



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Rosalynn Hughey
Jennifer A. Maguire

SUBJECT: HISTORIC SURVEY STRATEGY

DATE: September 6, 2017

Approved

Date

9/8/17

RECOMMENDATION

- (a) Accept the Administration's plan to use \$487,500 in fees, fines, and donations collected by the City to procure consulting services to survey structures that are potentially eligible for historic designation in the City and hire staffing with historic preservation experience to serve as the Historic Preservation Officer and manage the survey; and
- (b) Authorize adding 1.0 limit-dated Principal Planner position, to the Planning, Building, and Code Enforcement (PBCE) Department, through June 30, 2019.

OUTCOME

The recommended actions will allow the City to identify historic resources prior to development application submittals, which will enable developers to plan for adaptive reuse of historic structures, plan for their relocation or apply for historic landmark designation status, which may allow the City to preserve more historic structures.

BACKGROUND

On June 7, 2017, Councilmembers Raul Peralez and Donald Rocha submitted a memorandum to the Rules and Open Government Committee requesting that PBCE develop and implement a strategy to survey structures that are potentially eligible for historic designation in the City, including hiring a staff member for PBCE to manage the survey and utilize funds from fines, fees and donations collected by PBCE to implement this strategy. This referral was "green lighted" by the Rules and Open Government Committee. At the City Council meeting held on June 20, 2017, the Council confirmed that the City's Historic Resources Inventory should be updated, and that this approach could allow the City to proactively identify historic resources before applications for land use entitlements are submitted to the City rather than waiting for historic review to be done as part of the entitlement process. The Council indicated that historic preservation advocates and the development community will benefit from early identification of historic resources.

At this meeting, the Interim Director of PBCE presented an initial historic resources survey strategy work plan that would include updating and completing the historic survey for Downtown. Additionally, staff would prioritize other areas of the City for historic surveys, mainly in central San José, including the Diridon area, as well as the Urban Villages surrounding Downtown, such as The Alameda, East Santa Clara, and West San Carlos. Other subareas in central San José would also be considered, such as the South of First Street Area (SOFA), which is experiencing significant development interest.

Staff noted that a scope of work, budget and schedule would be developed for consultant services. The budget includes: hiring a Historic Preservation Officer to develop and manage the City's Historic Survey program; staff the Historic Landmarks Commission (HLC) and public hearings for the designation of historic resources, conservation areas and historic districts; prepare and review staff reports with recommendations to the HLC; provide periodic updates on the survey program to the City Council; work with the Citywide Team (Planning Division groups that work on the City's General Plan and Urban Village Plans) regarding historic preservation policies for the urban villages areas; and coordinate with the Preservation Action Council of San José (PAC* SJ) on historic preservation issues.

As a Certified Local Government approved by the California State Historic Preservation Office, the City of San José is required to have a Historic Landmarks Commission to which the City's Historic Preservation Officer (HPO) provides administrative services. Over the past few years many of the duties of the HPO have been performed on a part-time basis by a Supervising Planner. Authorization of Principal Planner to serve as a full-time HPO for approximately two years is necessary to take on the Commission's duties and to implement the City's Historic Survey Program.

Council requested that staff return to Council to outline the work program and the budget to update the Historic Resources Inventory.

ANALYSIS

On August 2, 2017, staff presented the Interim Planning Director's initial historic survey strategy proposal to the Historic Landmarks Commission, and the Commission endorsed the proposal and recommended adding provisions that are summarized in the "Commission Recommendation/Input" section of this memorandum. Staff recommends the following revised historic survey strategy work program.

The Historic Survey Strategy Work Program:

The surveys should start in the original San José and the earliest annexed growth areas identified in the Envision San José 2040 General Plan (General Plan). The surveys should include the Downtown and adjacent areas: Diridon, Urban Villages (including West San Carlos, The Alameda, East Santa Clara Street/Alum Rock/Five Wounds area, and North First Street) and the SOFA area.

In addition, the work program should:

- (1) Review all previous surveys done for City and private projects and focus new surveys on areas that have not been surveyed yet, and on areas/properties that have surveys that need to be updated.
- (2) Update the context statement for Mid-Century Modern Buildings citywide.
- (3) Prepare a context statement for Industrial and Manufacturing Buildings that are at least 45 years old and related to agricultural and technology uses citywide.
- (4) Place all qualified structures on the Historic Resources Inventory (Inventory).
- (5) Create a searchable database on the City's website for the public to access.

