets the following criteria in Section 13.48.540 of the San José Municipal Code:

#### The proposed contract is consistent with the General Plan.

The preservation and rehabilitation of City Landmarks advance the goals of the Envision San José 2040 General Plan, specifically Historic Preservation Goal 13 and Policies LU-13.6 and LU-13.13. The Mills Act contract, in conjunction with the City Landmark designation, would promote a greater sense of historical awareness of the early twentieth-century construction methods and architecture of the Craftsman style. The architectural features of the residential building contribute to the historic context and sense of place in its setting in the North First Street and North San José Area.

The Mills Act contract would require the property owner to commit to a ten-year work plan to invest in the maintenance and rehabilitation of the house. In conjunction with the City Landmark

designation, the work would conform with the requirements of the Historic Preservation Ordinance and the Secretary of the Interior's Standards for the Treatment of Historic Properties. The Mills Act contract would require the property owners to commit to a ten-year work plan to invest in the maintenance and rehabilitation of the house. These requirements would address Historic Preservation Policy LU-13.6.

The proposed contract would provide greater protection for the landmark property than is otherwise provided by the provisions of Municipal Code Chapter 13.48.

The Mills Act contract would provide greater protection for the City Landmark because the Historical Property Contract includes a schedule of maintenance and improvements the owner would agree to complete over a ten-year period.

The complete analysis is contained in the Attachment March 1, 2023 HLC staff report.

#### **Policy** Alternatives

The City Council could vote to deny the City Landmark designation of 619 N. First Street. If the property is not designated a City Landmark, the property owners would not be required to preserve and maintain the house and it would not be eligible for a Mills Act Contract.

#### Climate Smart San José

The recommendation in this memorandum for File Nos. HL22-003 and MA22-003 would support Climate Smart San José goals for reaching the targets of the international Paris Agreement. Cities should use every tool available to reduce carbon emissions. One of those tools is building reuse. Reuse avoids the upfront embodied carbon emissions that occur when materials are mined, harvested, manufactured, transported, and assembled to create a new structure. Published research shows that it can take from 10 to 80 years to pay back the carbon debt that is incurred when an existing building is replaced with a new structure, even if the new building is highly energy efficient. Building construction and operations are responsible for approximately 40% of human-produced carbon emissions worldwide. Although low-carbon construction techniques are becoming more viable, decarbonization of the construction industry is still years away. Currently, the best way to avoid embodied carbon emissions is to conserve and reuse as many existing buildings as possible.

#### **EVALUATION AND FOLLOW UP**

If the Landmark application is approved, 619 N. First Street would be designated a City Landmark and the property would be added to the Historic Resources Inventory. Future work on the exterior of the building and ancillary construction on the lot would require a Historic Preservation Permit. The work would be required to conform with the requirements of the Historic Preservation Ordinance and the Secretary of the Interior's Standards for the Treatment of Historic Properties. The Mills Act Contract would require the property owner to commit to a ten-year work plan to invest in the maintenance and rehabilitation of the house.

If the Mills Act Contract is approved, the County Assessor would recalculate the property taxes using a formula in the Mills Act and Revenue and Taxation Code, and the schedule of maintenance work included in the Historical Property Agreement will be completed over a tenyear period.

#### **COORDINATION**

This memorandum was coordinated with the City Attorney's Office.

#### **PUBLIC OUTREACH**

This memorandum will be posted on the City's Council Agenda website for the March 28, 2023 City Council meeting.

Staff followed the public notification requirements of Section 13.48.110 of the San José Municipal Code. A public hearing notice for the project was published in a local newspaper and posted at the site. Information about the proposed designation and the associated public hearings has been made available through the Planning Division website, and staff has been available to answer questions.

#### **COMMISSION RECOMMENDATION AND INPUT**

The Historic Landmarks Commission voted 5-0-2 (Commissioners Royer and Janke absent) to recommend that the City Council adopt the following resolutions:

- a. Adopt a resolution designating 619 N. First Street as a City Landmark of special historic, architectural, aesthetic or engineering interest, or value of a historic nature; and
- b. Adopt a resolution approving the Historical Property Contract (Mills Act Contract) between the City of San José and the property owner, Jamila Stanford, for the property located at 619 N. First Street (APN: 259-18-055) on a 0.18-gross acre site.

