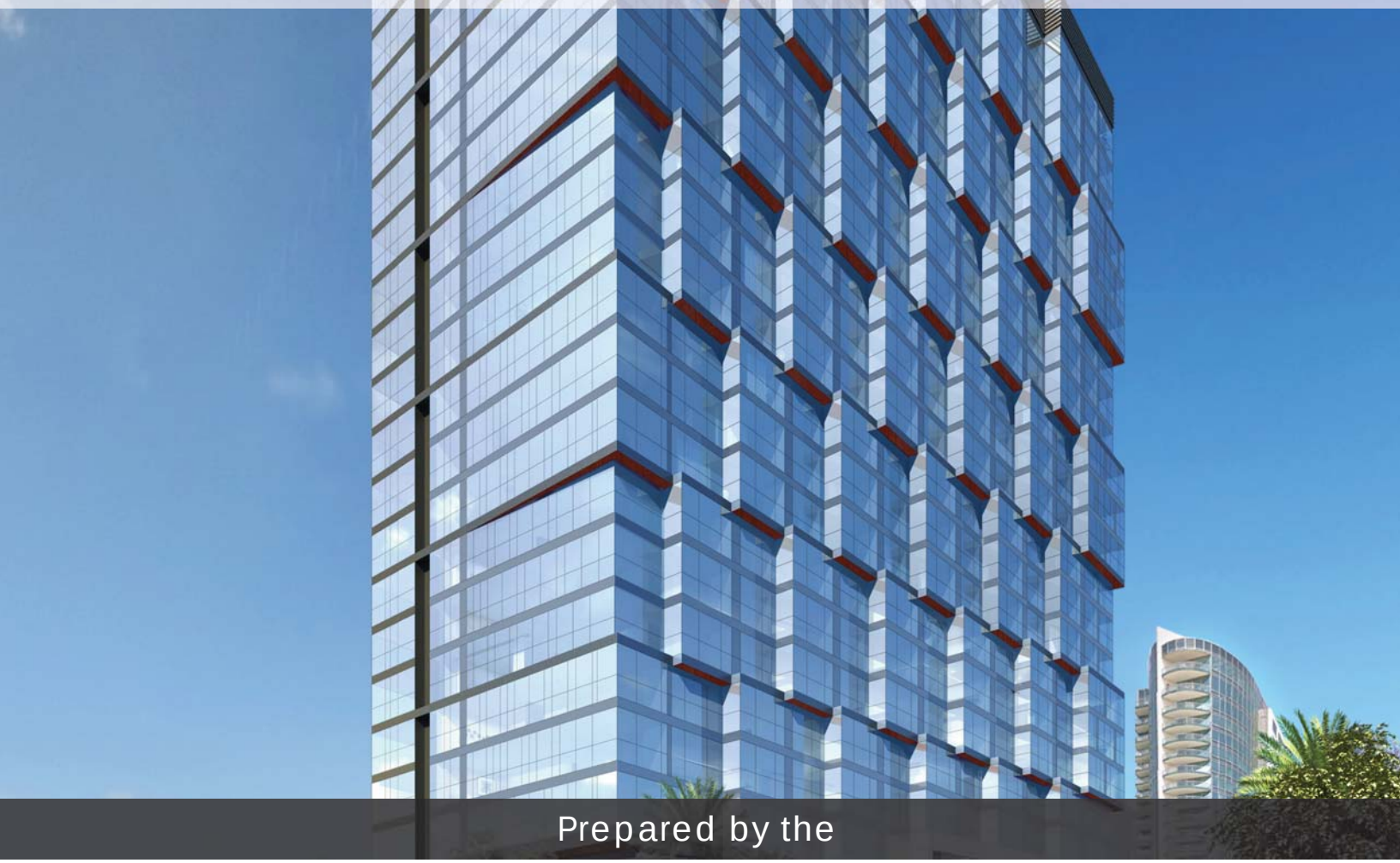
Supplemental Environmental Impact Report
to the Final Program Environmental Impact Report
for the Downtown Strategy 2000 (SCH# 2003042127)

Gateway Tower Mixed-Use Development

File No. H15-047, HP15-003 and T15-052



Prepared by the

CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

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TABLE OF CONTENTS

TABLE OF CONTENTS

Figures

Tables

Photos

Appendices

SUMMARY

PROJECT LOCATION

The 0.5-acre project site is located from 455 to 493 South First Street in the Central/Downtown Planning Area of San José. The project site is bounded by commercial development on the north, South First Street on the east, William Street on the south, and Market Street on the west.

PROJECT OVERVIEW

The project proposes construction of a 25-story building, with 308 residential apartment units and up to 8,000 square feet of ground floor commercial space. The proposed building tower would be up to approximately 262 feet in height including architectural elements, mechanical equipment screens, and elevator shafts. The project would include three levels of subgrade parking and parking in the northern half of the building on the first through fifth floors.

Market-rate apartments ranging from studios to two-bedroom units, would occupy the third to 25th floors of the building. Amenity spaces for residents would be provided on the sixth and 24th floors of the building. A "bike kitchen" totaling 640 square feet also would be provided on South Market Street as an amenity space for bicycle maintenance with nine spaces also provided for bicycle storage. A wide sidewalk area provided on the William Street frontage of the site could be used as an outdoor seating area for residents and commercial uses.

Visible historic building elements from the 465-467 South First Street and 470-480 South Market Street commercial building facades would be retained and rehabilitated as a part of the new building structure. Within the commercial space on South First Street, a permanent historical display would be provided as a part of the retained 465-467 South First Street commercial building façade. This display would occupy up to 175 square feet of the ground floor.

SUMMARY OF SIGNIFICANT IMPACTS

The following table summarizes the ***significant*** effects of the proposed project on the environment and mitigation measures proposed to reduce the effects. A significant effect on the environment means a substantial, or potentially substantial, adverse change on the environment. Impacts that are less than significant are not described in this summary and can be found in the text of the SEIR, except those less than significant impacts that have been further reduced by mitigation measures to some extent. A complete description of the project and of its impacts and proposed mitigation measures can be found in the text of the SEIR and Appendix A (Initial Study), which follow this summary.

In accordance with CEQA Section 21093 and CEQA Guidelines Section 15152, the Initial Study, included as part of the Supplemental Environmental Impact Report (SEIR), tiers from the certified 2005 Downtown Strategy 2000 Final Environmental Impact Report (EIR) (SCH#2003042127). Where appropriate, the summary below notes where the conclusions regarding significant impacts are the same as those in the Downtown Strategy EIR (e.g., [Same Impact as Approved Project]); the

program –level project that evaluated development and redevelopment in Downtown San José and which includes the project site.

SIGNIFICANT IMPACTS	MITIGATION AND AVOIDANCE MEASURES
Cultural Resources	
Impact CUL – 1: Construction of the proposed development could impact unknown buried archaeological resources and human remains, if present on-site. **(Significant Impact)**	**CUL 1.1:** Treatment Plan: Prior to the issuance of any grading permit, a project-specific Cultural Resources Treatment Plan shall be prepared by a qualified archaeologist. The Cultural Resources Treatment Plan shall reflect permit-level detail pertaining to depths and locations of all ground disturbing activities. The Cultural Resources Treatment Plan shall be prepared and submitted to the Supervising Environmental Planner of the City of San José Department of Planning, Building, and Code Enforcement prior to approval of any grading permit. The Treatment Plan shall contain, at a minimum: • Identification of the scope of work and range of subsurface effects (including location map and development plan), including requirements for preliminary field investigations. • Description of the environmental setting (past and present) and the historic/prehistoric background of the parcel (potential range of what might be found). • Development of research questions and goals to be addressed by the investigation (what is significant vs. what is redundant information). • Detailed field strategy used to record, recover, or avoid the finds and address research goals. • Analytical methods. • Report structure and outline of document contents. • Disposition of the artifacts. • Appendices: all site records, correspondence, and consultation with Native Americans, etc. **CUL - 1.2:** Investigation: Prior to project grading and excavation, the project applicant shall complete a preliminary field investigation program in conformance with the project-specific Cultural Resources Treatment Plan required under Mitigation Measure MM CUL-1.1. The locations of subsurface testing and exploratory trenching shall be determined prior to issuance of any grading permit based on the Cultural Resources Treatment Plan recommendations. A qualified archaeologist shall complete a presence/absence exploration with a backhoe once the existing improvements planned for removal (i.e., dry cleaners, parking lot) are

SIGNIFICANT IMPACTS	MITIGATION AND AVOIDANCE MEASURES
	cleared from the site. If it is not possible to conduct presence/absence subsurface testing across the entire study area because of remediation or preservation plans for the historic building facades, then a combination of presence/absence exploration, where possible, along with archaeological monitoring shall be required. Results of the investigation shall be provided to the Supervising Environmental Planner of the City of San José Department of Planning, Building, and Code Enforcement prior to issuance of any grading permit. If any finds were discovered during the preliminary field investigation, the project shall implement MM CUL-1.4 for evaluation and recovery methodologies. The results of the preliminary field investigation and program shall be submitted to the Supervising Environmental Planner of the City of San José Department of Planning, Building, and Code Enforcement for review and approval prior to issuance of any grading permit. **CUL 1.3:** Construction Monitoring and Protection Measures: Although the data recovery and treatment program is expected to recover potentially significant materials and information from the areas impacted by the project prior to grading, it is possible that additional resources could remain on-site. Therefore, all ground-disturbing activities (e.g., grading and excavation) shall be completed under the observation of a qualified archaeologist. The qualified archaeologist shall have authority to halt construction activities temporarily in the immediate vicinity of an unanticipated find. If, for any reasons, the qualified archaeologist is not present but construction crews encounter a cultural resource, all work shall stop temporarily within 50 feet of the find until a qualified archaeologist has been contacted to determine the proper course of action. The Supervising Environmental Planner and Historic Preservation Officer of the City of San José Department of Planning, Building, and Code Enforcement shall be notified of any finds during the grading or other construction activities. Any human remains encountered during construction shall be treated according to the protocol identified in MM CUL-1.5. **CUL- 1.4:** Evaluation and Data Recovery: The Supervising Environmental Planner and Historic Preservation Officer of

SIGNIFICANT IMPACTS	MITIGATION AND AVOIDANCE MEASURES
	the City of San José Department of Planning, Building, and Code Enforcement shall be notified of any finds during the preliminary field investigation, grading, or other construction activities. Any historic or prehistoric material identified in the project area during the preliminary field investigation and during grading or other construction activities shall be evaluated for eligibility for listing in the California Register of Historic Resources. Data recovery methods may include, but are not limited to, backhoe trenching, shovel test units, hand augering, and hand-excavation. The techniques used for data recovery shall follow the protocols identified in the project-specific Cultural Resources Treatment Plan. Data recovery shall include excavation and exposure of features, field documentation, and recordation. **CUL- 1.5:** Human Remains: Native American coordination shall follow the protocols established under Assembly Bill 52, State of California Code, and applicable City of San José procedures. If any human remains are found during any field investigations, grading, or other construction activities, all provisions of California Health and Safety Code Sections 7054 and 7050.5 and Public Resources Code Sections 5097.9 through 5097.99, as amended per Assembly Bill 2641, shall be followed. In the event of the discovery of human remains during construction, there shall be no further excavation or disturbance of the site or any nearby area reasonably suspected to overlie adjacent remains. The Project Applicant shall immediately notify the Supervising Environmental Planner of the City of San José Department of Planning, Building, and Code Enforcement and the qualified archaeologist, who will then notify the Santa Clara County Coroner. The Coroner will make a determination as to whether the remains are Native American. If the Coroner determines that the remains are not subject to his/her authority, the Coroner shall notify the Native American Heritage Commission who shall attempt to identify descendants of the deceased Native American. If the remains are believed to be Native American, the Coroner will contact the Native American Heritage Commission (NAHC) within 24 hours. The NAHC will then designate a Most Likely Descendant (MLD). The MLD, will

SIGNIFICANT IMPACTS	MITIGATION AND AVOIDANCE MEASURES
	inspect the remains and make a recommendation on the treatment of the remains and associated artifacts. If one of the following conditions occurs, the landowner or his authorized representative shall work with the Coroner to reinter the Native American human remains and associated grave goods with appropriate dignity in a location not subject to further subsurface disturbance: • The Native American Heritage Commission is unable to identify a most likely descendent or the most likely descendent failed to make a recommendation within 24 hours after being notified by the commission. • The descendant identified fails to make a recommendation; or • The landowner or his authorized representative rejects the recommendation of the descendant, and the mediation by the Native American Heritage Commission fails to provide measures acceptable to the landowner. **CUL 1.6:** Site Security: At the discretion of the Supervising Environmental Planner and Historic Preservation Officer of the City of San José Department of Planning, Building, and Code Enforcement, site fencing shall be installed on-site during the investigation, grading, building, or other construction activities to avoid destruction and/or theft of potential cultural resources. The responsible qualified archaeologist shall advise the Supervising Environmental Planner and Historic Preservation Officer of the City of San José Department of Planning, Building, and Code Enforcement as to the necessity for a guard. The purpose of the security guard shall be to ensure the safety of any potential cultural resources (including human remains) that are left exposed overnight. The Director of PBCE shall have the final discretion to authorize the use of a security guard at the project site. **CUL 1.7:** Final Reporting: Once all analyses and studies required by the project-specific Cultural Resources Treatment Plan have been completed, the project applicant, or representative, shall prepare a final report summarizing the results of the field investigation, data recovery activities and results, and compliance with the Cultural Resources Treatment Plan during all demolition, grading, building, and other construction activities. The report shall document the

SIGNIFICANT IMPACTS	MITIGATION AND AVOIDANCE MEASURES
	results of field and laboratory investigations and shall meet the Secretary of the Interior's Standards for Archaeological Documentation. The contents of the report shall be consistent with the protocol included in the project-specific Cultural Resources Treatment Plan. The report shall be submitted to the Director of Planning, Building, and Code Enforcement for review and approval prior to issuance of any Certificates of Occupancy (temporary or final). Once approved, the final documentation shall be submitted to the Northwest Information Center at Sonoma State University, as appropriate. **CUL 1.8:** Curation: Upon completion of the final report required by the project-specific Cultural Resources Treatment Plan, all recovered archaeological materials shall be transferred to a long-term curation facility. Any curation facility used shall meet the standards outlined in the National Park Services' Curation of Federally Owned and Administered Archaeological Collections (36 CFR 79). The project applicant shall notify the Supervising Environmental Planner of the City of San José Department of Planning, Building, and Code Enforcement of the selected curation facility prior to the issuance of any Certificates of Occupancy (temporary or final). Treatment of materials to be curated shall be consistent with the protocols included in the project-specific Cultural Resources Treatment Plan.
Impact CUL – 2: The project would result in a significant impact to a City Landmark due to the proposed partial demolition of the building and construction of a 25-story mixed-use tower. **(Significant Impact)**	**CUL 2.1/3.1:** Herrold College Building. Historic American Buildings Survey (HABS) level documentation of the exterior and interior of the Herrold College building at 465-467 South First Street and its setting shall be prepared prior to demolition activities by a Historic Architect and Architectural Historian who meets the Secretary of Interior's Professional Qualifications Standards. HABS documentation requires full measured drawings, large-format photography, and findings report prepared in accordance with HABS written format guidelines. The report shall include findings on written information and artifacts associated with Charles Herrold and Herrold College and project related information. The report and documentations shall be submitted to the Supervising Environmental Planner and Historic Preservation Officer of the City of San José Department of Planning,

SIGNIFICANT IMPACTS	MITIGATION AND AVOIDANCE MEASURES
	Building, and Code Enforcement for review and approval prior to the issuance of any demolition permit. After approval, the HABS documentation and report shall be deposited with History San José, with copies provided to the City of San José's Planning Division and the Northwest Information Center, Sonoma State University. Evidence (i.e. confirmation letter or email from a representative of History San José) that the documentation, including the original prints and negatives, has been submitted to History San José shall be provided to the Supervising Environmental Planner and Historic Preservation Officer of the City of San José Department of Planning, Building, and Code Enforcement and the California Room of the King Library. **CUL-2.2:** The project applicant shall include a permanent commemoration of the historical contributions of Charles Herrold and the founding of radio broadcasting. Commemoration shall take into consideration the potential South Downtown Area Automobile District and the early years of automobile usage. The size and scope of this permanent exhibit and a façade easement including permanent exhibit space shall be dedicated to ensure the preservation and management/maintenance of this exhibit in perpetuity. An oversight committee of interested parties, selected by the City of San José, shall consider all feasible means of preserving this legacy, including digital media, curation and exhibition of artifacts at appropriate off-site repositories such as History San Jose, and/or replication of the building at another site. The recommendations of the committee and implementation of commemorative actions shall be subject to review and approval by the Historic Preservation Officer of the City of San José Department of Planning, Building, and Code Enforcement The scope of this commemoration and commitments for implementation shall be finalized prior to issuance of any building permit so that the measures are tied to construction of the proposed project and the permanent exhibit shall be completed prior to the issuance of any Certificate of Occupancy (temporary or final).

SIGNIFICANT IMPACTS	MITIGATION AND AVOIDANCE MEASURES
	CUL-2.3: Prior to issuance of the any building permit, a qualified Historic Architect shall review rehabilitation specifications for the physical and chemical treatments that would affect the historic fabric of the preserved façades. All specific original materials potentially impacted or utilized in the design that characterize the Herrold College Building (City Landmark) façade and the façade of the adjacent Red Front Surplus Building (Structure of Merit) shall be identified and documented as part of the building permit drawing set. The documentation shall include facades of buildings on both First Street and Market Street. Documentation shall include, but is not limited to: material, form, and dimensions of the brick, window trim, cornices, and other pertinent character-defining features. Detailed photographs shall also be included in the building permit submittals. The final building permit set with documentation of original materials shall be submitted to the Building Division and approved prior to the issuance of any building permit. Rehabilitation specifications shall completed to the satisfaction of the Historic Preservation Officer of the City of San José Department of Planning, Building, and Code Enforcement. **CUL- 2.4/3.2/4.1:** The project applicant shall prepare and implement, during demolition and construction activities, a Historical Resources Protection Plan (HRRP) that provides procedures to protect the building fabric of the City Landmark Herrold College Building and nearby structures (such as Red Front Surplus Building) from direct or indirect impacts during construction activities (i.e., operation of construction equipment, staging, and material storage). The Historical Resources Protection Plan shall be prepared by a qualified Historic Architect and reviewed and approved by the Historic Preservation Officer of the City of San José Department of Planning, Building, and Code Enforcement prior to Public Works clearance, including any ground-disturbing work. At a minimum, the plan shall include, but is not limited to, the following: • Guidelines for operation of construction equipment adjacent to historical resources; • Guidelines for storage of construction materials away from historic resources; • Requirements for monitoring and documenting compliance with the plan; and

SIGNIFICANT IMPACTS	MITIGATION AND AVOIDANCE MEASURES
	• Education/training of construction workers about the significance of the historical resources around which they would be working. **MM CUL-2.5/4.3:** The project applicant shall establish a "Monitoring Team" comprised of at least one qualified Historic Architect and one structural engineer for the duration of the site monitoring process. During the demolition and construction phases, the Monitoring Team shall make periodic site visits to monitor the condition of the property, including monitoring of any instruments such as crack gauges, if necessary. The monitoring period shall be a minimum of one site visit every month. The Supervising Environmental Planner and the Historic Preservation Officer of the City of San José Department of Planning, Building, and Code Enforcement may request any additional number of site visits at his/her discretion. If, in the opinion of the Monitoring Team substantial adverse impacts related to construction activities are found during construction, a representative of the Monitoring Team shall inform the project applicant (or the applicant's designated representative responsible for construction activities), the Supervising Environmental Planner, and the Historic Preservation Officer of the City of San José Department of Planning, Building, and Code Enforcement of the potential impacts. The project applicant shall implement the Monitoring Team's recommendations for corrective measures, including halting construction in situations where construction activities would imminently endanger historic resources. The project applicant shall ensure that, in the event of damage to nearby historic resource during construction, repair work is performed in compliance with the Secretary of the Interior's Standards for the Treatment of Historic Properties and shall restore the character-defining features in a manner that does not affect the structure's historic status. The Monitoring Team shall prepare a report documenting all site visits. The reporting period shall be a minimum of once every three months. The Monitoring Team or its representative, shall submit the site visit reports to the Supervising Environmental Planner and the Historic Preservation Officer of the City of San José Department of

SIGNIFICANT IMPACTS	MITIGATION AND AVOIDANCE MEASURES
	Planning, Building, and Code Enforcement no later than one week after each reporting period. The report shall also include, but is not limited to, the following: • A summary of the demolition and construction progress; • If substantial adverse impacts related to the construction activities are identified during the site visits; • The problem and potential impact to the historical resources and adjacent building during demolition and construction activities; • Recommendations made by the Monitoring Team to avoid the impact; • Actions taken by the project applicant in response to the problem; and • Progress on the level of success in meeting the applicable Secretary of the Interior's Standards for the Treatment of Historic Properties for the project as noted above for the character-defining features, and in preserving the character-defining features of nearby historic properties. • Photographs shall be included in reports to explain and illustrate progress. In addition, the Monitoring Team shall submit a final document associated with monitoring and repairs after completion of the construction activities to the Supervising Environmental Planner and the Historic Preservation Officer of the City of San José Department of Planning, Building, and Code Enforcement prior to the issuance of any Certificate of Occupancy (temporary or final). The monitoring report shall summarize the level of success in meeting the applicable Secretary of the Interior's Standards for the Treatment of Historic Properties for the project as noted above for the character-defining features, and in preserving the character-defining features of nearby historic properties.
Impact CUL – 3: The proposed modifications to the existing historic buildings on the site would alter the buildings' relationship to the potential historic district, resulting in a significant impact to the potential	**MM CUL-2.1/3.1 and MM CUL-2.4/3.2/4.1 (*see text and conclusion above for Impact CUL-2*)** **(Significant Unavoidable Impact)**