Staffing:

As this is expected to be a two-year effort, the Administration recommends hiring a limit-dated Principal Planner through June 30, 2019 with historic preservation experience, to: serve as the Historic Preservation Officer and to manage the historic consultant contracts and the survey strategy; staff the HLC and public hearings for the designation of historic resources, conservation areas and historic districts; prepare and review staff reports with recommendations to the HLC; provide periodic updates on the survey program to the City Council; work with the Citywide Team regarding historic preservation policies for the urban villages areas; and coordinate with PAC* SJ on historic preservation issues.

Timeline:

The estimated schedule for project milestones during the two years of the project is as follows:

MILESTONE	TIMEFRAME
Principal Planner hired	January 2018
RFP for consultant contract	February 2018
Consultant hired	March 2018
Historic survey work	Fall 2018 (four to eight months to complete)
Public review process (nomination, community meetings, several public hearings)	Fall 2019 (four to eight months to complete)
Final report to City Council (last public hearing)	Fall 2019

EVALUATION AND FOLLOW-UP

Once the HPO and the consultant are hired, PBCE will refine the workplan and undertake the key component of completing the City's historic resources inventory. The three public hearings that are required by ordinance are planned to take place in fall 2019. The final public hearing is when the City Council will decide which areas should be Conservation Areas/Districts and which properties should be added to the Historic Resources Inventory.

PUBLIC OUTREACH

This item was discussed at the June 20, 2017, City Council Meeting and the August 2, 2017, Historic Landmarks Commission. This Council memorandum will be posted on the City's website for the September 19, 2017, Council Agenda.

COORDINATION

This memorandum has been coordinated with the City Attorney's Office.

COMMISSION RECOMMENDATION/INPUT

At its meeting on June 7, 2017, the Rules and Open Government Committee approved a request to agendaize for City Council deliberation on June 20, 2017, the direction of City staff to develop and implement a strategy to survey structures that are potentially eligible for historic designation in the City.

Subsequently, on August 2, 2017, the Historic Landmarks Commission reviewed this proposal and made recommendations that were incorporated into the "Analysis" section of this memorandum.

- Survey potentially historic resources in the original City and the earlier annexed planned growth areas identified in the Envision San José 2040 General Plan; the City administration should consider getting areas surveyed that were annexed later that may also have potential historic resources, as the budget allows.
- The Mid Century Modern Context Update should also include a survey of historic neon signs.
- Prepare a context statement for Industrial and Manufacturing Buildings that are at least 45 years old and related to agricultural and technology uses citywide.
- Place all qualified structures on the Historic Resources Inventory.
- Create a searchable database on the City's website for the public to access.

COST SUMMARY/IMPLICATIONS

During the past 15 years, the City has collected fees, fines and donations from sources related to development projects that have included the removal of historic structures. These funds, which are restricted for historic preservation purposes and total \$487,500, are available to support the recommended hiring a limit-dated Principal Planner position through June 30, 2019, and consultant services necessary to complete the survey. It is estimated that the annual expenses to fund 1.0 FTE Principal Planner/Historic Preservation Officer is \$75,096 for 2017-2018 (pro-rated for approximately six months) and \$155,200 for 2018-2019, totaling \$230,296 in personal services, leaving an amount of \$257,204 for consultant services. The financial plan during the two years for the use of funds, which is contained in the Historic Preservation City-wide Expenses appropriation, is as follows:

	2017-2018	2018-2019	TOTAL
Personal Services	\$75,096	\$155,200	\$230,296
Non-Personal/Equipment	\$166,150	\$91,054	\$257,204
TOTAL	\$241,246	\$246,254	\$487,500

Staff has not sent out a Request for Proposal (RFP), and does not have any cost estimates for the survey work yet. If Council accepts this proposed survey work program, the work schedule will be guided by the priorities outlined in the survey strategy work plan above.

BUDGET REFERENCE

The table below identifies the fund and appropriations for the personal services and consultant services as recommended as part of this memorandum.

Fund #	Appn #	Appn. Name	Total Appropriation	Amount for Strategy	2017-2018 Proposed Operating Budget Page*	Last Budget Action (Date, Ord. No.)
001	3132	Historic Preservation	\$497,500**	\$487,500	Page 756	06/20/2017 Ord. No. 29962

*The 2017-2018 Proposed Operating Budget Adopted by Council on June 20, 2017

**The 2017-2018 adopted budget amount of \$497,500 inadvertently included an encumbrance of \$10,000, and a recommendation will be included in the 2016-2017 Annual Report to decrease the appropriation to \$487,500 to reflect the actual balance available for 2017-2018.

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CEQA

Not a Project, File No. PP17-010, City Organizational & Administrative Activities resulting in no changes to the physical environment.

/s/

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For questions, please contact Susan Walsh, Supervising Planner, at (408) 535-7910.