#### <u>CEQA</u>

The environmental impacts of the project will not have a negative effect on the subject property or adjacent property in that the project has been determined exempt from the provisions of the California Environmental Quality Act (CEQA) per Section 15331. The project is limited to maintenance, repair, stabilization, rehabilitation, restoration, preservation, conservation or reconstruction of historical resources in a manner consistent with the Secretary of the Interior's Standards for the Treatment of Historic Properties.

#### PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

/s/ Christopher Burton, Director Planning, Building and Code Enforcement

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

Attachment - March 1, 2023 HLC Staff Report



### HISTORIC LANDMARKS COMMISSION STAFF REPORT

File Nos.	HL22-003 and MA22-003	
Application Type	City Landmark Designation and	
	Historical Property (Mills Act) Contract	
Applicants	Jamila Stanford	
Location	619 N. First Street	
APN	259-18-055	
Zoning District	CP Commercial Pedestrian	
Council District	3	
Historic Area	None	
Historic Resource Inventory	Candidate City Landmark	
Annexation Date	Original City	
CEQA	Exempt per CEQA Guidelines Section 15331 for Historical Resources and Rehabilitation	

#### **APPLICATION SUMMARY:**

<u>File No. HL22-003</u>: Application for designation of 619 N. First Street as a City Landmark of special historical, architectural, cultural, aesthetic or engineering interest or value of an historic nature; and

<u>File No. MA22-003</u>: Application for Historical Property (Mills Act) Contract for 619 N. First Street between the City of San José and the property owner.

#### **RECOMMENDATION:**

Staff recommends the Historic Landmarks Commission recommend to the City Council the following actions:

- 1. Adopt a resolution designating 619 N. First Street as a City Landmark of special historical, architectural, cultural, aesthetic or engineering interest or value of an historic nature; and
- 2. Adopt a resolution approving the Historical Property (Mills Act) Contract between the City of San José and property owner Jamila Stanford for the property located at 619 N. First Street.

PROJECT DATA				
GENERAL PLAN CONSISTENCY				
General Plan Designation		Neighborhood /Community Commercial		
		🖂 Consistent 🗌 Inconsistent		
Consistent Policies		LU-13.6, LU-13.13		
Inconsistent Policies		None		
SURROUNDING USES				
	General Plan Land Use	Zoning	Existing Use	
North	Neighborhood/Community Commercial	CP Commercial Pedestrian	Office/residence	
South	Neighborhood/Community Commercial	CP Commercial Pedestrian	Office	
East	Neighborhood/Community Commercial	CP Commercial Pedestrian	Business Center	
West	Urban Residential	A(PD) Planned Development	Multifamily apartment	
RELATED APPROVALS				
3/27/1850	Original City			
8/27/2003	Building Permit No. 2003-120627 for interior alterations, relocate kitchen to second floor, remodel bathrooms, new split HVAC system, repair and replace rear porch, deck and repipe the house.			
8/27/2003	e	Building Permit No. 2003-120659 for reroofing to remove and replace with new composition roofing material.		
3/22/2022	CN Commercial Neighbor Pedestrian Zoning District	File No. C21-042: City-initiated conventional conforming rezoning from the CN Commercial Neighborhood Zoning District to the CP Commercial Pedestrian Zoning District for 114 properties located outside of the N. First Street Local Transit Village boundary.		
3/22/2022	land use designations fro	File No. GP21-017: City-initiated General Plan Amendment for General Plan land use designations from Commercial General to Neighborhood/Community Commercial for 108 properties adjacent to the N. First Street Local Transit Village boundary.		
3/4/2022	e	Building Permit No. 2022-663259 for reroofing to remove and replace with new gray composition roofing material.		

#### **PROJECT LOCATION AND DESCRIPTION**

The subject 0.18-gross acre property is located at 619 N. First Street on the west side of N. First Street, approximately 120 feet north of Hobson Street (see Figure 1). The property is surrounded by residential buildings converted to office uses to the north and south, multifamily residences to the west and a business center with its parking lot across N. First Street to the east.



Figure 1: Location Map

On December 12, 2022, the property owner, Jamila Stanford, submitted applications to designate the building at 619 N. First Street as a City Landmark and to enter into a Historical Property (Mills Act) Contract to restore, rehabilitate and maintain the property for a minimum of 10 years.

The building proposed for City Landmark designation is a two-story Craftsman-style building constructed in 1907 (see Figure 2 through Figure 5). It is currently used as an office building. This building is listed in the City of San José's Historic Resources Inventory as a Candidate City Landmark.