SIGNIFICANT IMPACTS	MITIGATION AND AVOIDANCE MEASURES
South Downtown Area Automobile District. **(Significant Impact)**	
Impact CUL – 4: Construction activities, if not properly managed, could adversely impact early 20th Century buildings in the area that are within and potential contributing structures to a South Downtown Area Automobile District. **(Significant Impact)**	**MM CUL-2.4/3.2/4.1 and MM CUL-2.5/4.3 (*see text above for Impact CUL-2*)** **MM CUL-4.2:** Prior to demolition, a qualified Historic Architect shall undertake an existing visual conditions study of the nearby historic resources (at minimum, a 50-foot radius including Garden City Glass and L'amour Shoppe Buildings). The study shall include, but is not limited to, the following: • The baseline condition of the building prior to construction. • Detailed written descriptions and visual illustrations, including physical characteristics of the resource which convey its historic significance and justifies its listing as a San José Landmark. The documentation shall be reviewed and approved by the Supervising Environmental Planner and the Historic Preservation Officer of the City of San José Department of Planning, Building, and Code Enforcement prior to any ground disturbance activities. The Historic Preservation Office and/or the Supervising Environmental Planner has the discretion to request for additional visual conditions study of nearby historic resources. **(Less Than Significant Impact with Mitigation)**
Impact CUL-5: While unlikely, unknown subsurface paleontological resources could be present on the site at depth in underlying native soils, and could be disturbed during project construction. **(Significant Impa**ct)	**MM CUL-5.1:** In the event any significant fossils are encountered during implementation of the Cultural Resources Treatment Plan (MM CUL-1.1) or construction excavation, all construction within a radius of 50 feet of the find would be halted, the Director of Planning, Building and Code Enforcement shall be notified, and a qualified paleontologist shall examine the find and make appropriate recommendations regarding the significance of the find and the appropriate mitigation. Recommendations could include collection, recordation and analysis of any significant materials. A report of findings documenting any data recovered during monitoring shall be submitted to the Supervising Environmental Planner of the City of San José Department of Planning, Building, and Code Enforcement. **(Less Than Significant Impact with Mitigation)**

SIGNIFICANT IMPACTS	MITIGATION AND AVOIDANCE MEASURES
Impact C-CUL-1: The proposed modifications to the existing historic buildings on the site and construction of a high-rise structure, along with the loss or modification of other historic structures in the SoFA area of Downtown San José, would contribute to a significant cumulative impact to historic resources. **(Significant Cumulative Impact)**	No additional measures are available or proposed to reduce the project's impacts on historic resources. **(Significant Unavoidable Cumulative Impact)**
AESTHETICS	
Impact AES-1: The project proposes to retain the brick facades of two buildings on the City of San José's Historic Inventory and construct a high-rise building above and to the south of the facades. Introduction of a high-rise building on a block of mostly one story, early twentieth century brick commercial buildings would result in a local change in historic character in terms of scale, proportion and massing. **(Significant Impact)**	The project includes several measures to minimize the effects of the project on the historic character of the area at the street levels (e.g., treatments at the façade interfaces, MM CUL-2.3, and MM CUL-2.4/3.2/4.1). The construction of a high-rise tower at this location will substantially change the historic character of the area in terms of scale, proportion, and massing, however, when viewed from various viewpoints in the SoFA District. This effect cannot be avoided without a substantially different project design. **(Significant Unavoidable Impact)** Reduced scale alternative s that describe possible design alternatives for the site and location alternatives are described in Section 7.0 Alternatives of this SEIR.
Environmental Issues Addressed In Initial Study (Appendix A)	
AIR QUALITY	
Impact AQ – 1: Construction TAC emissions would cause an incremental cancer risk greater than 10 cases per million. **(Significant Impact)**	Consistent with the General Plan and City policies, the project applicant shall implement the following mitigation measure during all phases of construction on the project site to reduce TAC emissions to a less than significant level: **MM AQ – 1.1:** • All diesel-powered off-road equipment larger than 50 horsepower and operating on the site for more than two days continuously shall, at a minimum, meet U.S. EPA particulate matter emissions standards for Tier 2 engines or equivalent. • All diesel-powered portable equipment (i.e., aerial lifts, air compressors, concrete saws, and forklifts) operating

SIGNIFICANT IMPACTS	MITIGATION AND AVOIDANCE MEASURES
	on the site for more than two days shall meet U.S. EPA particulate matter emissions standards for Tier 4 engines or equivalent. • A list of equipment specifications and the expected duration of operation shall be reviewed and approved by the Supervising Environmental Planner of the City of San José Department of Planning, Building, and Code Enforcement prior to issuance of grading and building permits. • All measures shall be printed on all construction documents, contracts, and project plans. Implementation of standard permit conditions for dust control would further reduce on-site diesel exhaust emissions. Implementation of these measures would reduce the increased residential child cancer risk for construction to 6.0 in one million which is below the increased cancer risk threshold of greater than 10 per one million. **[Same Impact as Approved Project (Less Than Significant Impact with Mitigation)]**
BIOLOGICAL RESOURCES	
Impact BIO – 1: Removal of trees from the site could impact birds utilizing those trees for nesting. **(Significant Impact)**	**MM BIO – 1.1:** The applicant shall follow the mitigation measure below. • If possible, construction shall be scheduled between September and January (inclusive) to avoid the nesting season. If this is not possible, pre-construction surveys for nesting raptors and other migratory breeding birds (including yellow warblers) shall be conducted by a qualified ornithologist to identify active nests that may be disturbed during project implementation on-site and within 250 feet of the site. Between February and April (inclusive) pre-construction surveys shall be conducted no more than 14 days prior to initiation of construction activities (including any ground-disturbing activities) or tree relocation or removal. Between May and August (inclusive), pre-construction surveys shall be conducted no more than 30 days prior to initiation of these activities. The surveying ornithologist shall inspect all trees in and immediately adjacent (within 250 feet) to the construction area for nests. • If an active nest is found in or close enough to the construction area to be disturbed by these activities, the ornithologist shall, in consultation with the California

SIGNIFICANT IMPACTS	MITIGATION AND AVOIDANCE MEASURES
	Department of Fish and Wildlife (CDFW), designate a construction-free buffer zone (typically 250 feet for raptors and 100 feet for other birds) around the nest, which shall be maintained until after the breeding season has ended and/or a qualified ornithologist has determined that the young birds have fledged • The project applicant shall submit a report indicating the results of the survey and any designated buffer zones to the satisfaction of the Supervising Environmental Planner of the City of San José Department of Planning, Building, and Code Enforcement prior to issuance of any grading permits. **[Same Impact as Approved Project (Less Than Significant Impact with Mitigation Measures)]**
GEOLOGY AND SOILS	
Impact GEO – 1: Undocumented fill, expansive soils and differential settlement could result in structural damage, warping and cracking of roads and sidewalks, and rupture of utility lines. **(Significant Impact)**	In conformance with the certified Downtown Strategy 2000 Final EIR, Envision San José 2040 General Plan Final EIR, and current standard practices in the City of San José, the project proposes to implement the following, previously approved mitigation measure to reduce significant soil impacts to a less than significant level: **MM GEO – 1.1:** Prior to issuance of any site-specific grading or building permits, a design-level geotechnical investigation shall be prepared and submitted to the City of San José Public Works Department for review and approval. The project shall implement the recommendations in the investigation to minimize impacts from undocumented fill, expansive soils, and differential settlement. Options to address these conditions would include excavation to remove undocumented soils as part of the subgrade garage construction and the use of soil cement columns (drilled displacement piles) to support a mat foundation. Implementation of this measure would substantially reduce adverse effects on proposed improvements associated with soil conditions on the site. **[Same Impact as Approved Project (Less Than Significant Impact with Mitigation)]**
Impact GEO – 2: The development of the proposed building with improvements below the groundwater table could result in	In conformance with the certified Downtown Strategy 2000 Final EIR, Envision San José 2040 General Plan Final EIR, and current standard practices in the City of San José, the project proposes to implement the following, previously

SIGNIFICANT IMPACTS	MITIGATION AND AVOIDANCE MEASURES
impacts to the adjacent development due to groundwater extraction during construction and operation of the project. **(Significant Impact)**	approved mitigation measure to reduce significant groundwater impacts to a less than significant level: **MM GEO – 2.1:** The design-level geotechnical investigation (required by MM GEO-1.1) shall evaluate the consolidation properties of the underlying sediments to determine the potential for settlements associated with dewatering and other potential earth movements. If it is determined that unacceptable settlements may occur with either active or passive dewatering systems, then alternative groundwater control systems that do not require continuous groundwater removal (e.g., slurry wall) shall be required. **[Same Impact as Approved Project (Less Than Significant Impact with Mitigation)]**
HAZARDS AND HAZARDOUS MATERIALS	
Impact HAZ – 1: The project site contains a former gas station and historic auto repair uses which could expose people, including construction workers, to contaminated soils, soil vapors or groundwater with the redevelopment of the site. **(Significant Impact)**	As a condition of approval and in conformance with local, state, and federal regulations and program mitigation measures identified in the certified Downtown Strategy 2000 FPEIR, the project shall implement the following project specific mitigation measures with the oversight of the Santa Clara County Department of Environmental Health (SCCDEH), or equivalent regulatory agency, to reduce impacts associated with redevelopment of the site to a less than significant level: **MM HAZ – 1.1:** <u>Sampling Related to Historic Uses.</u> The project applicant shall retain a qualified hazardous materials professional to conduct focused sampling and analysis for contamination of soil, soil vapor, and/or groundwater on-site prior to issuance of any grading permit. Sampling on the site shall be under the oversight of the Santa Clara County Department of Environmental Health, or equivalent regulatory agency, in accordance with a Work Plan prepared by a qualified professional and approved by the Santa Clara County Department of Environmental Health (or equivalent regulatory agency). <u>Work Plan.</u> The approved Work Plan shall describe sample methodology, sample locations, the quality assurance/quality control plan, reporting, and schedule. The Work Plan shall be implemented by the project and the results of the sampling shall be submitted to the Santa Clara County Department of Environmental Health (or equivalent regulatory agency). If

SIGNIFICANT IMPACTS	MITIGATION AND AVOIDANCE MEASURES
	additional investigation is required to sufficiently delineate the contaminants of concern, additional sampling shall be proposed and reviewed and approved by the Santa Clara County Department of Environmental Health (or equivalent regulatory agency). A letter (or equivalent assurance) from Santa Clara County Department of Environmental Health (or equivalent regulatory agency) documenting completion of the Work Plan for on-site sampling to the satisfaction of the Santa Clara County Department of Environmental Health (or equivalent regulatory agency) shall be provided to the Supervising Environmental Planner of the City of San José Department of Planning, Building, and Code Enforcement and the Compliance Officer/Hazardous Materials Specialist of the City of San José Department of Environmental Services. In the event no further testing or remediation is required, a No Further Action letter (or equivalent assurance) from Santa Clara County Department of Environmental Health (or equivalent regulatory agency) shall be provided prior to issuance of any grading permit. **MM HAZ – 1.2:** Automobile Repair Shop Closure. Due to the historic uses of the site as a gas station and for automotive repair, the project applicant shall conduct site specific testing near drains, hydraulic lifts, and areas where staining is observed as part of the pre-construction Work Plan(s) outlined in MM HAZ – 1.1. In addition, evaluation of the former gas station site for the presence of possible underground storage tanks abandoned in place shall be completed and appropriate remediation undertaken to ensure the site is suitable for residential use. Soil handling shall be undertaken in accordance with plans approved by Santa Clara County Department of Environmental Health (or equivalent regulatory agency). **MM HAZ – 1.3:** Soil Vapor Controls for Residential Use. In the event elevated levels of soil vapors are found during testing under MM HAZ – 1.1, the project applicant shall either remediate contaminated soils (e.g., in-situ remediation, or excavation and off-site disposal) and/or implement institutional and engineering controls to ensure that any potential added health risks to construction workers, maintenance and utility workers, site users, residents, and the general public as a result of hazardous materials

SIGNIFICANT IMPACTS	MITIGATION AND AVOIDANCE MEASURES
	contamination are reduced to acceptable levels, as required by the regulatory oversight agency (e.g., Santa Clara County Department of Environmental Health). Institutional and engineering controls employed on the site may include placement of new fill, pavement, or buildings over any contaminated soils and groundwater, passive and active ventilation systems, vapor barriers, and/or adoption of deed restrictions. Guidelines and measures for health and safety during construction activities, soil management, groundwater management, addressing vapor intrusion issues, and construction activities (unanticipated subsurface conditions) shall be addressed in the Work Plan or a separate Site Management Plan (see MM HAZ-1.5) and reviewed and approved by Santa Clara County Department of Environmental Health (or equivalent regulatory agency). Final approval that the entire site is suitable for residential land uses with implementation of the Work Plan shall be issued by Santa Clara County Department of Environmental Health (or equivalent regulatory agency) and copied to the City of San José, prior to issuance of any grading permit. In the event institutional or engineering controls are required for soil vapors, a No Further Action letter (or equivalent assurance) from Santa Clara County Department of Environmental Health (or equivalent regulatory agency) documenting completion of remediation activities and/or engineering controls shall be provided to the Supervising Environmental Planner of the City of San José Department of Planning, Building, and Code Enforcement and the Compliance Officer/Hazardous Materials Specialist of the City of San José Department of Environmental Services prior to issuance of any Certificate of Occupancy (temporary or final) for the proposed residences. **MM HAZ – 1.4:** <u>Dewatering During Construction/ Operation.</u> In the event dewatering is required, the project applicant shall collect groundwater in an on-site storage tank with subsequent discharge to the sanitary sewer system through a discharge permit issued by the Water Protection Division in the City of San José Department Environmental Services or disposal at an appropriate facility following characterization of the groundwater contaminants, in

SIGNIFICANT IMPACTS	MITIGATION AND AVOIDANCE MEASURES
	accordance with the Work Plan and requirements of the California Regional Water Quality Control Board. If regular dewatering of the proposed subgrade parking garage is required, it shall also be discharged to the sanitary sewer system through a discharge permit issued by City of San José Department Environmental Services. **MM HAZ – 1.5:** Site Management Plan. A Site Management Plan shall be prepared by a qualified hazardous materials consultant to establish management practices for handling contaminated soil or other materials encountered during construction activities. The sampling results shall be compared to appropriate risk-based screening levels in the Site Management Plan. The Site Management Plan shall identify potential health, safety, and environmental exposure considerations associated with redevelopment activities and shall identify appropriate mitigation measures. The Site Management Plan shall be submitted to the Supervising Environmental Planner of the City of San José Department of Planning, Building, and Code Enforcement and Santa Clara County Department of Environmental Health (or equivalent regulatory agency) for approval prior to commencing construction activities. The Site Management Plan shall include, but is not limited to, the following: • Proper mitigation as needed for demolition of existing structures; • Management of stockpiles, including sampling, disposal, and dust and runoff control including implementation of a stormwater pollution prevention program; • Management of underground structures encountered, including utilities and/or underground storage tanks; • Procedures to follow if evidence of an unknown historic release of hazardous materials (e.g., underground storage tanks, polychlorinated biphenyls [PCBs], asbestos containing materials, lead-based paint, , etc.) is discovered during excavation or demolition activities; • Traffic control during site improvements; • Noise, work hours, and other relevant City regulations; • Mitigation of soil vapors (if required); • Procedures for proper disposal of contaminated materials (if required); and • Monitoring, reporting, and regulatory oversight arrangements.

SIGNIFICANT IMPACTS	MITIGATION AND AVOIDANCE MEASURES
	MM HAZ – 1.6: Health and Safety Plan. A site-specific Health and Safety Plan shall be prepared by the project applicant prior to issuance of any grading permit for project construction to address potential health and safety hazards associated with implementation of the Work Plan and proposed redevelopment activities (e.g., site preparation, demolition, grading and construction). The Health and Safety shall govern activities of all personnel present during field activities. Any contractor performing a task not covered in the Health and Safety shall be required to develop a job hazard analysis (JHA) specific to that task prior to performing the task. The Health and Safety Plan shall be submitted to Santa Clara County Department of Environmental Health (or equivalent regulatory agency) for review and approval prior to commencing construction activities. A copy of the Santa Clara County Department of Environmental Health (or equivalent regulatory agency) approval shall be submitted to the Supervising Environmental Planner of the City of San José Department of Planning, Building, and Code Enforcement and the Compliance Officer/Hazardous Materials Specialist of the City of San José Department of Environmental Services. The site-specific mitigation measures identified above address the characterization of potential contamination impacts previously disclosed for similar sites by the Downtown Strategy 2000 FPEIR. The implementation of these site-specific measures are consistent with the mitigation measures approved in the Downtown Strategy 2000 FPEIR and with expected contamination types and levels in a developed urban area. The contamination addressed by these measures does not represent a substantially more severe effect of the project. **[Same Impact as Approved Project (Less Than Significant Impact with Mitigation)]**
Impact HAZ – 2: The current buildings on the site may have been constructed with asbestos containing materials and lead based paint which could be released upon demolition of 493 S. First Street and rehabilitation of the historic structures. **(Significant Impact)**	Consistent with the Downtown Strategy 2000 FPEIR, implementation of the approved mitigation measures as revised below, consistent with current standard practice, will reduce impacts from lead-based paint and ACMs to a less than significant level: **MM HAZ – 2.1:** Prior to demolition activities, a visual inspection/pre-demolition survey and sampling shall be required of the existing buildings on-site to determine the presence of asbestos-containing materials (ACMs) and/or

SIGNIFICANT IMPACTS	MITIGATION AND AVOIDANCE MEASURES
	lead-based paint. A report identifying methodologies and findings of the visual inspection/pre-demolition survey and sampling shall be submitted to the Supervising Environmental Planner and the Building Division of City of San José Department of Planning, Building, and Code Enforcement prior to the issuance of any demolition permit for review and approval. **MM HAZ – 2.2:** If asbestos containing materials and/or lead-based paint are found (as stated in MM HAZ – 2.1), the project applicant shall implement the following measures: • Prior to demolition activities, all building materials containing lead-based paint shall be removed in accordance with Cal/OSHA Lead in Construction Standard, Title 8, California Code Regulations 1532.1, including employee training, employee air monitoring, and dust control. Any debris or soil containing lead-based paint or coatings shall be disposed of at landfills that meet acceptance criteria for the waste being disposed. • All potentially friable asbestos-containing materials (ACMs) shall be removed in accordance with USEPA's National Emission Standards for Hazardous Air Pollutants (NESHAP) guidelines prior to any building demolition or renovation that may disturb the materials. All demolition activities will be undertaken in accordance with Cal/OSHA standards contained in Title 8 of CCR, Section 1529, to protect workers from exposure to asbestos. • A registered asbestos abatement contractor shall be retained to remove and dispose of ACMs identified in the asbestos survey performed for the site in accordance with the standards stated above. • Removal of materials containing more than one (1) percent asbestos shall be completed in accordance with Bay Area Air Quality Management District (BAAQMD) requirements. **[Same Impact as Approved Project (Less Than Significant Impact with Mitigation)]**
Impact HAZ – 3: The proposed high-rise project could potentially create an airspace safety hazard unless specifically determined to be	Consistent with the certified Downtown Strategy 2000 Final EIR, the project proposes to implement the following mitigation measure to reduce impacts to the Airport to a less than significant level:

SIGNIFICANT IMPACTS	MITIGATION AND AVOIDANCE MEASURES
not a hazard by the FAA. **(Significant Impact)**	**MM HAZ – 3.1:** Prior to issuance of any grading permit, the project applicant shall implement the following actions: • Comply with the notification requirements of the FAR Part 77 and receive a "Determination of No Hazard" from the FAA. • Conditions set forth in the required FAA determination of no hazard regarding roof-top lighting or marking shall be incorporated into the final design of the project. • Avigation easements shall be dedicated to the City of San José. **[Same Impact as Approved Project (Less Than Significant Impact with Mitigation)]**
NOISE	
Impact NOI – 1: The construction of the proposed project would temporarily increase noise levels in the immediate vicinity of the project site and would be audible at nearby residential and commercial land uses. **(Significant Impact)**	Consistent with the certified Downtown Strategy 2000 Final EIR, Envision San José 2040 General Plan Final EIR, General Plan policies (specifically policy EC-1.7), and Municipal Code, the project proposes to implement the following mitigation measure to reduce construction-related noise impacts to a less than significant level: **MM NOI – 1.1:** The project applicant shall develop and implement a construction noise logistics plan during all phases of construction on the project site. The construction noise logistics plan shall include, but not be limited to the following: • Noise-generating activities at the construction site or in areas adjacent to the construction site associated with the project in any way shall be restricted to the hours of 7:00 a.m. to 6:00 p.m., Monday through Friday, and 8:00 a.m. to 5:00 p.m. on Saturdays. No construction activities shall occur Sundays or holidays. • All internal combustion engine driven equipment shall be equipped with intake and exhaust mufflers that are in good condition and appropriate for the equipment. • Stationary noise generating equipment shall be located as far as possible from sensitive receptors when sensitive receptors adjoin or are near a construction project area. • "Quiet" air compressors and other stationery noise sources shall be used where technology exists. • A detailed construction plan shall be prepared identifying the schedule for major noise-generating construction activities. The construction plan shall identify a

