



# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Councilmember Raul Peralez

**SUBJECT:** SEE BELOW

**DATE:** November 15, 2019

Approved

Date

11/15/19

**SUBJECT: Special Use Permit and Vesting Tentative Map for Certain Real Property Located at Southeast Corner of South 1st Street and East Reed Street**

## RECOMMENDATION

Accept staff recommendation with the following modifications:

1. Allow demolition of the Pallesen Apartment Building after a **90 day** period following the issuance of the planning permit. During that period, the applicant should in good faith make all attempts to relocate the historic building in collaboration with the historic preservation community, Office of Economic Development, Housing Department and Planning Department including the Historic Preservation Officer,
2. Request that the applicant donate the City Center Motel Sign to History San José for preservation and eventual public display, and,
3. Direct staff to evaluate the intersection of First and Reed streets following one year of issuance of the Certificate of Occupancy. If there are significant traffic impacts that were not identified with mitigation in the environmental analysis, report back to Council with recommendations.

## **DISCUSSION**

Thank you to City Staff, the community and the applicant for the engagement on this project. The project will be another step forward in bringing more housing units online, including some rent-controlled housing units.

### *Historic Preservation*

I understand the historic community's concerns about the preservation of the 1910 Pallesen Apartment Building that was built by Chris and Lillian Pallesen. The eclectic architecture was designed by Frank Delos Wolfe who was one of San José's leading early twentieth century architects, and has been credited with bringing the Prairie Style to Santa Clara County. Considering the history of these buildings, and while they are not designated a city landmark, there should be additional and collaborative efforts to find a new home for this building.

It would also be ideal for the iconic City Center Motel Sign to be placed at the street level which has greeted visitors since around 1960. I appreciate the applicant's efforts to integrate this iconic sign into the project at the rooftop. I also understand the need to avoid confusion of the future development use by not placing it at street level. However, the sign itself should be preserved and placed in a location that can be visibly admired by all those walking, biking and driving around the streets of SoFA. If this cannot be done, then I respectfully ask the developer to consider donating the sign to History San José so that they may curate and eventually display it publically along with our other historic signs.

### *Traffic Concerns*

Staff report states that the "overall project is adequately accessible by the downtown street network and said streets have the capacity to handle the traffic generated by the project, as analyzed in the SEIR". However, I cannot disregard the strong concerns from District 3 residents in the South University, Market Almaden and Guadalupe Washington Neighborhoods that traffic conditions could potentially worsen. I recognize it is difficult to predict the future on what traffic impacts will occur, even with extensive analysis during this process. Therefore, the residents would appreciate that the city continues to monitor and mitigate this intersection which will soon be dominated by high density projects.