Figure 2: West (Front) Façade



Figure 3: Southwest Façade



Figure 4: Northwest Façade



Figure 5: East (Rear) Facade

The property was documented and evaluated by qualified historic resources consultants Michael Baker International and recorded on Department of Parks and Recreation (DPR) 523 series forms on May 2, 2020. The DPR 523 series forms are included as Attachment 1 of this report. The following is a summary of the architectural description, character-defining features and history of the building (originally a house).

The building is a two story, wood frame residential

construction with a rectangular ground floor plan, the exterior is finished with wood board wall cladding with a smooth layer of stucco. The building has original wood-sash multi-paned windows, multi-paned entry door, and a gable and hipped roof with wide overhanging eaves and exposed rafter ends. The centered dormer and front gables on the east façade display a Japanese-influenced roof line with elaborate and flared fascia. Window detailing on the façade mimics the Japanese-influenced peaked roof line. The building displays an asymmetrical façade, and has a small wooden staircase leading to an entry door.

This Candidate City Landmark Structure is a distinctive example of the Craftsman style with the following character-defining features:

- Two story, wood frame building with rectangular form
- Gable and hipped roof
- Wide overhanging eaves with exposed rafter ends
- Centered dormer and square overhanging end bays with flared front gable and facia and decorative beams with Japanese influences
- Raised, recessed front porch and projecting front bay with tapered square columns and pilasters
- Original wood-sash multi-paned windows
- Horizontal banding on first and second floors

The immediate setting of the building consists of a smaller front yard facing N. First Street, and a pathway leading to the front steps and porch with a set of double entrance doors with full length sidelights on each side. The front of the building has a lawn and is planted with small trees and shrubs. The larger rear yard consists of a parking lot lined with trees.

The building was constructed circa 1907 and designed by the renowned architecture firm Wolfe & McKenzie. Frank Delos Wolfe and Charles McKenzie were partners from 1897 to 1910 and specialized in the design of single-family homes in the Santa Clara Valley in the first decade of the twentieth century.

Daniel J. Flannery is the the earliest known resident of the house, having lived there from 1910 until his death in 1930. Flannery was a deputy internal revenue collector in Santa Clara County at the end of the nineteenth century. In 1899, he married his wife, May Welch, and by 1907 Flannery became the Santa Clara County recorder. At that time, the couple resided at 447 N. First Street, but in 1910 Flannery and his wife moved into the building at 619 N. First Street.

#### ANALYSIS

The applications for City Landmark designation and a Mills Act contract were analyzed with respect to conformance with: 1) the Envision San José 2040 General Plan and 2) the Historic Preservation Ordinance.

#### Envision San José 2040 General Plan Conformance

The proposed City Landmark designation and Mills Act contract would promote the following goal and policies of the General Plan with respect to historic preservation:

<u>Historic Preservation Goal LU-13 - Landmarks and Districts:</u> Preserve and enhance historic landmarks and districts in order to promote a greater sense of historic awareness and community identity and contribute toward a sense of place.

Analysis: The proposed City Landmark designation and Mills Act Contract for 619 N. First Street would promote a greater sense of historic awareness of the early twentieth century construction methods and architecture of the Craftsman style. The architectural features of the residential building contribute to the historic context and sense of place in its setting in the N. First Street and North San José Area.

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

Analysis: City Landmark designation would require a Historic Preservation Permit for exterior changes to the building and ancillary construction on the lot. The work would need to conform with the requirements of the Historic Preservation Ordinance and the Secretary of the Interior's Standards for the Treatment of Historic Properties. The Mills Act contract would require the property owner to commit to a ten-year work plan to invest in the maintenance and rehabilitation of the building. These requirements would support Historic Preservation Policy LU-13.6.

<u>Historic Preservation Policy LU -13.13</u>: Foster the rehabilitation of buildings, structures, areas, places, and districts of historic significance. Utilize incentives permitting flexibility as to their uses; transfer of development rights; tax relief for designated landmarks and districts; easements; alternative building code provisions for the reuse of historic structures; and financial incentives.

Analysis: A Mills Act Contract for 619 N. First Street would implement Historic Preservation Policy LU -13.13 by utilizing a property tax incentive to foster the preservation and rehabilitation of the building which has architectural significance as a Craftsman style residential building constructed in 1907.