SIGNIFICANT IMPACTS	MITIGATION AND AVOIDANCE MEASURES
	procedure for coordination with the adjacent noise sensitive facilities so that construction activities can be scheduled to minimize noise disturbance. • An on-site "disturbance coordinator" shall be designated to be responsible for responding to any local complaints about construction noise. The disturbance coordinator shall determine the cause of the noise complaint (e.g., starting too early, bad muffler, etc.) and shall require that reasonable measures to correct the problem be implemented. A telephone number for the disturbance coordinator shall be conspicuously posted at the construction site and include it in the notice sent to neighbors regarding the construction schedule. **[Same Impact as Approved Project (Less Than Significant Impact with Mitigation)]**
Impact NOI – 2: The project and adjacent surroundings could result in significant construction-related groundborne vibration impacts. **(Significant Impact)**	Consistent with the certified Envision San José 2040 General Plan Final EIR and General Plan policies (specifically Policy EC-2.3), the project proposes to implement the following mitigation measures to reduce construction-related groundborne vibration impacts to a less than significant level: **MM NOI – 2.1:** The project applicant shall ensure that only drilled piers or rammed aggregate piers which cause lower vibration levels are used and are the preferred foundation method where geological conditions permit. **MM NOI – 2.2:** A list of all heavy construction equipment to be used for this project and the anticipated time duration of using equipment that has been known to produce high vibration levels (tracked vehicles, vibratory compaction, jackhammers, hoe rams, etc.) shall be submitted by the project applicant to the structural engineer. This list shall be used to identify equipment and activities that would potentially generate substantial vibration and to define the level of effort required for continuous vibration monitoring (see MM NOI – 2.3). **MM NOI – 2.3:** A Construction Vibration Monitoring Plan (Plan) shall be implemented to document conditions prior to, during, and after vibration generating construction activities. The Plan shall address vibration impacts to sensitive historic structures of 0.08 in/sec PPV and all normal conventional construction structures of 0.20 in/sec PPV. All Plan tasks

SIGNIFICANT IMPACTS	MITIGATION AND AVOIDANCE MEASURES
	shall be undertaken under the direction of a licensed Professional Structural Engineer in the State of California and be in accordance with industry accepted standard methods. The Construction Vibration Monitoring Plan shall include, but is not limited to, the following tasks: • Identification of the sensitivity of on- and off-site structures to groundborne vibration. Vibration limits shall be applied to all vibration sensitive structures located on or within 50 feet of the project site. • Performance of a photo survey, elevation survey, and crack monitoring survey for each structure within 50 feet of construction activities identified as sources of high vibration levels. Surveys shall be performed prior to any construction activity, in regular intervals during construction and after project completion and shall include internal and external crack monitoring in structures, settlement, and distress and shall document the condition of foundations, walls, and other structural elements in the interior and exterior of said structures. • Development of a vibration monitoring and construction contingency plan to identify structures where monitoring shall be conducted, set up a vibration monitoring schedule, define structure-specific vibration limits, and address the need to conduct photo, elevation, and crack surveys to document before and after construction conditions. Construction contingencies shall be identified for when vibration levels approach the limits. • At minimum, vibration monitoring shall be conducted during pavement removal, building demolition, and drilling activities. Monitoring results may indicate the need for more or less intensive measurements. • If vibration levels approach limits, construction activities shall be suspended and contingencies implemented to either lower vibration levels or secure the affected structures. • Designate a person responsible for registering and investigating claims of excessive vibration. The contact information of such person shall be clearly posted on the construction site. • Conduct a post-construction survey on structures where either monitoring has indicated high levels of vibration or complaints of damage have been made. Make appropriate repairs or compensation where damage has occurred as a result of construction activities.

SIGNIFICANT IMPACTS	MITIGATION AND AVOIDANCE MEASURES
	MM NOI – 2.4: The project applicant shall submit a report summarizing the result of the vibration monitoring process during all demolition and construction phases to the Supervising Environmental Planner of the City of San José Department of Planning, Building, and Code Enforcement no later than a week after substantial completion of each phase identified in the project schedule of the Construction Vibration Monitoring Plan. The report shall include, but is not limited to, a description of measurement methods, equipment used, calibration certificates, and graphics as required to clearly identify vibration-monitoring locations. An explanation of all events that exceeded vibration limits shall be included together with proper documentation supporting any such claims. Note that the mitigation identified in SEIR Section 3.1 Cultural Resources to avoid and/or reduce construction-related impacts to existing historic and potentially historic buildings includes similar requirements to those outlined in mitigation measures MM NOI – 2.1 to NOI – 2.4 above. **[Same Impact as Approved Project (Less than Significant Impact with Mitigation)]**

SIGNIFICANT UNAVOIDABLE IMPACTS

If the project is implemented, the project would have the following impacts that would not be mitigated to a less than significant level:

Cultural Resources

- Impact to the City Landmark Herrold College Building
- Impact to the eligibility of the identified South Downtown Area Automobile District as a potential historic district.
- Cumulative impact to early automobile related historic resources in the City of San José.

Aesthetics

- Impact to the visual local historic character of the project site and surrounding area.

SUMMARY OF ALTERNATIVES

The CEQA Guidelines give direction on identifying and evaluating alternatives to a proposed project in an EIR (Section 15126.6). The purpose of analyzing alternatives in an EIR is to identify ways to substantially lessen or avoid the significant effects that a proposed project may have on the environment. The range of alternatives selected for analysis is governed by the "rule of reason,"

which requires the EIR to discuss only those alternatives necessary to permit a reasoned choice. Although the alternatives do not have to meet every goal and objective set for the proposed project, they should "feasibly attain most of the basic objectives of the project."

The CEQA Guidelines (Section 15126.6) do not require that all possible alternatives be evaluated, only that a range of potentially feasible alternatives be discussed so as to encourage both meaningful public participation and informed decision making. In selecting alternatives to be evaluated, consideration may be given to their potential for reducing significant unavoidable impacts, reducing significant impacts that are mitigated by the project to less than significant levels, and further reducing less than significant impacts.

The three critical factors to consider in selecting and evaluating alternatives are, therefore: (1) the significant impacts from the proposed project which could be reduced or avoided by an alternative, (2) the project's objectives, and (3) the feasibility of the alternatives available. Each of these factors is described below.

Significant Impacts of the Project

As discussed in this SEIR, the project would result in three significant, unavoidable project impacts. These include:

- Historic resources impact to a City Landmark (Herrold College Building)
- Historic resource impact to the potential South Downtown Area Automobile Historic District and a contributing structure (Red Front Surplus Building)
- Aesthetics impacts to the historic character of the project site and surrounding area associated with the scale, proportion and massing of the high-rise building on a block of mostly one story, early twentieth century brick commercial buildings.

Alternatives may also be considered if they would further reduce impacts that are already less than significant because of required or proposed mitigation. Impacts that would be significant, but for which the mitigation is available to reduce them to less than significant levels include (see Appendix A):

- Construction Air Quality (Dust and Toxic Air Contaminants)
- Geology and Soils
- Hazardous Materials (Potential Historic Contamination)
- Potential Hazard to Aircraft
- Noise Impacts to Future Residents
- Construction Noise
- Construction Vibration

Consideration of a "No Project" alternative is mandatory. The purpose of including a No Project alternative is to allow decision makers to compare the impacts of approving the project with the impacts of not approving the project.

The following is a summary of the alternatives evaluated in this EIR. Please refer to Section 7.0 Alternatives to the Proposed Project for additional detail regarding these alternatives and project objectives.

Project Alternatives

No Project – No Redevelopment Alternative

Since the project site is currently developed, the "No Project-No Redevelopment" alternative includes the continued occupancy or reoccupancy of the three buildings on the site.

Because the No Project Alternative would not result in any development on the project site, this Alternative would avoid all of the environmental impacts from the project, assuming no physical changes are made to the site. However, this Alternative would not meet any of the project objectives.

Reduced Scale and Height (Existing Plan) Alternative

One scenario that may be expected to occur if the project is not approved, based on the assumptions in the Downtown Strategy, is redevelopment of the non-historic dry cleaners building at 493 South First Street only and continued use or adaptive reuse of the historic structures on the site located at 455 South First Street and 465-467 South First Street.

This alternative would consist of adaptive reuse of the Herrold College Building and Red Front Surplus Building in conformance with the Secretary of Interior's Standards for Rehabilitation and construction of a residential building up to three stories in height and about 35 feet in height on the site of the existing dry cleaners and parking lot. The height of the new residential building would reduce indirect impacts to the adjacent historic structure and the rhythm of one and two-story structures in the potential South Downtown Automobile Historic District.

The two structures on the City's Historic Inventory at 455 and 465 S. First Street would be renovated for commercial or office use. Rehabilitation as residential lofts also may be feasible if key architectural and historic elements on street frontages are maintained. Construction of a three-story residential building with parking at grade could be undertaken on the approximately 0.27 acre portion of the 0.5 acre site at the southern end of the site and with frontage on William Street.

This alternative would reduce the number of residential units that could be developed by approximately 297 units or 96 percent.

The Reduced Scale and Height Alternative assumes that the two buildings on the City's historic resources inventory either would remain as is today or be rehabilitated in conformance with the Secretary of Interior's Standards, per the Downtown Strategy 2000. New residential development on the southernmost portion of the site would not be more than 35 feet in height and the overall density of residential development on the 493 South First Street parcel would be approximately 50 units to the acre.

The Reduced Scale and Height Alternative would avoid the project's significant aesthetic and cultural resources impacts. Construction impacts (air, noise, vibration) and geology and soils

impacts would be reduced to the extent that excavation would be limited (no underground parking) and the length of construction activities would be reduced. Hazards associated with potential historic contamination would be reduced, but not completely avoided if soil vapors are present above environmental screening levels. Like the project, potential hazards could be reduced with the implementation of mitigation measures.

The Reduced Scale and Height Alternative would not meet project objectives related to the provision of high density residential development near transit in the Downtown.

Because the Reduced Scale and Height Alternative would not result in the partial demolition of the Herrold College Building and Red Front Surplus Building and would not introduce a new building tower of a scale and mass that is out of character with the existing potential historic district, it would avoid the identified impacts to built historic resources and the aesthetic historic character of the immediate area. This Alternative would avoid all of the significant unavoidable environmental impacts from the project. However, this Alternative would not meet the basic objectives of the project related to the provision of high density housing in Downtown, near transit.

Reduced Footprint Tower Alternative

Like the No Project – Reduced Scale and Height (Existing Plan) Alternative, this alternative would include adaptive reuse of the Herrold College Building and Red Front Surplus Building in conformance with the Secretary of Interior's Standards for Rehabilitation. On the site of the existing dry cleaners and parking lot, a residential tower up to 262 feet in height would be constructed.

The two structures on the City's Historic Inventory at 455 and 465 S. First Street would be renovated for commercial or office use. Rehabilitation as residential lofts also may be feasible if key architectural and historic elements on street frontages are maintained. Construction of a residential tower up to 25 stories could be undertaken on the approximately 0.27 acre portion of the 0.5 acre site at the southern end of the site and with frontage on William Street.

This alternative would reduce the number of residential units that could be developed to approximately 154-160 units or an approximately 50 percent reduction. Because the ground floor would be needed to access the parking garage, there would be little or no opportunity for ground floor retail uses. This alternative would place garage entrances closer to a corner than the project.

The Reduced Footprint Tower Alternative would avoid the project's direct physical impacts to both the Herrold College Building and the Red Front Surplus Building. The effects of mass, scale and spatial relationships on the potential South Downtown Area Automobile Historic District would be reduced by keeping the two buildings intact and reducing the mass of the tower; however, due to the location of a tower at the end of the block, it would continue to dwarf the historic structures on the 400 blocks of S. First Street and S. Market Street.

Similar to the identified impacts to historic resources, the Reduced Footprint Tower Alternative would reduce the aesthetics impacts related to a visual change in the historic character on the 400 block 400 blocks of S. First Street and S. Market Street in the SoFA District of Downtown San José. Impacts of a tall tower of reduced mass would remain significant, however. Construction impacts (air, noise, vibration) and geology and soils impacts would be reduced to the extent that the

excavation for underground parking and the length of construction activities would be reduced. Hazards associated with potential historic contamination would be reduced, but not completely avoided if soil vapors are present above environmental screening levels. Like the project, potential hazards could be reduced with the implementation of mitigation measures.

With the reduction in number of units by approximately 50 percent, the Reduced Footprint Tower Alternative would not wholly meet project objectives related to the provision of high density residential development near transit in the Downtown.

Because the Reduced Footprint Tower Alternative would not result in the partial demolition of the Herrold College Building and Red Front Surplus Building, it would reduce direct impacts to these two structures. It would introduce a new building tower of a scale and mass that is out of character with the existing potential historic district. It would reduce, but not completely avoid the identified impacts to historic resources and the aesthetic historic character of the immediate area. This Alternative would not generally meet the basic objectives of the project related to the provision of high density housing with amenities in Downtown, near transit.

Location Alternative – Market and San Carlos Street Parking Lot (Block 8)

This alternative would develop a high rise, residential mixed use building on an approximately 1.5-acre site on the north side of San Carlos Street, between South Market and South First Streets. The site is located in an area of San José that was occupied during the Mexican and Early American Periods and like much of the central area of downtown, there is a potential to encounter buried prehistoric and historic cultural resources during excavation. This location alternative would avoid the direct impacts to the City Landmark Herrold College Building and the effects of mass, scale and spatial relationships on the potential South Downtown Area Automobile Historic District. Similar to the identified impacts to historic resources, this Location Alternative would avoid the aesthetics impacts related to a visual change in the historic character on the 400 blocks of S. First Street and S. Market Street in the SoFA District of Downtown San José.

There are several other aesthetic considerations for a high rise building at this location. The site is located near several historic hotels and a high rise building may shade public open space at Cesar Chavez Park. Construction impacts (air, noise, vibration) would be similar to the proposed project. Like the project, potential hazards could be reduced with the implementation of mitigation measures. This location alternative would have a lower maximum building height to meet FAA requirements for aircraft.

If this site was available to the applicant, development of a high density, high-rise housing project at this location could meet most of the basic objectives of the project. This location alternative would avoid the identified impacts to historic resources, including to the potential South Downtown Automobile District. This alternative could have other impacts to buried cultural resources or shade public park areas at Cesar Chavez Park.

Location Alternative – Woz Way and Almaden Avenue Parking Lot

This alternative would develop a high rise, residential mixed use building on a portion of the 3.5 acre parking lot site on the north side of Woz Way between Almaden Avenue and the Guadalupe River.

The site is located adjacent to the Guadalupe River and there would be a greater potential to encounter buried prehistoric cultural resources. It also is in an area of San José, like much of the central area of downtown, where there is a potential to encounter buried historic cultural resources during excavation.

This location alternative would avoid the direct impacts to the City Landmark Herrold College Building and the effects of mass, scale and spatial relationships on the potential South Downtown Area Automobile Historic District. Similar to the identified impacts to historic resources, this Location Alternative would avoid the aesthetics impacts related to a visual change in the historic character on the 400 blocks of S. First Street and S. Market Street in the SoFA District of Downtown San José.

There are several other aesthetic considerations for a high rise building at this location. The site is located near the Guadalupe River and Guadalupe River Trail and a design would need to be sensitive to the mass of the building and appropriate setbacks of 50-100 feet from the river (and trail).

Construction impacts (air, noise, vibration) would be similar to the proposed project. Like the project, potential hazards could be reduced with the implementation of mitigation measures. Groundwater would likely be higher at this location and building design would need to consider lateral spreading and liquefaction hazards along with possible dewatering of subgrade parking levels. A high rise tower at this location could result in significant impacts to biological resources along the Guadalupe River, if appropriate setbacks were not provided, and building design did not include treatments of windows and other reflective surfaces.

This location could meet most of the basic objectives of the project. Site design would need to include additional area for appropriate setbacks and to meet riparian development standards and guidelines. The 3.5 acre parking lot is composed of multiple parcels. A site would need to be assembled for a high rise residential tower and acquisition of all or most of the 3.5 acres may be required by the owners.

If this site was available to the applicant, development of a high density, high-rise housing project at this location could meet most of the basic objectives of the project. This location alternative would avoid the identified impacts to historic resources, including to the potential South Downtown Automobile District. This alternative could have other impacts to buried prehistoric cultural resources, biological resources along the Guadalupe River, and geology and soils hazards.

Environmentally Superior Alternative(s)

The CEQA Guidelines specify that an EIR must identify the environmentally superior alternative among those alternatives discussed. If the environmental superior alternative is the "No Project" alternative, the EIR shall also identify an environmentally superior alternative amount the other alternatives [Section 15126.6(e)(2)].

Based upon the previous discussion, the environmentally superior alternative would be the No Project Alternative, which would avoid the identified significant impacts. This alternative would not

fulfill the project's basic objectives, including providing high-density, high-rise housing near jobs and transit.

If the site is available and a tower would not shade more than 10 percent of Cesar Chavez Park, the Location Alternative – Block 8 would be environmentally superior alternative in terms of impacts to a City Landmark and the potential historic district.

AREAS OF PUBLIC CONTROVERSY

At public meetings and other communications on the proposed project to date, members of the public have identified the following areas of concern:

- Introduction of a high rise structure on a block of one and two-story buildings with historic character within the SoFA District.

SECTION 1.0 INTRODUCTION

1.1 PURPOSE OF THE SUPPLEMENTAL ENVIRONMENTAL IMPACT REPORT

The City of San José, as the Lead Agency, has prepared this Draft Supplemental Environmental Impact Report (SEIR) for the Gateway Tower Mixed-Use Project in compliance with the California Environmental Quality Act (CEQA) and the CEQA Guidelines.

This EIR will be a Supplemental EIR to the Downtown Strategy 2000 Final Environmental Impact Report (Downtown Strategy 2000 FEIR) certified by the San José City Council in 2005. As described in CEQA Guidelines Section 15121(a), an EIR is an informational document that assesses potential environmental impacts of a proposed project, as well as identifies mitigation measures and alternatives to the proposed project that could reduce or avoid adverse environmental impacts (CEQA Guidelines 15121(a)). As the CEQA Lead Agency for this project, the City of San José is required to consider the information in the SEIR (the Draft SEIR and Final SEIR; refer to Section 1.2 below for discussion of EIR process) along with any other available information in deciding whether to approve the proposed project. The basic requirements for an EIR include discussions of the environmental setting, environmental impacts, mitigation measures, alternatives, growth-inducing impacts, and cumulative impacts. It is not the intent of an EIR to recommend either approval or denial of a project.

This SEIR is a "Project EIR," pursuant to CEQA Guidelines Section 15161. A Project EIR examines the environmental impacts of a specific project. This type of EIR focuses on the changes in the environment that would result from implementation of the project, including construction and operation. The environmental issues are discussed in *Section 3.0* and Appendix A of this SEIR.

1.1.1 Background – Downtown Development

In 2005, the City of San José approved the San José Downtown Strategy 2000 (Downtown Strategy 2000), which is an update of the San José Downtown Strategy Plan 2010 (adopted in 1992) and is a long-range program for the redevelopment and preservation of the central core of San José. The plan includes the following development:

- 11.2 million square feet of office,
- 1.4 million square feet of retail space,
- 8,500 residential units, and
- 3,600 hotel guest rooms.

While the certified 2005 Downtown Strategy 2000 Final Program Environmental Impact Report (EIR) (SCH#2003042127) was primarily a broad range, program-level environmental document, it developed project-level information whenever possible, such as when a specific site was identified for a specific size and type of development. All subsequent development that has occurred as part of the Downtown Strategy 2000 has had project specific supplemental environmental review. The South First Area Strategic Development Plan was incorporated by reference in the Downtown Strategy 2000, and provides guidance for specific development projects proposed within the South of First Area (SoFA) of Downtown.

In November 2011, the City of San José approved the Envision San José 2040 General Plan (Envision 2040 General Plan), which is a long-range program for the future growth of the City. The Envision San José 2040 General Plan Final Environmental Impact Report (General Plan FPEIR) was a broad range analysis of planned growth and did not analyze specific development projects. The intent was for the General Plan FPEIR to be a program-level document from which subsequent development consistent with the General Plan could tier. The General Plan FPEIR evaluated additional growth (up to 10,360 dwelling units) in the Downtown compared to existing development. The project site was included in the Downtown land use designation (created in place of the Core Area designation as part of the Envision 2040 General Plan) which was analyzed for up to 350 dwelling units per acre (DU/AC) and a floor area ratio (FAR) up to 15.0 (3 to 30 stories). This designation allows for office, retail, service, residential, and entertainment uses in the Downtown at very high intensities, unless incompatibility with other major policies within the Envision 2040 General Plan (such as Historic Preservation Policies) indicates otherwise. Residential development within the Downtown land use designation is intended to support pedestrian/bicycle circulation, increase transit ridership, and incorporate ground floor commercial uses. In September 2014, the City approved a General Plan Text Amendment (File No. GPT14-006) to increase the maximum density range from 350 to 800 dwelling units per acre (DU/AC) for the Downtown land use designation. In December 2015, the City approved a General Plan Text Amendment (File No. GPT15-001) to increase the maximum FAR from 15 to 30.0 for the Downtown land use designation. The City of San José also approved a Supplemental Program EIR for the Envision San José General Plan to include and update the greenhouse gas emissions analysis in December 2015.

1.1.2 Focusing the SEIR

The City of San José prepared an Initial Study (see Appendix A) that determined that preparation of an SEIR was needed for the proposed Gateway Tower Mixed-Use Project. The Initial Study concluded that the SEIR should focus on aesthetics and cultural resources. The issues of agricultural and forestry resources, air quality, biological resources, geology and soils, greenhouse gas emission, hazards and hazardous materials, hydrology and water quality, land use, mineral resources, noise and vibration, population and housing, public services, recreation, transportation, and utilities are analyzed in the Initial Study. The project's impacts in these study areas were determined to be less than significant, with mitigation measures that will be made conditions of approval of the project, and/or it was determined that the project would not result in any new or more significant impacts in these resource areas than those addressed in the Downtown Strategy 2000 FEIR and would be consistent with the Envision San José 2040 General Plan.

The purpose of this Supplemental EIR is to evaluate the environmental impacts of a Site Development Permit to construct up to a 308-unit residential apartment building with up to 8,000 square feet of commercial space on a 0.5-acre site in Downtown San José. The project site was not specifically addressed as a redevelopment site in the Downtown Strategy 2000 FPEIR, and the evaluation anticipated that future redevelopment within the Downtown would rehabilitate historic resources to meet the Secretary of Interior's Standards for the Rehabilitation of Historic Resources.

The purpose of this Supplemental EIR is to address and evaluate the specific environmental impacts of the partial demolition of the Herrold College Building, a City Landmark, and construction of a residential tower above retained building facades in the SoFA of Downtown. The project would

result in several new impacts that were not previously disclosed and the project is not wholly within the scope of the Final Program EIR for the Downtown Strategy 2000.

1.2 SEIR PROCESS

1.2.1 Notice of Preparation and Scoping

In accordance with Sections 15063 and 15082 of the CEQA Guidelines, the City of San José prepared a Notice of Preparation (NOP) for this SEIR. The NOP was circulated to local and state agencies on April 8, 2016. The standard 30-day comment period concluded on May 8, 2016. The NOP provided a general description of the proposed project and identified possible environmental impacts that could result from implementation of the project. Appendix C of this SEIR includes the NOP and comments received on the NOP.

1.2.2 Draft SEIR Public Review and Comment Period

Publication of this Draft SEIR will mark the beginning of a 45-day public review and comment period. During this period, the Draft EIR will be available to local, state, and federal agencies and to interested organizations and individuals for review. Notice of this Draft SEIR will be sent directly to every agency, person, and organization that commented on the NOP. Written comments concerning the environmental review contained in this Draft SEIR during the 45-day public review period should be sent to:

Thai-Chau Le, Planner I
City of San José
Department of Planning, Building, and Code Enforcement
200 East Santa Clara Street
San José, CA 95113
(408) 535-5658
Thai-Chau.Le@sanjoseca.gov

1.2.3 Final SEIR/Responses to Comments

Following the conclusion of the 45-day public review period, the City of San José will prepare a Final SEIR in conformance with CEQA Guidelines Section 15132. The Final SEIR will consist of:

- Revisions to the Draft SEIR text, as necessary;
- List of individuals and agencies commenting on the DSEIR;
- Responses to comments received on the DSEIR, in accordance with CEQA Guidelines (Section 15088);
- Copies of letters received on the DSEIR.

Section 15091(a) of the CEQA Guidelines stipulates that no public agency shall approve or carry out a project for which an EIR has been certified which identifies one or more significant environmental effects of the project unless the public agency makes one or more written findings. If the lead agency approves a project despite it resulting in significant adverse environmental impacts that cannot be

mitigated to a less than significant level, the agency must state the reasons for its action in writing. This Statement of Overriding Considerations must be included in the record of project approval.

SECTION 2.0 PROJECT INFORMATION AND DESCRIPTION

2.1 PROJECT LOCATION

The 0.5-acre project site is located from 455 to 493 South First Street in the Central/Downtown Planning Area of San José. The project site is bounded by commercial development on the north, South First Street on the east, William Street on the south, and Market Street on the west. Regional and vicinity maps of the project site are shown in Figures 2.2-1 and 2.2-2. An aerial photograph showing surrounding land uses is shown on Figure 2.2-3.

The project site is currently occupied by a martial arts studio, offices, a dry cleaner, and surface parking lot.

2.2 PROJECT DESCRIPTION

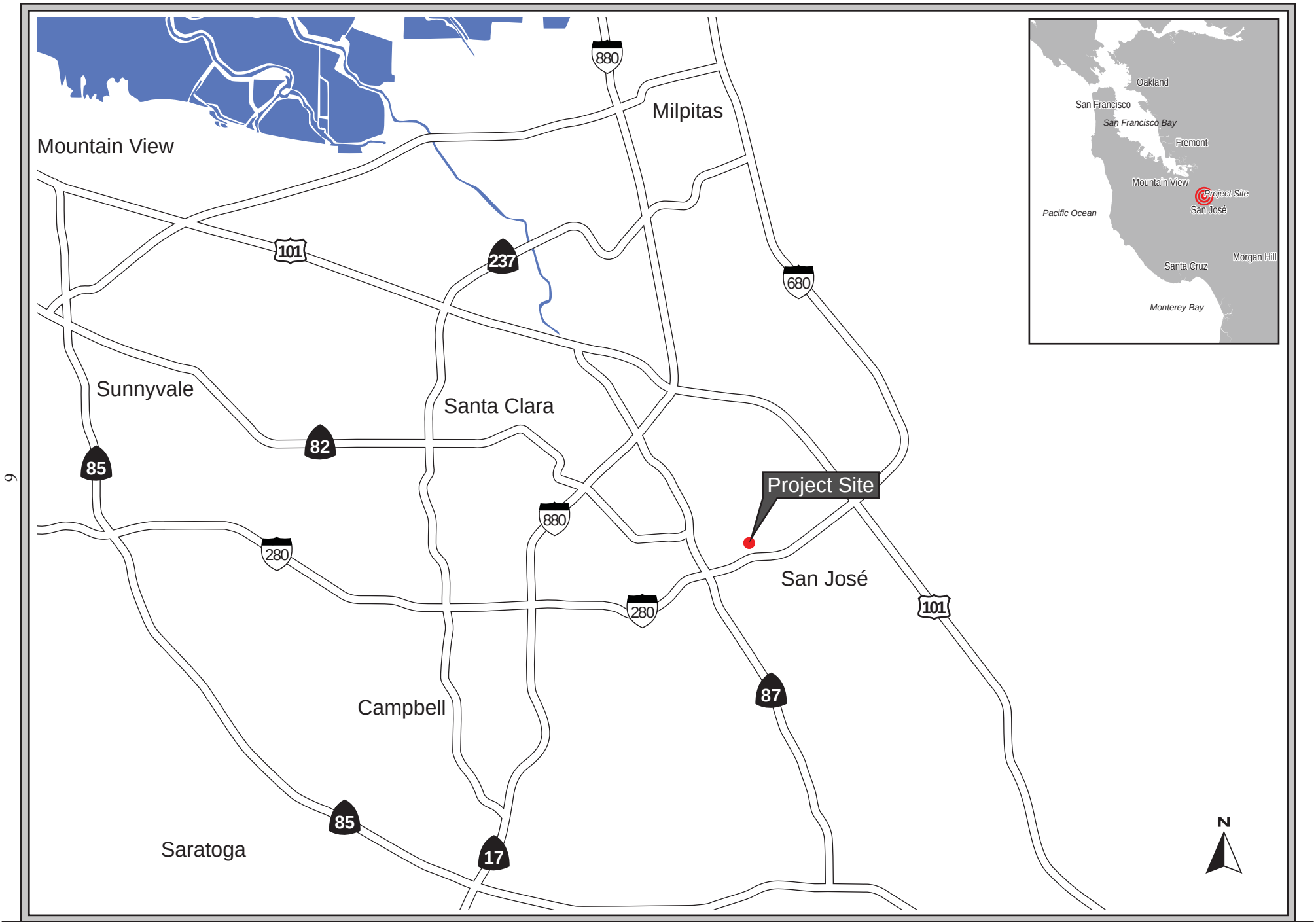
The project proposes to remove the existing commercial building and parking lot at 493 South First Street. The commercial building facades for 455 South First Street/460 South Market Street and 465-467 South First Street/470-480 South Market Street would be incorporated into the proposed building with the remainder of the existing buildings removed as part of the proposed redevelopment of the site.

The project proposes construction of a 25-story building, with 308 residential apartment units and up to 8,000 square feet of ground floor commercial space. The primary entrance to the building lobby would be on South First Street and the leasing office would also be accessed from South First Street. Proposed ground floor commercial spaces would have raised ceilings to the second-story of the building and would be located on all street frontages. A "bike kitchen" for bicycle parking and maintenance would be accessed from South Market Street. Within the commercial space on South First Street, a permanent interactive[1] historical display would be provided as a part of the retained 465-467 South First Street commercial building façade. This display would occupy up to 175 square feet of the ground floor (refer to Figure 2.2-4). A wide sidewalk area provided on the William Street frontage of the site could be used as an outdoor seating area (refer to Figure 2.2-4).

2.2.1 Residential Development

Market-rate apartments ranging from studios to two-bedroom units, would occupy the third to 25th floors of the building (refer to Figures 2.2-5 and 2.2-6). The proposed units would range in size from approximately 470 square feet to 1,720 square feet. Amenity spaces for residents would be provided on the sixth and 24th floors of the building.

[1] Interactive museum displays may use multiple types of media to communicate information in a manner that is open ended or has branching outcomes. For example, for a web-based feature, a visitor might choose one of several topics to explore. Individual topics might be presented with a story, photographs, maps, or audio recordings.

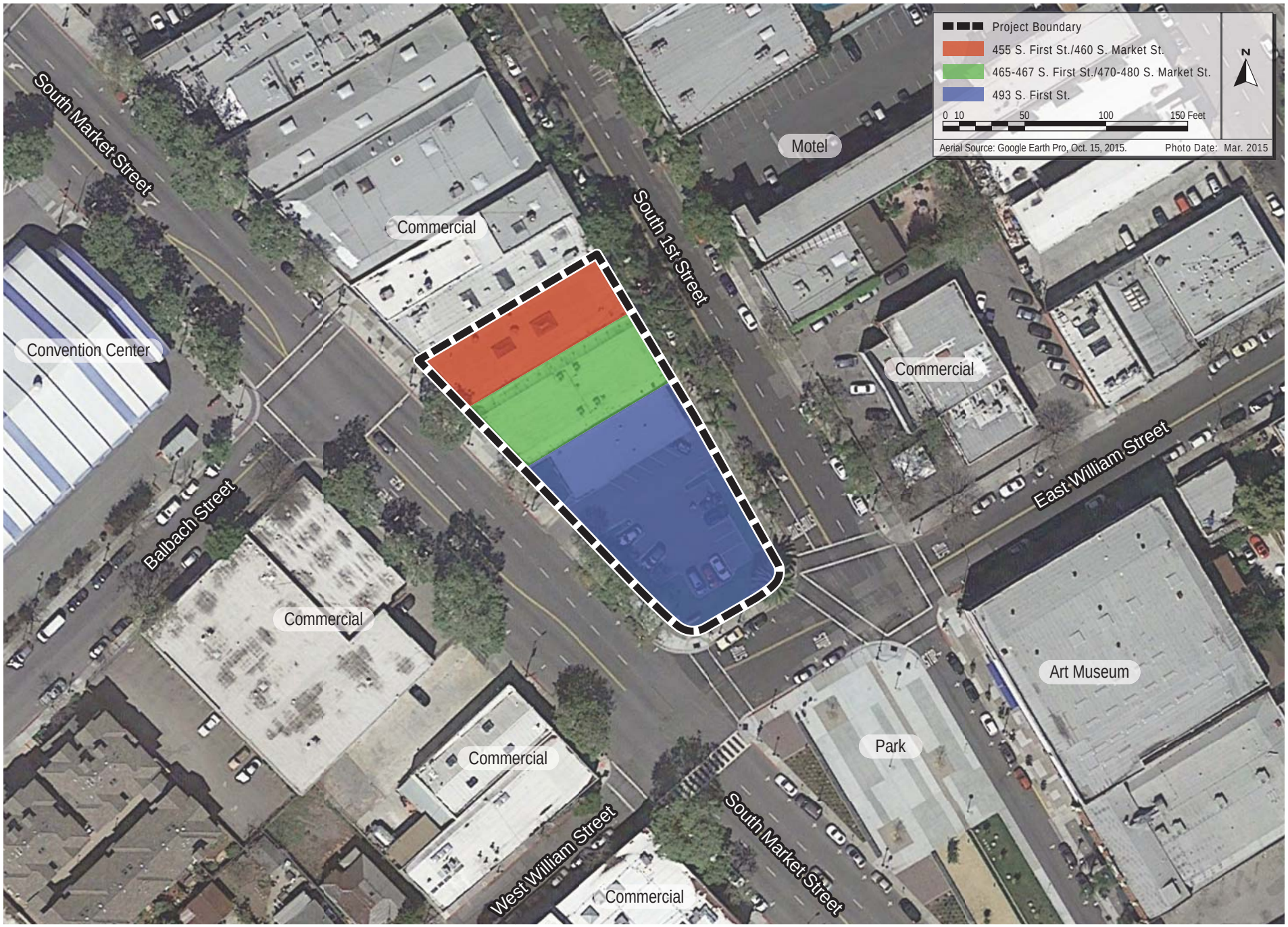


REGIONAL MAP

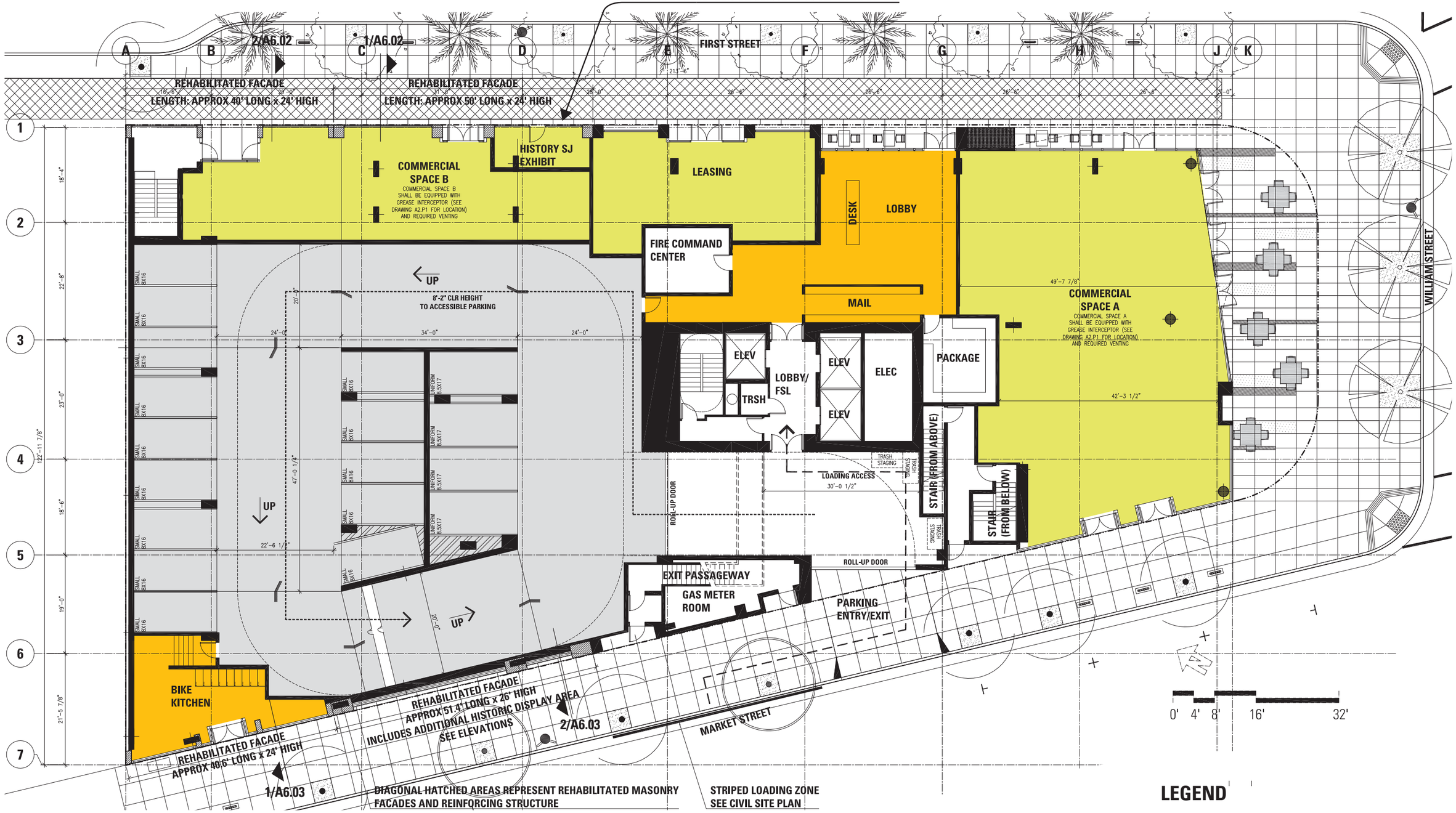
FIGURE 2.2-1

VICINITY MAP

FIGURE 2.2-2



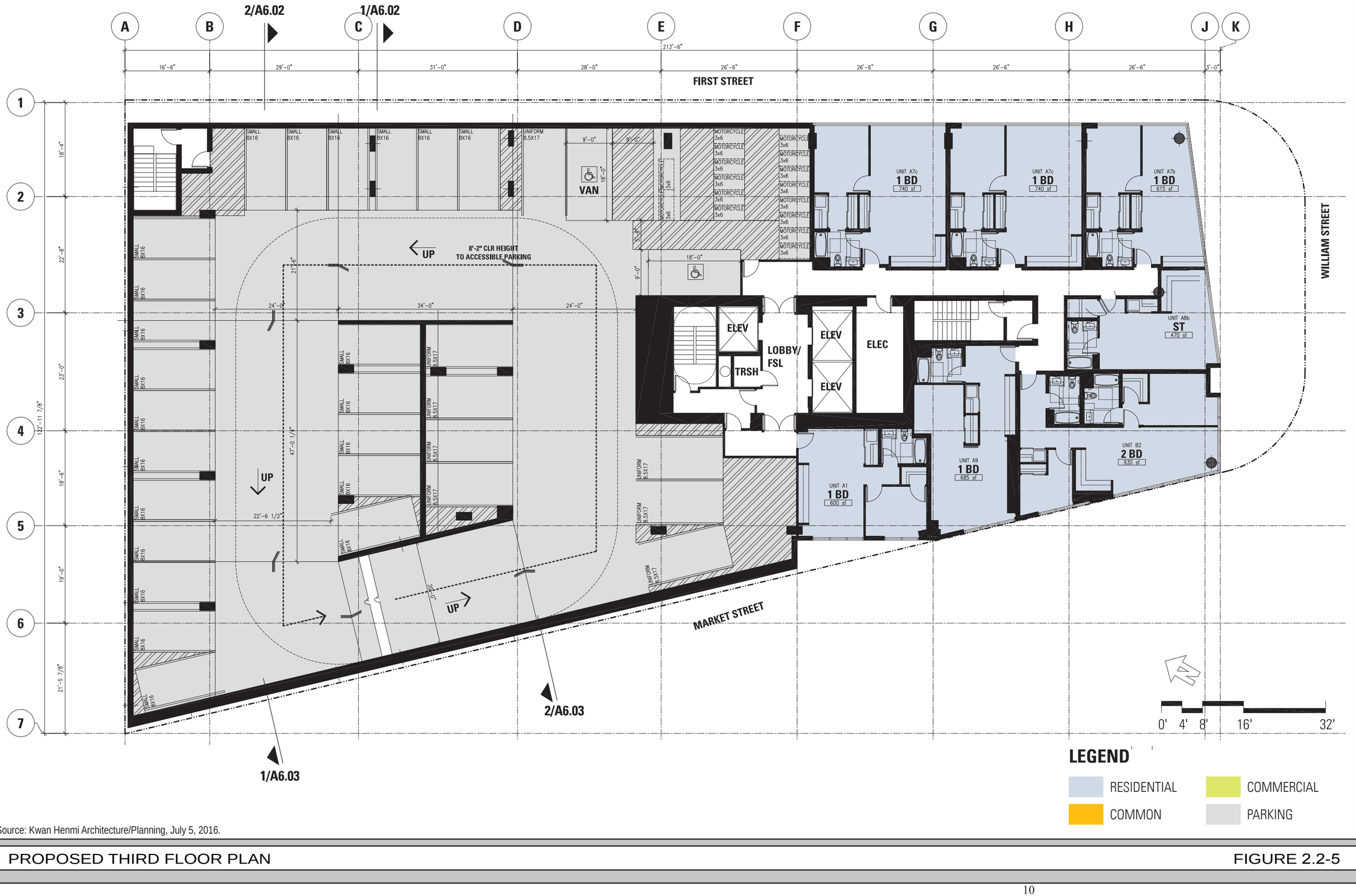
AERIAL PHOTOGRAPH AND SURROUNDING LAND USES FIGURE 2.2-3



Source: Kwan Henmi Architecture/Planning, July 5, 2016.

PROPOSED GROUND FLOOR PLAN

FIGURE 2.2-4



Source: Kwan Henmi Architecture/Planning, July 5, 2016.