#### Historic Preservation Ordinance Conformance for City Landmark Designation

In accordance with Historic Preservation Ordinance Section 13.48.110(H), the Historic Landmarks Commission should consider, among other relevant factors, the following eight criteria in making the findings that a proposed Landmark has special historical, architectural, cultural, aesthetic, or engineering interest or value of an historical nature:

1. Its character, interest or value as part of the local, regional, state or national history, heritage or culture;

- 2. Its location as a site of a significant historic event;
- 3. Its identification with a person or persons who significantly contributed to the local, regional, state or national culture and history;
- 4. Its exemplification of the cultural, economic, social or historic heritage of the city of San José;
- 5. Its portrayal of the environment of a group of people in an era of history characterized by a distinctive architectural style;
- 6. Its embodiment of distinguishing characteristics of an architectural type or specimen;
- 7. Its identification as the work of an architect or master builder whose individual work has influenced the development of the city of San José; and
- 8. Its embodiment of elements of architectural or engineering design, detail, materials or craftsmanship which represents a significant architectural innovation or which is unique.

Based on the documentation and evaluation of the property prepared by Michael Baker International against the significance criteria for City Landmark designation, the building at 619 N. First Street is eligible under Criteria 6 and 7 of the the eight significance criteria cited above. The draft resolution to designate the City Landmark property is included as Attachment 2 of this staff report.

## Criterion 6: Its embodiment of distinguishing characteristics of an architectural type or specimen.

Analysis: The building is an excellent example of a Craftsman-style. It embodies many elements of the style including the peak roofline and flared eaves with ornate fascia and Japanese influences and original windows that mimic the roofline. The building is one of the best examples of a Craftsman style residential building in its setting in the N. First Street and North San José Area. Therefore, the property is eligible for listing as a City Landmark under Criterion 6 because it embodies the Craftsman architectural style and its distinguishing characteristics.

# Criterion 7: Its identification as the work of an architect or master builder whose individual work has influenced the development of the City of San José.

Analysis: The building at 619 N. First Street was designed by the renowned architecture firm Wolfe & McKenzie, which specialized in the design of numerous single-family houses in the Santa Clara Valley in the first decade of the twentieth century. They designed one-quarter of the houses in the Naglee Park and Hanchett Park subdivisions between 1902 and 1910. Architectural historian, George Espinola, is quoted as saying of Wolfe & McKenzie, "more than any other architects, defined the residential character of San José during the transition from Victorian to the modern era." Therefore, the property is eligible under Criterion 7 as the work of an architect whose work influenced the development of the City of San José.

#### Historic Preservation Ordinance Conformance for Mills Act Contract

The Mills Act is state legislation that grants cities and counties the authority to enter into contracts with the owners of qualified historic properties who actively participate in the restoration and maintenance of their historic properties while receiving property tax relief. In the City of San José, qualified historic properties are those that have been designated as a City Landmark. Property taxes are recalculated using a formula in the Mills Act and the Revenue and the Taxation Code.

The minimum duration for a Mills Act contract is ten years. Mills Act contracts renew automatically every year after the initial ten-year period unless the property owner or City opts to end the contract. Mills Act contracts include a schedule of proposed maintenance and improvements that the owner agrees to complete. Such proposed maintenance and improvements are typically spread over a ten-year period. All work is required to comply with the Secretary of the Interior's Standards for the Treatment of Historic Properties. The purpose of the Mills Act is to provide a long-term incentive for the restoration, rehabilitation and preservation of historic buildings that obligates current and future owners to the maintenance and care of the property.

#### Required Findings of Mills Act Contract (Historical Property Contract)

Part 4 of the Historic Preservation Ordinance establishes a procedure for the administration of Mills Act (Historical Property) contracts pursuant to Section 50280 et seq. of the California Government Code, as amended, known as the California Mills Act of 1972.

Section 13.48.540 sets forth the findings for City Council approval a historical property contract. Outlined below are the required ordinance findings followed by staff analysis. The draft resolution to approve the Historical Property (Mills Act) Contract for property located at 619 N. First Street between the City of San José and property owner is included in this staff report as Attachment 3.