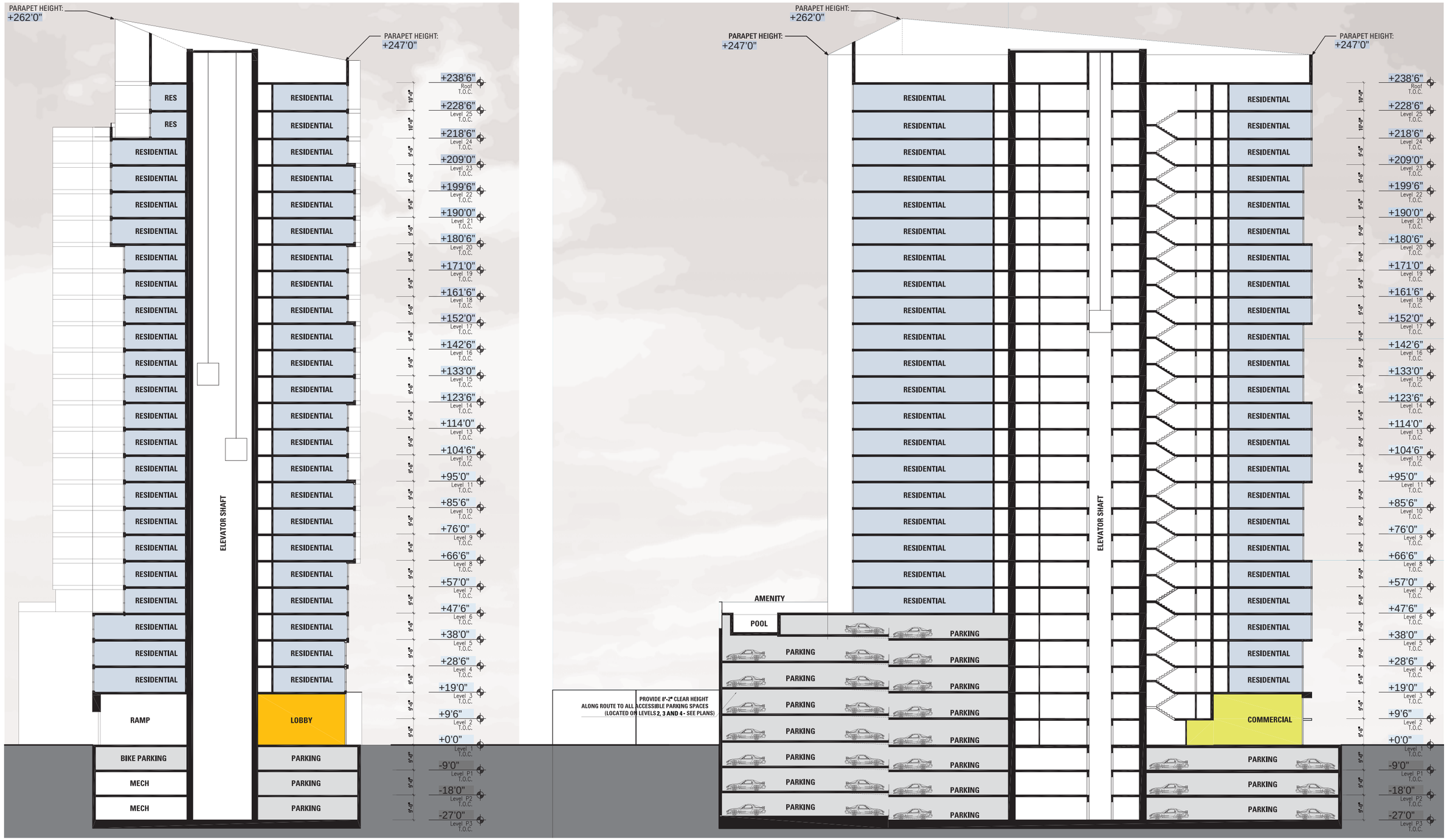
PROPOSED THIRD FLOOR PLAN

FIGURE 2.2-5

Source: Kwan Henmi Architecture/Planning, July 5, 2016.

TYPICAL TOWER FLOOR PLAN

FIGURE 2.2-6



Source: Kwan Henmi Architecture/Planning, July 5, 2016.

PROPOSED BUILDING SECTIONS

FIGURE 2.2-7

2.2.2 Commercial Development

Two commercial spaces would be provided at street level (refer to Figure 2.2-4). Commercial Space A would extend along the southern end of the building between South First Street and South Market Street. It would be bordered by an outdoor seating area along William Street. Commercial Space B would be located on South First Street directly north of the leasing space. A "bike kitchen" totaling 640 square feet would be provided on South Market Street as an amenity space for bicycle maintenance with nine spaces also provided for bicycle storage.

Visible historic building elements from the 465-467 South First Street and 470-480 South Market Street commercial building facade would be retained and rehabilitated as a part of the new building structure at the location of Commercial Space B and south of the bike kitchen.

2.2.2.1 *Storefront Museum Display*

Within Commercial Space B on South First Street, a permanent interactive historical display would be maintained by History San José as a part of the retained 465-467 South First Street commercial building façade. The interactive exhibit may include displays, short-range radio-broadcasts and/or internet-based wireless content designed to engage visitors or pedestrians on the South First Street sidewalk using one or more of their senses. The purpose of the interactive exhibit would be to inventively showcase artifacts, historic information, photographs, recordings and concepts that communicate historic information regarding Charles Herrold and the historic use of the buildings on-site and in the immediate area. This display would occupy approximately 175 square feet of the ground floor (refer to Figure 2.2-4). The display would illustrate the history of the Herrold College of Engineering and Laboratory on the site and the contributions of Charles Herrold, his wife Sybil, and other San José/Silicon Valley residents related to the birth of radio communications in San José.

2.2.3 Building Heights and Setbacks

The proposed 25-story building tower would be up to approximately 262 feet in height including architectural elements, mechanical equipment screens, and elevator shafts (refer to Figure 2.2-7). The proposed building would be developed up to the property line on all sides to accommodate the parking garage. The at-grade portion of the building would only be set back from the southern property line, approximately 16 feet, along William Street to allow for an outdoor seating area.

The project would include three levels of subgrade parking and parking in the northern half of the building on the first through fifth floors. Vehicular access to the parking garage would be from an access driveway on Market Street. The project proposes approximately 285 vehicular parking spaces and approximately 75 motorcycle spaces in the parking garage. The project proposes bicycle storage for approximately 77 bicycles on the first level of the subgrade parking garage and within the bike kitchen proposed on the ground floor.

2.2.4 Common and Open Space for Residential Use

The project would provide a total of approximately 3,250 square feet of common space in two locations in the building. An approximately 1,650-square foot space is proposed on the sixth floor of the building with an adjacent exterior pool and barbecue area on the north side of the building.

Common space for residents would also be provided in an approximately 1,600-square foot space on the west side of the 24th floor of the proposed building with adjacent exterior open space amenities including a fire pit, lounge furniture, and dining tables.

2.2.5 Demolition and Grading

The project would maintain the facades of the buildings at 455 to 467 South First Street and 460 to 480 South Market Street. The building at 493 South First Street would be demolished in its entirety and the shared wall between the 455-467 South First Street and 460-480 South Market Street will be demolished.

The proposed structure would require excavation to approximately 33 feet below grade (from an elevation of 91 feet mean sea level (MSL) down to 58 feet MSL) to construct three levels of parking. Approximately 28,200 cubic yards of soil will be excavated and hauled from the site.

2.2.6 Construction Schedule

The project is anticipated to require 22 months to complete from demolition through construction of the proposed mixed-use tower. Grading and subterranean work is anticipated to take approximately five (5) months to complete. Construction of the proposed building would take approximately 17 months to complete.

2.2.7 Green Building Measures

The proposed project would comply with the City's Green Building Ordinance through the incorporation of measures qualifying the project as GreenPoint Rated (minimum 50 points) or LEED certified.

2.3 PROJECT OBJECTIVES

The project applicant, The Core Companies, has the following objectives for the proposed project:

- To provide a minimum of 300 units of high-density, high-rise housing in the Downtown Core accessible to Downtown jobs, retail, entertainment, and various modes of public transit, thereby implementing the objectives of the Envision San José 2040 General Plan and Downtown Strategy Plan which include locating higher density development on infill sites along transit corridors to foster transit use and the efficiency of urban services and other objectives.

- To support City policy of increasing the housing base in the Downtown Core in order to reduce commutes by placing housing in proximity to jobs and transit.

- To advance the principle of "Smart Growth" by replacing underutilized low-rise commercial structures and a surface parking lot with a new tower structure that will provide needed housing units and ground floor commercial space in the Downtown Core.

- To efficiently provide adequate on-site parking and loading to meet the needs of the project while maintaining traffic flow and safe operations on S. First and S. Market Street.

- To provide for construction of a high-quality residential development that is marketable and produces a reasonable return on investment for the Project Sponsor and its investors and is able to attract investment capital and construction financing.

- Develop a mixed-use project that addresses the urban design policies of the 2040 General Plan, including:

  – Promoting Downtown's full potential through distinctive design with a scale, quality and character that strengthens Downtown's status as a major urban center.

  – Providing iconic architecture to make Downtown visually exciting and attractive to residents and visitors.

  – Providing development that contributes to a dramatic urban skyline.

  – Recognizing Downtown's unique character as the oldest part, the heart of the City, and providing a design that will respect and respond to the existing facades to promote a unique urban environment.

The City of San José, has the following objectives for the proposed project and development within the South of First Area and within the overall Downtown area of San José:

- Create a walkable, pedestrian-friendly environment in the cultural-commercial core of the SoFA.

- Create a mixed-use of activities in the SoFA and the overall downtown to promote and prioritize development that serves the needs of the entire City and valley.

- Maintain the SoFA historic character along with any new proposed development by creating compatibility between the new development and existing features, buildings, and/or structures.

- Make the greater downtown a memorable urban place to live, work, shop and play.

Further, the following goals and strategies for the 2040 General Plan apply to the proposed project:

- Major Strategy #3 – Focused Growth: Strategically focus new growth into areas of San José that will enable the achievement of City goals for economic growth, fiscal sustainability and environmental stewardship and support the development of new, attractive urban neighborhoods. The Plan focuses significant growth, particularly to increase employment capacity, in areas surrounding the City's regional Employment Center, achieve fiscal sustainability, and to maximize the use of transit systems within the region.

- Major Strategy #9 – Destination Downtown: Support continued growth in the Downtown as the City's cultural center and as a unique and important employment and residential neighborhood. Focusing growth within the Downtown will support the Plan's economic, fiscal, environmental, and urban design/placemaking goals.

- Community Design Goal CD-6 – Downtown Urban Design: Promote and achieve the Downtown's full potential as a regional destination and diverse cultural, recreational, civic, and employment center through distinctive and high-quality design.

- Land Use Goals LU-3 – Downtown: Strengthen Downtown as a regional job, entertainment, and cultural destination and as the symbolic heart of San José.

- Policy LU-13.1 – Preserve the integrity and fabric of candidate or designated Historic Districts.

- Policy LU-13.2 – 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.

- Policy LU-13.3 – 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.

- 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.

- Policy LU-13.15 – Implement City, State, and Federal historic preservation laws, regulations, and codes to ensure the adequate protection of historic resources.

2.4 USES OF THE SEIR

The City of San José is the Lead Agency under CEQA. This SEIR will be relied upon for the following project-specific discretionary approvals necessary to implement the project as proposed.

- Site Development Permit
- Tentative Map
- Historic Preservation Permit
- Demolition Permit
- Grading Permit
- Haul Route Permit
- Building Permit

SECTION 3.0 ENVIRONMENTAL SETTING, IMPACTS, AND MITIGATION

In accordance with Section 15143 of the CEQA Guidelines, the discussion in this EIR is focused on the significant effects on the environment resulting from the proposed project. An Initial Study was prepared which identified the potential environmental impacts for this project. The Initial Study also identified other areas where no new significant impacts are likely to occur. The Initial Study is presented in Appendix A of this SEIR.

As noted in Section 1.0, the issues of agricultural and forestry resources, air quality, biological resources, geology and soils, greenhouse gas emission, hazards and hazardous materials, hydrology and water quality, land use, mineral resources, noise and vibration, population and housing, public services, recreation, and utilities are analyzed in the Initial Study. The project's impacts in these study areas were determined to be less than significant, with mitigation measures that will be made conditions of approval of the project, and/or it was determined that the project would not result in any new or more significant impacts in these resource areas than those addressed in the Downtown Strategy 2000 FEIR, the General Plan FPEIR, and the General Plan Supplemental FPEIR. The following discussion addresses three environmental issue areas; aesthetics, cultural resources, and energy.

3.0.1 Project Setting, Impacts, and Mitigation (Aesthetics, Cultural Resources, and Energy)

This section includes descriptions of the physical setting of the project site and the surrounding area and identifies the environmental impacts resulting from the proposed Gateway Tower Mixed-Use Development.

This section also identifies mitigation measures for the significant environmental impacts identified in this SEIR. "Mitigation Measures" include laws, regulations, policies, and adopted procedures that will minimize, avoid, rectify, reduce, or eliminate a significant impact (CEQA Guidelines Section 15370).

Significant impacts identified in this section are numbered using an alpha-numerical system that identifies the environmental issue by the letter code for the specific section. For example, Impact CUL-1, denotes the first impact discussed in the cultural resources section. Mitigation measures are identified for all significant project impacts, where feasible and enforceable. Measures either required by law or City standard conditions of approval are also listed.

Mitigation measures (MM) are also numbered to correspond to the impact they address. For example, MM CUL-1.2 refers to the second mitigation measure for the first impact in the cultural resources section.

Cumulative Analysis

Cumulative impacts, as defined by CEQA, refer to two or more individual effects, which when combined, compound or increase other environmental impacts. Cumulative impacts may result from

individually minor, but collectively significant effects taking place over a period of time. CEQA Guideline Section 15130 states that an EIR should discuss cumulative impacts "when the project's incremental effect is cumulatively considerable." The discussion does not need to be in as great detail as is necessary for project impacts, but is to be "guided by the standards of practicality and reasonableness." The purpose of the cumulative analysis is to allow decision makers to better understand the impacts that might result from approval of past, present, and reasonably foreseeable future projects, in conjunction with the proposed project addressed in this EIR.

The CEQA Guidelines advise that a discussion of cumulative impacts should reflect both their severity and the likelihood of their occurrence. To accomplish these two objectives, the analysis should include either a list of past, present, and probable future projects or a summary of projections from an adopted general plan or similar document. The analysis must then determine whether the project's contribution to any cumulatively significant impact is cumulatively considerable, as defined by CEQA Guideline Section 15065(a)(3).

The cumulative discussion for each environmental issue addresses two aspects of cumulative impacts: 1) would the effects of all of the pending development listed result in a cumulatively significant impact on the resources in question? And, if that cumulative impact is likely to be significant, 2) would the contributions to that impact from the proposed project make a cumulatively considerable contribution to those cumulative impacts?

Section 15130(b)(3) of the CEQA Guidelines states that lead agencies should define the geographic scope of the area affected by the cumulative effect. For example, the project effects on air quality would combine with the effects of projects in the entire San Francisco air basin, whereas noise impacts would primarily be localized to the surrounding area. The proposed project would primarily contribute to the cumulative effects of development in the Downtown area of San José.

Table 3.0-1 identifies the pending and approved projects in the project vicinity that are evaluated in the cumulative analysis in the aesthetics and cultural resources sections. They represent projects in Downtown San José that have or potentially could affect historic resources (buildings or Historic Districts) related to commercial automobile buildings from the early twentieth century, at the beginning of the automobile culture.

Other past, approved or pending projects that could result in adverse impacts to buildings or historic districts on the City's historic resources inventory or buildings potentially eligible for National, state or local registers were also reviewed. None of these past, approved or pending projects in Downtown San Jose (e.g., Civic Center Garage, The Pierce, St. James Park Capital Vision and Levitt Pavilion, Greyhound Bus Station Project, Our Lady of La Vang Church) would affect historic buildings with automobile-related uses in the same period of significance as the proposed project.

Based upon the geographic scope of energy use and conservation in California, the energy section discusses cumulative energy use locally and statewide throughout the discussion.

Cumulative effects for other environmental issues (e.g., air quality, noise) are discussed in the Initial Study (see Section 4.18 in Appendix A).

Table 3.0-1 Cumulative Projects List (Aesthetics and Historic Resources)		
Name/Address	**Proposed Land Use**	**Automobile-Related Historic Resources**
***Approved and Past Projects*[1]**		
Parkview Towers 200 North First Street *218-220 North First Street*	Residential	Demolition of Letcher's Garage (contributor to National Register St. James Historic District, California Register eligible); *Structure of Merit*
Market Gateway[1] South Market Street and Pierce Street	Residential	Demolition of St. Claire Motors building (presumed former historic resource/potential contributor structure)
South Hall[1] Convention Center South Market and Viola Streets	Institutional/Commercial	Demolition of Piccetti Auto Dealership (presumed former historic resource/potential contributor structure)
[1]Demolition of the automobile related uses on these sites occurred before the 2000 identification of the potential South Downtown Area Automobile District.		

No pending or approved high-rise buildings that could affect the historic character of the immediate area of the 400 blocks of South First, or South Market Street of the SoFA District in terms of aesthetics were identified at the time of circulation of the Notice of Preparation of the Draft EIR.

3.0.2 Consistency with Relevant Plans

The CEQA Guidelines [Section 15125(d)] require that an EIR discuss any inconsistencies between a proposed project and applicable general plans, specific plans, and regional plans. Consistency with adopted plans is addressed throughout the Draft SEIR and the Initial Study in Appendix A. Plans that may be relevant to implementation of the Gateway Tower Mixed-Use Development project are listed below, and references to the sections of the Draft SEIR and Initial Study where they are discussed are listed.

Relevant Regional and Local Plans	Section Discussed
Envision San José 2040 General Plan & Greenhouse Gas Reduction Strategy *City of San Jose*	Draft SEIR – Section 3.1 Cultural Resources – Section 3.2 Aesthetics Appendix A (Initial Study) – Section 4.7, Greenhouse Gas Emissions – Section 4.10, Land Use (and other sections) – Section 4.12, Noise and Vibration

Relevant Regional and Local Plans	Section Discussed
Downtown Strategy 2000 SoFA Strategic Development Plan	Draft SEIR – Section 3.1 Cultural Resources – Section 3.2 Aesthetics
Clean Air Plan *Bay Area Air Quality Management District*	Appendix A (Initial Study) – Section 4.3, Air Quality
Santa Clara Valley Habitat Plan *Local Partners and Wildlife Agencies*	Appendix A (Initial Study) – Section 4.4, Biological Resources – Section 4.10, Land Use
Plan Bay Area *MTC, ABAG, BAAQMD*	Appendix A (Initial Study) – Section 4.7, Greenhouse Gas Emissions
Airport Comprehensive Land Use Plans *Santa Clara County Airport Land Use Commission*	Appendix A (Initial Study) – Section 4.8, Hazards and Hazardous Materials – Section 4.12, Noise and Vibration
Bike Plan 2020 *City of San José*	Appendix A (Initial Study) – Section 4.16, Transportation and Traffic

3.1 CULTURAL RESOURCES

The following discussion is based on a Historic Project Assessment prepared by *Archives & Architecture*, a cultural resources consulting company in San José, in July 2016. The Historic Project Assessment includes an evaluation of how the project will affect the existing historic buildings as well as nearby structures that have been identified as historic resources under CEQA. It also contains a memo on the engineering feasibility of retaining the historic brick masonry facades by *Duquette Engineering* and a Supplemental Report on the potential for historical archaeological resources to underlie the site. The Supplemental Report on historical archaeology includes a series of maps and drawings that show the location of structures on the property over a period of 1847-1955. A copy of the Historic Project Assessment is included as Appendix B in this Supplemental EIR.

An Archaeological Literature Review was also prepared by *Holman & Associates* in December 2015. A copy of this report is on file with the City of San José Department of Planning, Building, and Code Enforcement.

3.1.1 Environmental Setting

3.1.1.1 *Prehistoric Context and Archaeological Resources*

The project site is located in the Santa Clara Valley. Native American occupation of the valley extended over 5,000 to 8,000 years and possibly longer. Before European settlement, Native Americans resided in the area that encompasses the project site. The South Bay Area's favorable environment during the prehistoric period, including alluvial plains, foothills, many water courses and bay margins provided an abundance of wild food and other resources.

The Native American people who originally inhabited the Santa Clara Valley belong to a group known as the "Coastanoan" or Ohlone, who broadly occupied the central California coast from the northern tip of the San Francisco Peninsula to Big Sur in the south and as far east as the Diablo Range. The Coastanoan/Ohlone people practiced a hunting, fishing and collecting economy focusing on the collection of seasonal plant and animal resources. This customary way of living of the Coastanoan/Ohlone people disappeared by about 1810 due to disruption by introduced diseases, a declining birth rate and the impact of the California mission system established by the Spanish in the San José/Santa Clara area in 1777.

Archaeological Records

In September 2015, a record search for prior archaeological studies was conducted at the Northwest Information Center, California Historical Resources Information System, at Sonoma State University. There are no recorded historic and/or prehistoric archaeological sites in the California Historical Resources Information System on the project site; however, five recorded buildings are located on the site or nearby.

In this general area of San José, Native American sites have been identified on valley terraces typically within a quarter mile of various historic channels of the Guadalupe River and Coyote Creek. These are often buried by alluvial deposits, and historic era and recent fills. The nearest recorded prehistoric-period site is an extensive archaeological deposit located approximately 200

meters northwest of the project site with its western boundary parallel to the current course of the Guadalupe River. Recovered surface and subsurface evidence from the Native American component of that site includes a broad range of prehistoric materials, features, and human remains. Given the location of the project site, approximately 500 meters from the river itself, there is a low to moderate potential for undiscovered prehistoric-period resources on the site.

3.1.1.2 *Historic Period Resources*

The current South Market Street is situated west of the original "road to Monterey" that included the western portion of the project footprint and reflected the less gridded portion of San José under Hispanic use prior to the Euroamerican influence. An 1869 bird's-eye view of San José included development on the entire triangular-shaped block. Given the southern portion of the site has been developed for at least close to 150 years, a high potential exists for historic-era resources buried beneath its current surface. Four previous cultural resource studies have covered the project site. One prior study also identified the project site as sensitive for both Hispanic- and American-period archaeological deposits. Historic era resources have also been reported in the project vicinity, west of Market Street.

Development History

The project site is within the southerly portions of what was once the Pueblo de San José de Guadalupe. South Market Street from about West San Fernando Street to West San Carlos Street constituted the pueblo's plaza, which came to be known as Market Plaza, and today is mostly Plaza de Cesar Chavez Park. Situated on both sides of the Plaza were rows of adobe houses lots that belonged to the pueblo Pobladores (townspeople).

The southern entry to the pueblo would have been in the vicinity of the properties included in the project site. At this "gateway," visitors and returning residents would have disembarked their horses and boarded them, while requesting permission to enter the pueblo. The southern entry and the "Road to Monterey" was for many years the primary gateway to the pueblo, with connection to Presidio of Monterey, and the nearby missions.

At the beginning of the American period in 1846, it is likely that there existed an adobe building at or near the subject site on the block bounded by South Market Street, South First Street, and William Street. The ownership and occupation of this adobe is associated with the name James (Santiago) Tarra. By 1854, a large two-story stone (or adobe) building was constructed on the site by Morgan Schroder. The 1854 building may have been a modification of the earlier adobe.

Morgan Schroder worked at the New Almaden mines and was involved with the transportation of quicksilver from the mines to Alviso for shipment from roughly 1849 until 1862, when there was massive flooding in Downtown San José. It is not known if Schroder operated his transport business in the vicinity of the site prior to his acquisition of the property on South First Street in 1854. After leaving the transport business, Schroder was a merchant of hardware and crockery for about six years.

The Schroder building still existed at the time of the survey for the 1884 Sanborn Fire Insurance map but had been converted to a boarding house. In 1889, a two-story brick building, named the Taylor

Building, was constructed to house apartments and stores, filling the southerly parcel on the subject site. In early 1915, developer T.S. Montgomery obtained a permit to construct the building at 455 South First Street, but soon sold the property to W. J. Temple to construct a bakery. Construction on the adjacent building to the south, 465-467 South First Street, was likely begun shortly after the Faultless Bakery, as T.S. Montgomery had obtained a second building permit in the vicinity in early 1916. Charles Herrold moved to the Taylor Building in 1917 after vacating the Garden City Bank Building. At the end of the First World War, he moved into the adjacent building to the north, to 467 South First Street, where he raised his radio antenna and relicensed his broadcasting station.

Background and Historic Context of On-Site Buildings

Charles Herrold is considered to be the father of radio broadcasting. Prior to the advent of Herrold's wireless radio broadcasting in 1909, audio was transmitted via wire, or wireless signals were transmitted without audio through radiotelegraphy systems. It was in 1909 that Charles, with his assistant Ray Newby, worked to invent a better spark-based radiotelephone system. Failing to do that, later in the year he began to develop a transmitter using the Poulsen arc. With his first successful broadcast in 1909, over the next three years he and his assistants continued to experiment with this new emerging technology while he began to hold daily experimental broadcasts from his school in the downtown.

By 1912, Charles had begun regular programming from his broadcasting station at the Garden City Bank Building formerly at South First and San Fernando Streets. He was both a technical practitioner in a highly technical field and an exponent of public radio broadcasting leading up to the outbreak of World War I in 1917. Following the end of World War I, which had resulted in the closing of his station by the federal government, Charles reopened his College of Engineering at 467 South First Street.

The building interior at 465-467 South First Street was rearranged, with the retail store remaining in the small storefront addressed as 467 South First Street, and Herrold populated the building with a classroom for teaching wireless and a separate room for the radio station and laboratory. The school and station lasted until 1925 when Charles sold his license to KCBS due, in part, to increased competition.

Historic Status of Buildings

455 South First Street

The building at 455 South First Street was listed as the "Red Front Surplus Building" on the San José Historic Resources Inventory in 1992 as a Structure of Merit. In 1999 the building underwent repairs to its unreinforced masonry walls, and in 2004 the interior walls were removed and replaced as a part of tenant improvements. In 2005 new windows and doors were permitted and installed at the façades. The changes do not appear to have caused the building to no longer be eligible as a Structure of Merit, as the integrity of the original building appears to generally still be intact. The Period of Significance for the Hegerich & Kemling Auto Sales Building (Faultless Bakery) is 1915, the period when William Binder designed the building and when it was constructed.

465-467 South First Street

The building at 465-467 South First Street was designated a City Landmark in 1992 due to its association with Charles Herrold and the birth of radio broadcasting. In 2000, a rehabilitation to the building was completed that was found to be consistent with the *Secretary of the Interior's Standards* (refer to *Section 3.1.1.1 Regulatory Framework*). Previous modifications to the building have not reduced the integrity of the building such that it would no longer qualify as a City Landmark. The Period of Significance for the Herrold College City Landmark structure is 1918-1925, the years in which Charles Herrold operated his school and laboratory at 465-467 South First Street.

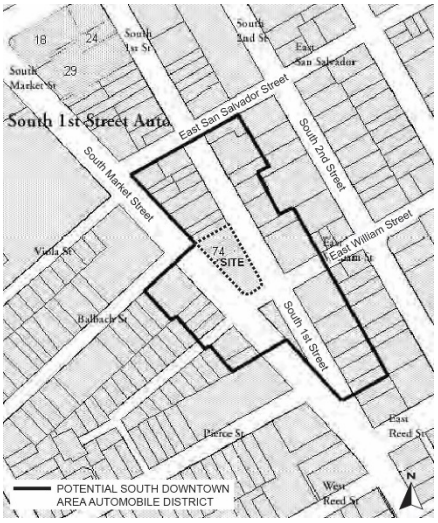
493 South First Street

The building at 493 South First Street was evaluated and found not to qualify for the San José Historic Resources Inventory, or as a candidate City Landmark. As such, it does not qualify for listing on the California Register of Historical Resources.

Surrounding Buildings

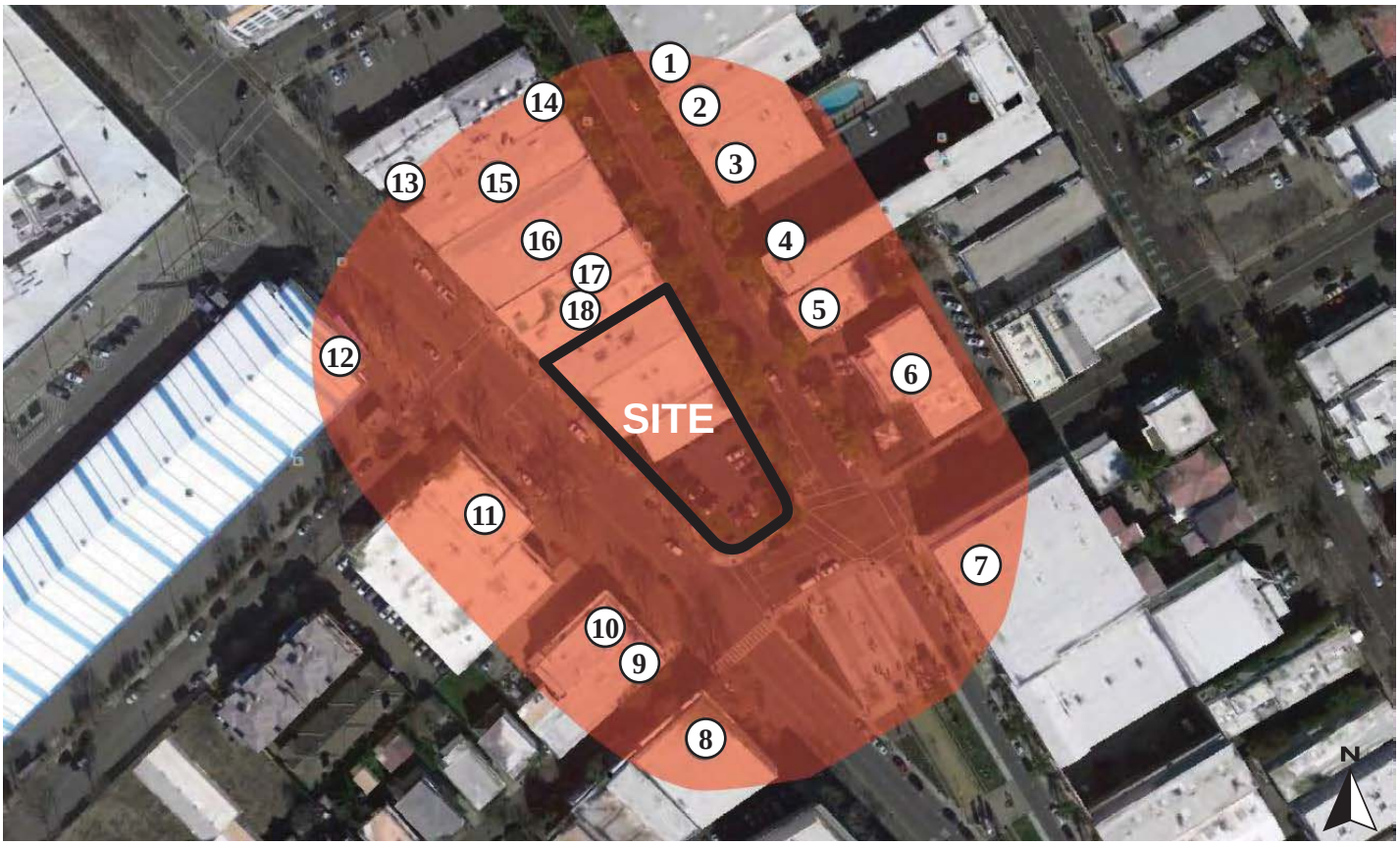
Properties within 200 feet of the project boundaries are shown in Figure 3.1-1. The building construction date and historic status are also noted.

Potential Historic District – South Downtown Area Automobile District



Early automobile uses were not geographically concentrated in San José, but by the 1920s, a large number of showrooms, garages and service businesses began to appear within the South First and South Market Street area. During this time, San José's downtown expanded south along First Street, primarily through the efforts of developer T. S. Montgomery. The block directly south of San Carlos Street became the distinctive edge of the dense urban core of construction, with the building of the St. Claire Hotel, the St. Claire Building, the California Theatre (Fox), the Dormann Building, the Prussia Building and other related infill buildings on this block. South of this urban edge, new lower density development occurred rapidly that served to accommodate the expanding automobile industry after World War I, and a district was created at that time of one- and two-story concrete and brick structures framing the area around Gore Park (now Parque de Pobladores).

The South Downtown Area Automobile District (or Auto Row Historic District) was previously identified in surveys of the project area in 1983 and 2000 as having the potential for historic district designation. While automobile businesses later permeated the downtown frame, this area has remained an intact physical representation of this era in the development history of San José. This area has maintained a continuity of building type. The Market Gateway project at South Market Street and Pierce Street on the site of the St. Claire Motors building and the demolition of the Piccetti



No.	Building Name	Address	Resource Name	Year Built	San José Historic Inventory Listing
1	Vacant	410 South First Street	Garden City Paint	c.1920	
2	Whipsaw Industrial Design	434 South First Street	Bonner Stables	c.1895	CS
3	Downtown Yoga Shala	450 South First Street	Not determined	1900	
4	Ramada Inn	455 South First Street	Great Western Inn	1963	
5	Decca Design	476 South First Street	Not determined	c.1900	
6	San José Stage Company*	490 South First Street	B.F. Goodrich Tires	1969	
7	MACLA Center for Latino Arts	500 South First Street	Sloan Building	1921	SM
8	BCA Architects	505 South Market Street	Eagle Body Manufacturing	1921	
9	Higher Fire Clayspace	499 South Market Street	Bowden Building	1922	SM
10	Brazilian Blowout Bar	493 & 489 South Market Street	Penniman & Richards	1925	SM
11	Tate Family Auto	477 South Market Street	Rose Murty Tire	1958	
12	South Hall SJ Convention Center*	435 South Market Street	South Hall	2005	
13	Back Bar	418 South Market Street	Prindeville Building	1927	SM
14	Miami Beach Club	417 South First Street	Not determined	1927	
15	Market Auto Repair & Body	438 South Market Street	Conrotto Garage	1923	SM
16	Future Brewery	439 South First Street	Wright-Curtner Building	1920	SM
17	Liquid Agency	447 South First Street/448 South Market Street	L'Amour Shoppe	ca.1899	CS
18	Vacant	451 South First Street	Garden City Glass	1915	SM

Notes: CS = Contributing Structure SM= Structure of Merit c. = circa, about
*=Not a historic resource due to age or condition

Source: Archives & Architecture, Aug. 2016.

SURROUNDING BUILDINGS AND LISTED HISTORIC RESOURCES FIGURE 3.1-1

Auto Dealership building at South Market and Viola Streets where South Hall exists today were the only encroachments into the area. Both demolitions occurred prior to preparation of the potential district boundaries in 2000.

Most of the buildings lack individual levels of architectural distinction that would qualify them for listing on the San José Historic Resource Inventory or as City Landmark structures; however, as a group, they convey a sense of place with a recognized level of historical significance. For the purposes of this EIR, the South Downtown Area Automobile District is treated as a historic resource under CEQA.

3.1.1.3 *Regulatory Framework*

National Register of Historic Places

The National Register of Historic Places (National Register or NRHP) is the nation's most comprehensive list of historic resources and includes historic resources significant in American history, architecture, archeology, engineering and culture, at the local, state, and national level. National Register Bulletin Number 15, How to Apply the National Register Criteria for Evaluation, describes the Criteria for Evaluation as being composed of two factors. First, the property must be "associated with an important historic context" and second, the property must retain integrity of those features necessary to convey its significance. A resource is considered eligible for the National Register if the quality of significance in American history, architecture, archaeology, engineering, and culture is present in districts, sites, buildings, structures, and objects that possess integrity of location, design, setting, materials, workmanship, feeling, and association and:

1. that are associated with events that have made a significant contribution to the broad pattern of our history; or
2. that are associated with the lives of persons significant to our past; or
3. that embody the distinctive characteristics of a type, period, or method of construction, or that represent the work of a master, or that possess high artistic values, or that represent a significant and distinguishable entity whose components may lack individual distinction; or
4. that have yielded, or may be likely to yield, information important in prehistory or history.

Secretary of Interior Standards

A project that meets the Secretary of the Interior's Standards for the Treatment of Historic Properties (SOI Standards) is considered to have a "less than significant" impact on the environment. The Standards include language about additions and alterations to a property.

<u>Standards for Rehabilitation</u>

The Secretary of the Interior's Standards for Rehabilitation (Standards), originally published in 1977 and revised in 1990, include ten standards that present a recommended approach to repair, while preserving those portions or features that convey a resource's historical, cultural, or architectural values. Accordingly, Standards states that, "Rehabilitation is defined as the act or process of making possible a compatible use for a property through repair, alterations, and additions while preserving those portions or features which convey its historical, cultural, or architectural values."

California Register of Historic Resources

Guidelines for identifying historic resources are set forth in Public Resources Code Section 21084.1 and CEQA Guidelines Section 15064.5(a). These provisions of CEQA create three categories of historical resources: Mandatory historical resources; presumptive historical resources; and resources that may be found historical in the discretion of the lead agency.

- *Mandatory Historical Resources.* A resource the State Historical Resources Commission lists on the California Register of Historical Resources, or the State Historical Resources Commission determines to be eligible for listing in the California Register is defined by CEQA to be "an historical resource." Resources are formally listed or determined eligible for listing by the State Historical Resources Commission in accordance with the procedures set forth in the provisions of State Law relating to listing of historical resources.[2] If a resource has been listed on the State Register, or formally determined to be eligible for listing by the State Historical Resources Commission under these procedures, it is conclusively presumed to be a "historical resource" under CEQA.

- *Presumptive Historical Resources.* A resource included in a local register of historic resources as defined by State law[3] or identified as significant in an historical resource survey meeting the requirements of State law,[4] shall be presumed to be historically or culturally significant. The lead agency must treat any such resource as significant unless the preponderance of evidence demonstrates that it is not historically or culturally significant.

- *Discretionary Historical Resources.* A resource that is not determined to be a significant historical resource under the criteria described above, may, in the discretion of the lead agency, be found to be a significant historical resource for purposes of CEQA, provided its determination is supported by substantial evidence in light of the whole record. The CEQA Guidelines further provide that generally, a lead agency should consider a resource historically significant if the resource is found to meet the criteria for listing on the California Register of Historical Resources.[5]

The California Register of Historical Resources was created to identify resources deemed worthy of preservation and was modeled closely after the National Register of Historic Places. The criteria are

[2] These procedures are set forth in Public Resources Code Section 5024.1 and 14 Cal. Code Regulations Subsection 4850, et. seq.

[3] These State law standards defining a local register of historical resources are set forth in Public Resources Code section 5020.1(k). Under Section 5020. 1(k), a local register of historical resources is a "list of properties officially designated or recognized as historically significant by a local government pursuant to a local ordinance or resolution."

[4] These State law standards defining the requirements for an historical resource survey are set forth in Public Resources Code Section 5024. 1(g). Under Section 5024.1(g), a resource can be identified as "significant" in an "historical resources survey" and found to be significant by the State Office of Historic Preservation ("SOHP") (i.e., listed in the California Register). Three criteria must be met: (1) the survey has or will be included in the State Historic Resources Inventory; (2) the survey and documentation were prepared in accordance with State Office of Historic Preservation procedures and requirements; and (3) the State Office has determined the resource has a significance rating of Category 1 to 5 on Form 523.

[5] See CEQA Guidelines Section 15064.5(a)(3).

nearly identical to those of the National Register, which includes resources of local, state, and regional and/or national levels of significance.

Under California Code of Regulation Section 4852(b) and Public Resources Code Section 5024.1, a historical resource generally must be greater than 50 years old and must be significant at the local, state, or national level under one or more of the following four criteria:

1. It is associated with events that have made a significant contribution to the broad patterns of local or regional history, or the cultural heritage of California or the United States.
2. It is associated with the lives of persons important to local, California, or national history.
3. It embodies the distinctive characteristics of a type, period, region, or method of construction, or represents the work of a master or important creative individual, or possesses high artistic values.
4. It has yielded, or has the potential to yield, information important to the prehistory or history of the local area, California, or the nation.

Properties of local significance that have been designated under a local preservation ordinance (local landmarks register or landmark districts) or that have been identified in a local historical resources inventory may be eligible for listing in the California Register and are presumed to be historical resources for the purposes of CEQA unless a preponderance of evidence indicates otherwise (Public Resources Code, Section 5024.1g; California Code of Regulations, Title 14, Section 4850).

Integrity

California Code of Regulations Section 4852(c) addresses the issue of "integrity" which is necessary for eligibility for the California Register. Integrity is defined as "the authenticity of an historical resource's physical identity evidenced by the survival of characteristics that existed during the resource's period of significance." Section 4852(c) provides that historical resources eligible for listing in the California Register must meet one of the criteria for significance defined by 4852(b) (1 through 4), and retain enough of their historic character of appearance to be recognizable as historical resources and to convey the reasons for their significance. Integrity is evaluated with regard to the retention of location, design, setting, materials, workmanship, feeling, and association. It must also be judged with reference to the particular criteria under which a resource is proposed for eligibility. Alterations over time to a resource or historic changes in its use may themselves have historical, cultural, or architectural significance.

Envision San José 2040 General Plan

The General Plan includes policies for the purpose of avoiding or mitigating impacts resulting from planned development projects with the City. The following policies are specific to cultural resources and are applicable to the proposed project.

Envision San José 2040 Relevant Cultural Resources Policies

Policies	Description
Policy LU-13.1	Preserve the integrity and fabric of candidate or designated Historic Districts.
Policy LU-13.2	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.
Policy LU-13.3	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.
Policy LU-13.4	Require public and private development projects to conform to the adopted City Council Policy on the Preservation of Historic Landmarks.
Policy LU-13.6	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.
Policy LU-13.7	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.
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.
Policy LU-13.13	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.
Policy LU-13.15	Implement City, State, and Federal historic preservation laws, regulations, and codes to ensure the adequate protection of historic resources.
Policy EC-2.3	Require new development to minimize vibration impacts to adjacent uses during demolition and construction. For sensitive historic structures, a vibration limit of 0.08 inches/second (in/sec) PPV (peak particle velocity) will be used to minimize the potential for cosmetic damage to a building. For reference, a jackhammer has a PPV of 0.09 in/sec at a distance of 25 feet. A vibration limit of 0.20 in/sec PPV will be used to minimize the potential for cosmetic damage at buildings of normal conventional construction.