#### 1. The proposed contract is consistent with the General Plan.

Analysis: The preservation and rehabilitation of City Landmarks advances the goals of the Envision San José 2040 General Plan, specifically Historic Preservation Goal 13 and Policies LU-13.6 and LU-13.13. The Mills Act contract, in conjunction with the City Landmark designation, would advance Historic Preservation Goal 13 by promoting a greater sense of awareness of the early twentieth century construction methods and architecture of the Craftsman style building and preserving a sense of place in its setting on N. First Street and in the North San José area. The Mills Act contract would require the property owner to commit to a ten-year work plan to invest in the maintenance and rehabilitation of the building. In conjunction with the City Landmark designation, the work would be required to conform with the Historic Preservation Ordinance, the Secretary of the Interior's Standards for the Treatment of Historic Properties. These requirements would support Historic Preservation Policy LU-13.6. The Mills Act contract would implement Historic Preservation Policy LU-13.13 by utilizing a property tax incentive to foster the preservation and rehabilitation of the building which has architectural significance as represented in its Craftsman style character-defining features.

### 2. The proposed contract would provide greater protection for the landmark property than is otherwise provided by the provisions of Municipal Code Chapter 13.48.

Analysis: The Mills Act contract would provide greater protection for the City Landmark because the Historical Property Contract includes the following schedule of maintenance and improvements the owner would agree to complete over a ten-year period:

- Year 1: Repair exterior roof leaks, eaves and fascia board. Install historic bronze plaque in front of the building.
- Year 2: Repair exterior trim and stucco, as necessary
- Year 3: Repair foundation, porch and steps, as necessary
- Year 4: Upgrade plumbing
- Year 5: Upgrade electrical
- Year 6: Waterproof basement
- Year 7: Upgrade HVAC, heating cooling systems
- Year 8: Restore original wood windows and hardware
- Year 9: Repaint exterior of the building
- Year 10: Replace and repair roofing material as necessary

# 3. The proposed contract complies with the required provisions of Historical Property Contracts listed above.

Analysis: The proposed Historical Property Contract includes a description of the landmark property; a minimum contract period of ten years; specific conditions requiring preservation of the landmark property including the required 10-year work plan as outlined above and conformance with the Secretary of the Interior Standards for Rehabilitation, the California State Historical Building Code, and the requirements of the City; provision for the periodic examination of the interior and exterior of the landmark property for at least five years by the City of San José and the County of Santa Clara to determine the owner's compliance with the contract; a requirement that the property owner(s) annually expend an amount equal to a minimum of ten percent of the tax savings attributed to the contract to the preservation and maintenance of the landmark property, and make this documentation available to the City of San José at the time of the periodic examination; a provision that the contract is binding and applies to all successors in interest to the owner(s) who entered into the contract; and a provision requiring recordation of the contract with the Santa Clara County recorder's office within six months of the effective date of the contract.

#### CALIFORNIA ENVIRONMENTAL QUALITY ACT

The proposed project is exempt from provisions of the California Environmental Quality Act (CEQA) pursuant to Section 15331 of the State CEQA Guidelines (Class 31), which exempts projects that consist of historical resource restoration and rehabilitation. The project is limited to maintenance, repair, stabilization, rehabilitation, restoration, preservation, conservation or reconstruction of historical resources in a manner consistent with the Secretary of the Interior's Standards for the Treatment of Historic Properties.

#### PUBLIC HEARING NOTIFICATION

Staff followed the public notification requirements of Section 13.48.110 of the San José Municipal Code. A notice of this hearing appeared in a newspaper of general record at least 10 days prior to the hearing, a mailing of the notice to the property owner and occupants and posting

the notification of the hearing along the frontage of the site. The staff report is also posted on the City's website. Staff has been available to respond to questions from the public.

Project Manager: Rina Shah, Planner

#### Attachments:

Exhibit A: State Department of Parks and Recreation forms (DPR 523A & B), prepared by Michael Baker International, May 2, 2020 Exhibit B Draft Resolution for HL22-003 Exhibit C: Draft Resolution for MA22-003

Exhibit D: 10-Year Preservation Plan for MA22-003

#### **Owner/Applicant Address:**

Jamila Stanford NuGate Group, LLC 619 N. First Street San Jose, CA 95112

### HL22-003 and MA22-003

### Links to the Attachments A - D

Click on the title to view document

Exhibit A: State Department of Parks and Recreation forms (DPR 523A & B), prepared by Michael Baker International, May 2, 2020

Exhibit B: Draft Resolution for HL22-003

Exhibit C: Draft Resolution for MA22-003

Exhibit D: 10-Year Preservation Plan for MA22-003