Municipal Code

Under the City of San José Historic Preservation Ordinance (Chapter 13.48 of the Municipal Code), preservation of old historic or architecturally worthy structures and neighborhoods which impart a distinct aspect to the City of San José and which serve as visible reminders of the historical and cultural heritage of the City of San José, the state, and the nation, is promoted in order to stabilize neighborhoods and areas of the city; to enhance, preserve and increase property values; 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 traditions; protect and enhance the city's cultural and aesthetic heritage; and to promote and encourage continued private ownership and utilization of such structures.

The landmark designation process itself requires that findings be made that proposed landmarks have special historical, architectural, cultural, aesthetic, or engineering interest or value of an historical nature, and that designation as a landmark conforms to the goals and polices of the General Plan. The following factors can be considered to make those findings among other relevant factors:

1. Its character, interest or value as a 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;
8. Its embodiment of elements of architectural or engineering design, detail, materials or craftsmanship which represents a significant architectural innovation or which is unique.

City Council Policy on Preservation of City Landmarks

On December 8, 1998, the San José City Council adopted a policy on the preservation of historic landmarks. The policy was amended on May 23, 2006. The purpose/intent of the policy is that candidate or designated landmark structures, sites, or districts be preserved wherever possible. Proposals to alter such structures, sites, or districts must include a thorough and comprehensive evaluation of the historic and architectural significance of the structure, site, or district and the economic and structural feasibility of preservation and/or adaptive reuse. Every effort should be made to incorporate candidate or designated landmark structures into the future plans for their site and the surrounding area and to preserve the integrity of landmark districts.

The policy is applicable to this project, and the "Early Public Notification of Proposals to Alter or Demolish a Candidate or Designated Landmark Structure, or to Impact the Integrity of a Historic District" has been met with the discussion of this project at the December 2, 2015 meeting of the

San José Historic Landmarks Commission. Other requirements such as public input and City Council review, preparation of complete information regarding opportunities for preservation, and making findings justifying alteration or demolition of a landmark structure must be met to be consistent with the policy purpose and intent.

3.1.2 Cultural Resources Impacts

3.1.2.1 *Thresholds of Significance*

For the purposes of this EIR, a cultural resources impact is considered significant if the project would:

- Cause a substantial adverse change in the significance of a historical resource as defined in Section 15064.5;
- Cause a substantial adverse change in the significance of an archaeological resource pursuant to Section 15064.5;
- Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature; or
- Disturb any human remains, including those interred outside of formal cemeteries.

3.1.2.2 *Impacts to Archaeological Resources*

The project includes excavation to a depth of approximately 33 feet below grade to accommodate three levels of subgrade parking.

Prehistoric Period

Native American sites in the area have been identified on valley terraces typically within a quarter mile of various historic channels of the Guadalupe River and Coyote Creek. Given the location of the project site, approximately 500 meters from the Guadalupe River itself, there is a low to moderate potential for undiscovered prehistoric-period resources on the site. Although unlikely, impacts to unknown prehistoric resources, including human remains, during construction would be a significant impact.

Historic Period

The project site has a long history of development and based on the results of an archaeological literature search and Supplemental Report on the potential for historical archaeological resources to underlie the site, there is a moderate to high potential for buried archaeological resources from both prehistoric and historic periods to be present.

Past development on the project site may include an adobe from the Mexican period and remnants of several other structures or cultural materials dating from the beginning of the American period. It is possible that historic materials related to these buildings and their operation would be found on site during excavation and construction of the subgrade parking garage.

Impact CUL – 1: Construction of the proposed development could impact unknown buried archaeological resources and human remains, if present on-site. **(Significant Impact)**

Mitigation Measures:

MM CUL-1.1: Treatment Plan: Prior to the issuance of any grading permit, a project-specific Cultural Resources Treatment Plan shall be prepared by a qualified archaeologist. The Cultural Resources Treatment Plan shall reflect permit-level detail pertaining to depths and locations of all ground disturbing activities. The Cultural Resources Treatment Plan shall be prepared and submitted to the Supervising Environmental Planner of the City of San José Department of Planning, Building, and Code Enforcement prior to approval of any grading permit. The Treatment Plan shall contain, at a minimum:

- Identification of the scope of work and range of subsurface effects (including location map and development plan), including requirements for preliminary field investigations.
- Description of the environmental setting (past and present) and the historic/prehistoric background of the parcel (potential range of what might be found).
- Development of research questions and goals to be addressed by the investigation (what is significant vs. what is redundant information).
- Detailed field strategy used to record, recover, or avoid the finds and address research goals.
- Analytical methods.
- Report structure and outline of document contents.
- Disposition of the artifacts.
- Appendices: all site records, correspondence, and consultation with Native Americans, etc.

MM CUL-1.2: Investigation: Prior to project grading and excavation, the project applicant shall complete a preliminary field investigation program in conformance with the project-specific Cultural Resources Treatment Plan required under Mitigation Measure MM CUL-1.1. The locations of subsurface testing and exploratory trenching shall be determined prior to issuance of any grading permit based on the Cultural Resources Treatment Plan recommendations. A qualified archaeologist shall complete a presence/absence exploration with a backhoe once the existing improvements planned for removal (i.e., dry cleaners, parking lot) are cleared from the site. If it is not possible to conduct presence/ absence subsurface testing across the entire study area because of remediation or preservation plans for the historic building facades, then a combination of presence/absence exploration, where possible, along with archaeological monitoring shall be required. Results of the investigation shall be provided to the Supervising Environmental Planner of the City of San José

Department of Planning, Building, and Code Enforcement prior to issuance of any grading permit.

If any finds were discovered during the preliminary field investigation, the project shall implement MM CUL-1.4 for evaluation and recovery methodologies. The results of the preliminary field investigation and program shall be submitted to the Supervising Environmental Planner of the City of San José Department of Planning, Building, and Code Enforcement for review and approval prior to issuance of any grading permit.

MM CUL-1.3: Construction Monitoring and Protection Measures: Although the data recovery and treatment program is expected to recover potentially significant materials and information from the areas impacted by the project prior to grading, it is possible that additional resources could remain on-site. Therefore, all ground-disturbing activities (e.g., grading and excavation) shall be completed under the observation of a qualified archaeologist.

The qualified archaeologist shall have authority to halt construction activities temporarily in the immediate vicinity of an unanticipated find. If, for any reasons, the qualified archaeologist is not present but construction crews encounter a cultural resource, all work shall stop temporarily within 50 feet of the find until a qualified archaeologist has been contacted to determine the proper course of action. The Supervising Environmental Planner and Historic Preservation Officer of the City of San José Department of Planning, Building, and Code Enforcement shall be notified of any finds during the grading or other construction activities. Any human remains encountered during construction shall be treated according to the protocol identified in MM CUL-1.5.

MM CUL-1.4: Evaluation and Data Recovery: The Supervising Environmental Planner and Historic Preservation Officer of the City of San José Department of Planning, Building, and Code Enforcement shall be notified of any finds during the preliminary field investigation, grading, or other construction activities. Any historic or prehistoric material identified in the project area during the preliminary field investigation and during grading or other construction activities shall be evaluated for eligibility for listing in the California Register of Historic Resources. Data recovery methods may include, but are not limited to, backhoe trenching, shovel test units, hand augering, and hand-excavation.

The techniques used for data recovery shall follow the protocols identified in the project-specific Cultural Resources Treatment Plan. Data recovery shall include excavation and exposure of features, field documentation, and recordation.

MM CUL-1.5: Human Remains: Native American coordination shall follow the protocols established under Assembly Bill 52, State of California Code, and applicable City of San José procedures.

If any human remains are found during any field investigations, grading, or other construction activities, all provisions of California Health and Safety Code Sections 7054 and 7050.5 and Public Resources Code Sections 5097.9 through 5097.99, as amended per Assembly Bill 2641, shall be followed. In the event of the discovery of human remains during construction, there shall be no further excavation or disturbance of the site or any nearby area reasonably suspected to overlie adjacent remains. The Project Applicant shall immediately notify the Supervising Environmental Planner of the City of San José Department of Planning, Building, and Code Enforcement and the qualified archaeologist, who will then notify the Santa Clara County Coroner. The Coroner will make a determination as to whether the remains are Native American. If the Coroner determines that the remains are not subject to his/her authority, the Coroner shall notify the Native American Heritage Commission who shall attempt to identify descendants of the deceased Native American.

If the remains are believed to be Native American, the Coroner will contact the Native American Heritage Commission (NAHC) within 24 hours. The NAHC will then designate a Most Likely Descendant (MLD). The MLD, will inspect the remains and make a recommendation on the treatment of the remains and associated artifacts.

If one of the following conditions occurs, the landowner or his authorized representative shall work with the Coroner to reinter the Native American human remains and associated grave goods with appropriate dignity in a location not subject to further subsurface disturbance:

- The Native American Heritage Commission is unable to identify a most likely descendent or the most likely descendent failed to make a recommendation within 24 hours after being notified by the commission.
- The descendant identified fails to make a recommendation; or
- The landowner or his authorized representative rejects the recommendation of the descendant, and the mediation by the Native American Heritage Commission fails to provide measures acceptable to the landowner.

MM CUL-1.6: Site Security: At the discretion of the Supervising Environmental Planner and Historic Preservation Officer of the City of San José Department of Planning, Building, and Code Enforcement, site fencing shall be installed on-site during the investigation, grading, building, or other construction activities to avoid destruction and/or theft of potential cultural resources. The responsible qualified archaeologist shall advise the Supervising

Environmental Planner and Historic Preservation Officer of the City of San José Department of Planning, Building, and Code Enforcement as to the necessity for a guard. The purpose of the security guard shall be to ensure the safety of any potential cultural resources (including human remains) that are left exposed overnight. The Director of PBCE shall have the final discretion to authorize the use of a security guard at the project site.

MM CUL-1.7: Final Reporting: Once all analyses and studies required by the project-specific Cultural Resources Treatment Plan have been completed, the project applicant, or representative, shall prepare a final report summarizing the results of the field investigation, data recovery activities and results, and compliance with the Cultural Resources Treatment Plan during all demolition, grading, building, and other construction activities. The report shall document the results of field and laboratory investigations and shall meet the Secretary of the Interior's Standards for Archaeological Documentation. The contents of the report shall be consistent with the protocol included in the project-specific Cultural Resources Treatment Plan. The report shall be submitted to the Director of Planning, Building, and Code Enforcement for review and approval prior to issuance of any Certificates of Occupancy (temporary or final). Once approved, the final documentation shall be submitted to the Northwest Information Center at Sonoma State University, as appropriate.

MM CUL-1.8: Curation: Upon completion of the final report required by the project-specific Cultural Resources Treatment Plan, all recovered archaeological materials shall be transferred to a long-term curation facility. Any curation facility used shall meet the standards outlined in the National Park Services' Curation of Federally Owned and Administered Archaeological Collections (36 CFR 79). The project applicant shall notify the Supervising Environmental Planner of the City of San José Department of Planning, Building, and Code Enforcement of the selected curation facility prior to the issuance of any Certificates of Occupancy (temporary or final).

Treatment of materials to be curated shall be consistent with the protocols included in the project-specific Cultural Resources Treatment Plan.

The proposed project would be required to implement the provisions of a project-specific Cultural Resources Treatment Plan, as outlined in the mitigation measures above. The Plan makes provisions for adequately recovering the scientifically consequential information from and about the historic or prehistoric resources and will be prepared and adopted prior to project excavation being undertaken. Implementation of these measures would ensure extensive subsurface investigation where subsurface excavation and groundwork would occur. Through this field investigation and data recovery program, the project would avoid demolition, substantial alteration, or relocation of an eligible resource. Significant disturbance of any human remains, Native American or otherwise, would be avoided through a robust protection program designed to respond to an encounter with cultural resources and/or human remains in consultation with appropriate parties (e.g. the Most Likely Descendant). **(Less Than Significant Impact with Mitigation)**

3.1.2.3 *Impacts to Historic Resources*

Impact to Historic Buildings

Proposed Design

The proposed design was analyzed by Archives & Architecture for architectural design principles related to adaptive reuse as a part of a Secretary of the Interior's Standards review (Appendix B). The compatibility of the historic and proposed buildings with respect to massing, materials, detailing, scale, size, and proportion are discussed below.

The historic façades are proposed to be stripped into their physical planes and stabilized with gunite, with none of the larger three-dimensional historic building forms (floor, roof, side walls) remaining. The face materials of the proposed high-rise elevations will generally align with and infill the historic exteriors, with proportionally shallow offsets at the historic parapets to provide spatial understanding of the historic building and the depth of its masonry construction. Large-scale, faux wood paneling is proposed at the edges of the brick, to create a sense of differentiation. The design is proposed to make the historic buildings appear as flat as possible within the remainder of the new façades, including installing smooth, white, metal-paneled walls to the side of the brick and a checkerboard of wood-grain phenolic paneling above.

The proposed interiors of the building emphasize the flatness of the reuse of the historic façades. The symmetrical exterior opening pattern, the historic center entrances, and the large display windows are not proposed to be used as they were historically. Specifically, the proposed interior spaces are not aligned on the South First Street side of the building, requiring new openings at historic display windows and the closing of historic entrances. The change in interior spaces is likely to be readily perceivable from the outside of the building from the sidewalk. On the South Market Street side of the building, the façade of the City Landmark Herrold College Building will be extant but enclosed to accommodate the parking garage ramps on the interior. In section, the floor heights have little to do with the historic exterior dimensions, and large structural columns are placed within feet of the display windows.

The project does not physically separate or enhance the historic buildings by using them as building entrances or other significant design elements. The proposed balance of historic form and material is not harmonious as a composition within the larger proposed project. The flatness and effect of the proposed overall façadism as related to the historic pattern of commercial use of the buildings is inconsistent with the Secretary of the Interior's Standards for the Treatment of Historic Properties.

Rehabilitation Standards Review

The conformance of the proposed project with the specific *Secretary of the Interior's Standards for the Rehabilitation of Historic Properties* is provided below.

Standard 1: *A property will be used as it was historically or be given a new use that requires minimal change to its distinctive materials, features, spaces, and spatial relationships.*

In the proposed project, the interiors of the historic buildings will no longer be used as discrete commercial spaces. Instead, the paired façades of the landmark Herrold College Building, as well as the paired façades of the neighboring structure of merit, will become exterior elements of a much larger building that offers limited correlation between the interior and exterior. The area between the historic façades will include: a multi-story parking garage; wide, shallow retail space; exit stairs; a shallow bike kitchen space, and other modern uses, along with a small, shallow, historic exhibit space. The width of the interior wall placement or interior uses is not coordinated with the historic building widths of the two buildings. The proposed depths of the proposed perimeter spaces do not correspond with the historic depth of the buildings.

Generally, the focus on conformance to the Standards is on the exterior areas of buildings that are visible to the public. At this location, the storefront windows allow for views of the commercial interior, which will be evident from outside public view points. Perceptible changes from the exterior will include:

- Half of the east façade of the San José Historic Landmark Herrold College Building will be used for an historic exhibit. Although the original historic fabric in this specific lower storefront location is not extant, the proposed use of an historic display (and the remainder as Commercial Space B) is not compatible with the symmetrical historic building façade.

- A proposed shallow Commercial Space "B" will span across the former party wall of the adjacent historic buildings and use half of each of the former historic entrance doors for its entry. The width of the retail space will be perceptible from the exterior, based on the use of the display windows and signage at the doorways.

- A proposed exit stair and exit door will take up half of the east façade of the Structure of Merit (Red Front Surplus Building). A recessed back wall and a pair of side doors will be installed where the symmetrical historic entrance once was.

- The entire west façade of the Herrold College Building along South Market Street will need to be closed literally and visually, as the parking garage ramp will be located behind it.

The uses proposed, therefore, are not compatible in size and rhythm with the massing, size, and pedestrian scale historically and recently evident within the project area from public vantage points. The proposed project, therefore, is not consistent with Standard 1.

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

The spatial relationships and spaces embodied in the historic design are adversely impacted by the proposed interior demolition and new construction. The historic landmark building is an unusual through-block (double-sided) commercial parcel, with an historic brick façade at each streetscape and a large commercial space that spans the block between them. The removal and alteration of the entire interior of the building, the alteration of the exterior form and elements, and the intrusion of large-scale interior spaces would separate the two façades and, ultimately, change the spatial relationship that spans the block. The proposed project, therefore, is not consistent with Standard 2.

Standard 3: *Each property will 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 historic properties, will not be undertaken.*

The proposed project does not propose changes that might be mistaken for original features. The proposed new construction materials are shown to be "wood-grain phenolic paneling," "white metal paneling," "clear glazing," and "glazed-panel window walls," and "dark grey metal panels." These modern materials are shown with a modernist vocabulary and scale. The project, therefore, is consistent with Standard 3.

Standard 4*:* *Changes to a property that have acquired historic significance in their own right will be retained and preserved.*

No existing changes to the buildings have acquired historic significance in their own right. At the Herrold College Building, specifically, the listed character-defining features are part of the original design and the later alterations are considerably more recent. Standard 4, therefore, is not applicable to the proposed project.

Standard 5: *Distinctive materials, features, finishes, and construction techniques or examples of craftsmanship that characterize a property will be preserved.*

The primary features, finishes, and construction techniques or examples of craftsmanship that characterize the Herrold College Building façades are generally shown to be preserved by the project including the glazed-brick façade walls, piers, and cornice band, the upper cornice facing South First Street, the decorative basket-weave brick upper wall panel, the east-facing ribbed-glass transom windows, and the west-facing upper transom at the south corner of the South Market Street façade.

Documentation of these features in the plan set, as well as photo-documentation, at the building permit stage (refer to Mitigation Measure CUL-2.1 and CUL-2.3) will ensure the project's consistency with Standard 5.

Standard 6: *Deteriorated historic features will be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature*

will match the old in design, color, texture, and, where possible, materials. Replacement of missing features will be substantiated by documentary and physical evidence.

The project plans do not specifically address the replacement of deteriorated features at the historic building, nor do they include a general language that addresses this aspect of the project as a historic preservation project. Note that the buildings are not in a condition of disrepair in general, so the identification of deteriorated elements must be undertaken as a part of the permitting process, and should be reviewed prior to the building permit phase. Documentation of the deteriorated elements, if any, at the building permit stage will ensure the project's consistency with Standard 6. Refer to Mitigation Measure CUL-2.3.

Standard 7: *Chemical or physical treatments, if appropriate, will be undertaken using the gentlest means possible. Treatments that cause damage to historic materials will not be used.*

The project does not currently propose the use of chemical treatments as part of the design. All proposed preservation treatments (e.g., brick cleaning, epoxy wood consolidant and paint preparation techniques), shall be identified and reviewed for compliance with preservation principles, prior to approval of the building permit submittal set.

The backs of the brick façades are shown to be stabilized with shotcrete. This physical treatment is not damaging to the exterior of the historic walls. The proposed project is partially consistent with Standard 7.

Standard 8: *Archaeological resources will be protected and preserved in place. If such resources must be disturbed, mitigation measures will be undertaken.*

Mitigation measures for potential archaeological resources impacts are outlined in Mitigation Measure CUL-1.1. Mitigation measures incorporated into the project will ensure consistency with Standard 8.

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

The project plans illustrate the preservation of the bulk of the historic façades, however, the proposed new addition of a high-rise tower will destroy historic materials and spatial relationships that characterize the property. Specifically, the size and configuration of the addition will require the removal of the three-dimensional components of the historic buildings. The historic roofs, side walls, and floors will be removed and the façades will be stabilized and incorporated into the larger high-rise façade design. It is understood that some of the historic structural components have been replaced over time, but the roofs and party walls provide critical historic

massing and significant spatial relationships. Therefore, the spatial correlation of the paired façades will be lost when the historic interiors no longer physically connect the outer walls together.

The new construction is proposed to be a multi-level high-rise building, with a footprint that fills the wedge-shaped south end of the block, replacing the current historic building footprints, and expanding the ground floor to the south. The massing of the proposed project will modify the historic buildings on the site with the addition of a residential tower. The proposed tall building mass diverges from the historic one-and-two-story historic resources on the site, and is not visually balanced with the remainder of the consistent building massing on the block.

The proposed angled wall surfaces at the upper South First Street façade are compatible in size and overall scale with the individual surrounding building facades. The inclusion of these three-dimensional square elements and their shadow lines break down the scale of the eastern (South First Street) tower wall.

The massing of the west façade, in contrast, is not articulated with smaller wall planes, and is more differentiated that compatible with the historic facades.

The new construction is differentiated from the historic resource by a change in materials, massing, and design. The new construction consists of glass curtain walls, wood-grain phenolic paneling in a checkerboard pattern, and other modern, thin and flat materials; these contrast with the historic textured and glazed brick walls. The scale of the proposed new materials also contrasts with the metal and wood detailed trim pieces, multi- lite transoms,[6] wood-framed display windows on the storefronts, and small-scale ornamentation of the historic facades. Due to these differences, the new construction materials are differentiated from the historic construction materials, but not completely compatible in terms of scale (building material size/appearance).

The historic buildings are examples of early-twentieth-century commercial design with classical details; the addition/new construction is an example of neo-modernism with large-scale detailing. The design vocabularies are very different and not fully integrated. The wood-grain wall of the proposed garage above the historic facades, for example, has elements that are compatible with the historic building. While the blocks of color are similar to the major historic elements (e.g., the storefront piers), no feature of the proposed new construction is of a scale that relates to the scale of the individual bricks, egg-and-dart trim, or multi-lite transoms.

The proposed, new white-framed storefront areas (entrances to the leasing office and residential building access) in the center of each side elevation continue the rhythm of the district and historic width of structures; however they are contrasting with the texture and color palette of the surrounding historic area. The storefront on South

[6] Multi-lite transoms are frames of multiple glass windows designed to let in light. In the subject buildings, they are located above the main display windows (refer to Photos 12 and 13).

Market Street conceals a blank, paneled wall, not used for commercial uses, which is in contrast to the other storefronts visible from the sidewalk and roadway.

Overall, the proposed project is not fully compatible with the spatial relationships, size, scale, color and proportion of building materials, or massing that characterize the historic resources on and adjacent to the site, and is not compatible with Standard 9.

Standard 10: *New additions and adjacent or related new construction will 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.*

The essential form and integrity of the historic resource and the adjacent Structure of Merit would not be maintained under the proposed project. The structural removals, the alterations of the interior spaces visible from public vantage points and roof massing, as well as the alterations to the structural systems supporting the façades themselves, would impair the form and integrity of these historic buildings if reversed in the future. The reversal of this project in the future as Standard 10 hypothesizes, would leave a physical void in the center of a neighborhood of buildings that has been identified as a potential historic district. The proposed project, therefore, is not consistent with Standard 10.

As noted above, the proposed project would impact the Structure of Merit, the "Red Front Surplus Building" at 455 South First Street that shares the same façade to be retained as the Herrold College Building. While individually Structures of Merit are not a CEQA resource, the City deems Structures of Merit as important local resources. The proposed project shall implement the following standard permit conditions pertaining to pre-construction documentation prior to the partial demolition of the Structure of Merit in addition to Mitigation Measure CUL-2.1 below to reduce potential impacts to historic resources and the potential historic district.

Standard Permit Conditions: The following standard measures would apply to projects that involve demolition of one or more Structure of Merit as listed in the City's Historic Resources Inventory:

- Documentation. Prior to the demolition of any Structure of Merit, the structure will be photo-documented to an archival level utilizing 35 millimeter photography and consisting of selected black and white views of the building to the following standards:
- Cover sheet - The documentation shall include a cover sheet identifying the photographer, providing the address of building, common or historic name of the building, date of construction, date of photographs, and photograph descriptions.
- Camera - A 35 millimeter camera.
- Lenses - No soft focus lenses. Lenses may include normal focal length, wide angle and telephoto.
- Filters - Photographer's choice. Use of a pole screen is encouraged.
- Film - Must use black and white film; tri-X, Plus-X, or T-Max film is recommended.

- View - Perspective view-front and other elevations. All photographs shall be composed to give primary consideration to the architectural and/or engineering features of the structure with aesthetic considerations necessary, but secondary.
- Lighting - Sunlight is usually preferred for exteriors, especially of the front facade. Light overcast days, however, may provide more satisfactory lighting for some structures. A flash may be needed to cast light into porch areas or overhangs.
- Technical - All areas of the photograph must be in sharp focus.

Summary

The project would introduce a 25-story tower that would overwhelm the historic buildings on and adjacent to the site in terms of size and massing and include no similar trim or materials as the landmark or surrounding historic fabric in a related scale.

The construction of the Gateway Tower project, as presently proposed, will result in an adverse environmental effect on a historic resource, the Herrold College City Landmark structure (HL92-74) at 465-467 South First Street in Downtown San José. This impact will occur with the partial demolition of this significant resource, an action that will leave only the exterior storefronts intact. Proposed project components, such as including the preservation and rehabilitation of the storefront walls, and incorporation of a permanent window exhibit that commemorates Charles Herrold and his contributions to the development of broadcast radio, do not reduce the impacts to the historic resource to less than significant level.

The project will also negate the potential of this property for listing on the National Register of Historic Places. Because the project is a San José City Landmark, it will remain an eligible property for the California Register of Historical Resources based on its local listing, but will no longer qualify for listing under the criteria that enables eligibility.

The project is inconsistent with the Secretary of the Interior's Standards for the Treatment of Historic Properties, and appears to be inconsistent with the Envision San José 2040 General Plan policies pertaining to the preservation of City Landmarks.

Impact CUL – 2: The project would result in a significant impact to a City Landmark due to the proposed partial demolition of the building and construction of a 25-story mixed-use tower. **(Significant Impact)**

Mitigation Measures:

MM CUL-2.1/3.1: Herrold College Building. Historic American Buildings Survey (HABS) level documentation of the exterior and interior of the Herrold College building at 465-467 South First Street and its setting shall be prepared prior to demolition activities by a Historic Architect and Architectural Historian who meets the Secretary of Interior's Professional Qualifications Standards. HABS documentation requires full measured drawings, large-format photography, and findings report prepared in accordance with HABS written format guidelines. The report shall include findings on written information

and artifacts associated with Charles Herrold and Herrold College and project related information. The report and documentations shall be submitted to the Supervising Environmental Planner and Historic Preservation Officer of the City of San José Department of Planning, Building, and Code Enforcement for review and approval prior to the issuance of any demolition permit.

After approval, the HABs documentation and report shall be deposited with History San José, with copies provided to the City of San José's Planning Division and the Northwest Information Center, Sonoma State University. Evidence (i.e. confirmation letter or email from a representative of History San José) that the documentation, including the original prints and negatives, has been submitted to History San José shall be provided to the Supervising Environmental Planner and Historic Preservation Officer of the City of San José Department of Planning, Building, and Code Enforcement and the California Room of the King Library.

MM CUL-2.2: The project applicant shall include a permanent commemoration of the historical contributions of Charles Herrold and the founding of radio broadcasting. Commemoration shall take into consideration the potential South Downtown Area Automobile District and the early years of automobile usage. The size and scope of this permanent exhibit and a façade easement including permanent exhibit space shall be dedicated to ensure the preservation and management/maintenance of this exhibit in perpetuity.

An oversight committee of interested parties, selected by the City of San José, shall consider all feasible means of preserving this legacy, including digital media, curation and exhibition of artifacts at appropriate off-site repositories such as History San Jose, and/or replication of the building at another site. The recommendations of the committee and implementation of commemorative actions shall be subject to review and approval by the Historic Preservation Officer of the City of San José Department of Planning, Building, and Code Enforcement.

The scope of this commemoration and commitments for implementation shall be finalized prior to issuance of any building permit so that the measures are tied to construction of the proposed project and the permanent exhibit shall be completed prior to the issuance of any Certificate of Occupancy (temporary or final).

MM CUL-2.3: Prior to issuance of the any building permit, a qualified Historic Architect shall review rehabilitation specifications for the physical and chemical treatments that would affect the historic fabric of the preserved façades. All specific original materials potentially impacted or utilized in the design that characterize the Herrold College Building (City Landmark) façade and the façade of the adjacent Red Front Surplus Building (Structure of Merit) shall be identified and documented as part of the building permit drawing set. The documentation shall include facades of buildings on both First Street and

Market Street. Documentation shall include, but is not limited to: material, form, and dimensions of the brick, window trim, cornices, and other pertinent character-defining features. Detailed photographs shall also be included in the building permit submittals. The final building permit set with documentation of original materials shall be submitted to the Building Division and approved prior to the issuance of any building permit. Rehabilitation specifications shall be completed to the satisfaction of the Historic Preservation Officer of the City of San José Department of Planning, Building, and Code Enforcement.

MM CUL-2.4/3.2/4.1: The project applicant shall prepare and implement, during demolition and construction activities, a Historical Resources Protection Plan (HRRP) that provides procedures to protect the building fabric of the City Landmark Herrold College Building and nearby structures (such as Red Front Surplus Building) from direct or indirect impacts during construction activities (i.e., operation of construction equipment, staging, and material storage). The Historical Resources Protection Plan shall be prepared by a qualified Historic Architect and reviewed and approved by the Historic Preservation Officer of the City of San José Department of Planning, Building, and Code Enforcement prior to Public Works clearance, including any ground-disturbing work. At a minimum, the plan shall include, but is not limited to, the following:

- Guidelines for operation of construction equipment adjacent to historical resources;
- Guidelines for storage of construction materials away from historic resources;
- Requirements for monitoring and documenting compliance with the plan; and
- Education/training of construction workers about the significance of the historical resources around which they would be working.

MM CUL-2.5/4.3: The project applicant shall establish a "Monitoring Team" comprised of at least one qualified Historic Architect and one structural engineer for the duration of the site monitoring process. During the demolition and construction phases, the Monitoring Team shall make periodic site visits to monitor the condition of the property, including monitoring of any instruments such as crack gauges, if necessary. The monitoring period shall be a minimum of one site visit every month. The Supervising Environmental Planner and the Historic Preservation Officer of the City of San José Department of Planning, Building, and Code Enforcement may request any additional number of site visits at his/her discretion.

If, in the opinion of the Monitoring Team substantial adverse impacts related to construction activities are found during construction, a representative of the Monitoring Team shall inform the project applicant (or the applicant's designated representative responsible for construction activities), the

Supervising Environmental Planner, and the Historic Preservation Officer of the City of San José Department of Planning, Building, and Code Enforcement of the potential impacts. The project applicant shall implement the Monitoring Team's recommendations for corrective measures, including halting construction in situations where construction activities would imminently endanger historic resources.

The project applicant shall ensure that, in the event of damage to nearby historic resource during construction, repair work is performed in compliance with the Secretary of the Interior's Standards for the Treatment of Historic Properties and shall restore the character-defining features in a manner that does not affect the structure's historic status.

The Monitoring Team shall prepare a report documenting all site visits. The reporting period shall be a minimum of once every three months. The Monitoring Team or its representative, shall submit the site visit reports to the Supervising Environmental Planner and the Historic Preservation Officer of the City of San José Department of Planning, Building, and Code Enforcement no later than one week after each reporting period. The report shall also include, but is not limited to, the following:

- A summary of the demolition and construction progress;
- If substantial adverse impacts related to the construction activities are identified during the site visits;
- The problem and potential impact to the historical resources and adjacent building during demolition and construction activities;
- Recommendations made by the Monitoring Team to avoid the impact;
- Actions taken by the project applicant in response to the problem; and
- Progress on the level of success in meeting the applicable Secretary of the Interior's Standards for the Treatment of Historic Properties for the project as noted above for the character-defining features, and in preserving the character-defining features of nearby historic properties.
- Photographs shall be included in reports to explain and illustrate progress.

In addition, the Monitoring Team shall submit a final document associated with monitoring and repairs after completion of the construction activities to the Supervising Environmental Planner and the Historic Preservation Officer of the City of San José Department of Planning, Building, and Code Enforcement prior to the issuance of any Certificate of Occupancy (temporary or final). The monitoring report shall summarize the level of success in meeting the applicable Secretary of the Interior's Standards for the Treatment of Historic Properties for the project as noted above for the character-defining features, and in preserving the character-defining features of nearby historic properties.

The review and implementation of compatible physical and chemical treatments, as well as compatible repairs of the historic materials would provide project compliance with SOI Standards 6 and 7. The project would remain inconsistent with SOI Standards 1, 2, 9 and 10.

The proposed high-rise tower could not be constructed if the existing City Landmark building is retained intact. Construction of the project as proposed, therefore, would result in an impact to historic resources (Impact CUL-2).

As described in *Section 7.0. Alternatives*, measures that could avoid or reduce this impact to a City landmark include reuse of the Herrold College Building for commercial uses and/or for residential lofts and a modification of the high-rise tower design. The conformance of the various alternatives with project objectives is discussed in detail in *Section 7.0. Alternatives*.

The CEQA Guidelines [Section 15126.2(b)] describes significant environmental effects which cannot be avoided as impacts that cannot be alleviated without imposing an alternative design. Project impacts to historic resources associated with the partial demolition of the existing buildings and construction of a high-rise tower, therefore, would be significant and unavoidable. **(Significant Unavoidable Impact)**

Impact to Potential Historic District

The succession of through-block buildings from San Salvador Street to William Street is an historic characteristic of the wedge-shaped block between South Market and South First Streets. This array of smaller retail spaces is a pattern of the SoFA District of Downtown and is at the core of the identified potential South Downtown Area Automobile District. The demolition of the interior walls and the alteration of the interior alignments at the two historic buildings in this project would create an interruption in this rhythm when viewed from public view points along the street frontage.

The project, due to its scale and placement within a district of moderate one and two-story buildings, many if not most associated with the early automobile sales and service industry in San José, will also significantly impact the eligibility of this area as a potential historic district.

Impact CUL – 3: The proposed modifications to the existing historic buildings on the site would alter the buildings' relationship to the potential historic district, resulting in a significant impact to the potential South Downtown Area Automobile District. **(Significant Impact)**

Mitigation Measures:

MM CUL-2.1/3.1: See text under mitigation measures for Impact CUL-2.

MM CUL-2.4/3.2/4.1: See text under mitigation measures for Impact CUL-2.

The proposed high-rise tower could not be constructed if the existing City Landmark building is retained intact. Even with incorporation of mitigation measures, the mass and scale of the high-rise tower would affect the potential eligibility of the South Downtown Automobile District as a historic

district. Construction of the project as proposed, therefore, would result in an impact to historic resources (Impact CUL-2 and Impact CUL-3).

As described in *Section 7.0. Alternatives*, measures that could avoid or reduce this impact to a City landmark and impacts to the potential South Downtown Area Automobile District include reuse of the Herrold College Building and Red Front Surplus Building (also referred to as the Hegerich & Kemling Auto Sales Building) for commercial uses and/or for residential lofts and a modification of the high-rise tower design. The conformance of the various alternatives with project objectives is discussed in detail in *Section 7.0. Alternatives.*

The CEQA Guidelines [Section 15126.2(b)] describes significant environmental effects which cannot be avoided as impacts that cannot be alleviated without imposing an alternative design. Project impacts to historic resources associated with the partial demolition of the existing buildings and construction of a high-rise tower, therefore, would be significant and unavoidable. **(Significant Unavoidable Impact)**

Construction Impacts to Nearby Structures

The project would excavate an underground garage and construct a 25-story tower on a property bordered by buildings constructed in the early 20th Century. Construction activities, if not properly managed and monitored, could result in damage to nearby structures from direct or indirect effects from operation of construction equipment, staging, and material storage.

Impact CUL – 4: Construction activities, if not properly managed, could adversely impact early 20th Century buildings in the area that are within and potential contributing structures to a South Downtown Area Automobile District. **(Significant Impact)**

Mitigation Measures:

MM CUL-2.4/3.2/4.1: See text under mitigation measures for Impact CUL-2 for Historical Resources Protection Plan (HRRP) requirement.

MM CUL-4.2: Prior to demolition, a qualified Historic Architect shall undertake an existing visual conditions study of the nearby historic resources (at minimum, a 50-foot radius including Garden City Glass and L'amour Shoppe Buildings). The study shall include, but is not limited to, the following:

- The baseline condition of the building prior to construction.
- Detailed written descriptions and visual illustrations, including physical characteristics of the resource which convey its historic significance and justifies its listing as a San José Landmark.

The documentation shall be reviewed and approved by the Supervising Environmental Planner and the Historic Preservation Officer of the City of San José Department of Planning, Building, and Code Enforcement prior to

any ground disturbance activities. The Historic Preservation Office and/or the Supervising Environmental Planner has the discretion to request for additional visual conditions study of nearby historic resources.

MM CUL-2.5/4.3: See text under mitigation measures for Impact CUL-2 for monitoring requirements for the two on-site structures and nearby historic properties.

Implementation of MM CUL-4.1 through 4.3 would reduce construction impacts to nearby structures to a less than significant level. **(Less Than Significant Impact with Mitigation)**

3.1.2.4 *Impacts to Paleontological Resources*

While no paleontological resources have been identified in the immediate vicinity, there is always a possibility that unknown resources could be discovered during project activities, such as excavation for the proposed subgrade parking garage. Potential disturbance of these buried paleontological resources would be considered a significant impact.

Impact CUL-5: While unlikely, unknown subsurface paleontological resources could be present on the site at depth in underlying native soils, and could be disturbed during project construction. **(Significant Impact)**

Mitigation Measures:

MM CUL-5.1: In the event any significant fossils are encountered during implementation of the Cultural Resources Treatment Plan (MM CUL-1.1) or construction excavation, all construction within a radius of 50 feet of the find would be halted, the Director of Planning, Building and Code Enforcement shall be notified, and a qualified paleontologist shall examine the find and make appropriate recommendations regarding the significance of the find and the appropriate mitigation. Recommendations could include collection, recordation and analysis of any significant materials. A report of findings documenting any data recovered during monitoring shall be submitted to the Supervising Environmental Planner of the City of San José Department of Planning, Building, and Code Enforcement. **(Less Than Significant Impact with Mitigation)**

3.1.2.5 *Consistency with Plans and Policies*

As detailed above in the review of the *Secretary of the Interior's Standards for the Rehabilitation of Historic Properties*, the project would not be consistent with half of the 10 Standards and mitigation measures are required as detailed in the mitigation measures identified above.

The project would not be consistent with Envision San José 2040 General Policies for the preservation of historic resources (e.g., City Landmarks and Historic Districts).

3.1.2.6 Cumulative Impacts

Archaeological Resources and Paleontological Resources

The project includes measures, such as the Treatment Plan, monitoring, and recordation, to reduce potential impacts to both archaeological resources and paleontological resources to less than significant levels. With implementation of these measures, the project would not make a cumulatively considerable contribution to any cumulative archaeological resources or paleontological resources impacts in the community.

Historic Resources

A significant impact to historic resources occurs when there is a substantial adverse change in the significance of a resource. As outlined in Section 3.1.2.3 above, the proposed project's impacts to a historic City Landmark building and the potential South Downtown Area Automobile Historic District, even with the implementation of these mitigation measures, would be significant and unavoidable at a project-level.

For the purpose of this analysis, the nature and geographic focus for identifying cumulative effects to historic resources are related to projects in Downtown San José that have or potentially could affect historic resources (buildings or Historic Districts) related to commercial automobile-related structures from the early twentieth century, at the beginning of the automobile culture.

As shown in Table 3.0-1 and discussed in Section 3.1.1.2, there are several buildings that were removed from the Downtown area that potentially may have been contributing structures within the historic district if they met the eligibility requirements related to historic resources criteria, including factors such as architectural integrity.[7] Past demolitions of two buildings (St. Claire Motors at South Market Street & Pierce Street and Piccetti Auto Dealership at South Market Street & Viola Street) occurred prior to preparation of the potential district boundaries in 2000. There also have been façade modifications to buildings on the 400 blocks of both South First and South Market Streets. In the opinion of *Archives and Architecture* (refer to Appendix B), even with implementation of past projects, it appears that the area shown in Section 3.1.1.2 (Potential Historic District) is currently eligible for listing as a historic district and therefore is considered a historic resource under CEQA.

Past projects in the area that removed or modified historic or potentially historic automobile-related commercial buildings would incrementally contribute to the identified impacts to the potential South Downtown Area Automobile District; however, the subject project alone due to both its mass, scale and placement within a district of moderate one and two-story buildings, many associated with the early automobile sales and service industry in San José, will significantly impact the eligibility of this area as a potential historic district. In addition, structural removals and alterations of the interior spaces visible from public vantage points would significantly impair the form and integrity of the City Landmark (Herrold College Building) and a Structure of Merit (Red Surplus Building) that could be a contributing structure to the potential historic district. Therefore,

[7] Letcher's Garage, demolished as a part of the Parkview Towers project, although an automobile related business from the period of early automobile culture, was located in the northern part of Downtown, at some distance from the potential South Downtown Automobile District and would not be a contributing structure to the district.

implementation of the project would result in both a project and cumulative loss of historic structures and a potential commercial automobile-related historic district in Downtown San José.

Impact C-CUL-1: The proposed modifications to the existing historic buildings on the site and construction of a high-rise structure, along with the loss or modification of other historic structures in the SoFA area of Downtown San José, would contribute to a significant cumulative impact to historic resources. **(Significant Unavoidable Cumulative Impact)**

Mitigation Measures for Cumulative Impacts:

No additional measures are available or proposed to reduce the project's impacts on historic resources.

3.1.3 Conclusion

Impact CUL– 1: Implementation of mitigation measures (MM CUL-1.1 to MM CUL-1.8) would reduce potential impacts to buried archaeological resources to a less than significant level. **(Less Than Significant Impact with Mitigation)**

Impact CUL – 2: Implementation of mitigation measures (MM CUL-2.1 to MM CUL-2.5) would reduce impacts to the City Landmark Herrold College Building, but not to a less than significant level. **(Significant Unavoidable Impact)**

Impact CUL – 3: The project, due to its scale and modifications to existing historic buildings, would significantly impact the eligibility of the identified South Downtown Area Automobile District as a potential historic district. **(Significant Unavoidable Impact)**

Impact CUL – 4: Implementation of mitigation measures during the construction phase of the project (MM CUL-4.1 to MM CUL-4.3) would reduce potential damage to nearby buildings to a less than significant level. **(Less Than Significant Impact with Mitigation)**

Impact CUL – 5: In the event paleontological resources are encountered during construction, implementation of mitigation measures (MM CUL-5.1) would reduce potential effects to a less than significant level. **(Less Than Significant Impact with Mitigation)**

Impact C-CUL-1: The proposed modifications to the existing historic buildings on the site and construction of a high-rise structure, along with the loss or modification of other historic structures in the SoFA area of Downtown San José, would contribute to a significant cumulative impact to historic resources. **(Significant Unavoidable Cumulative Impact)**

3.2 AESTHETICS

3.2.1 Environmental Setting

The project site is currently occupied by three single-story commercial buildings and an associated parking lot. Two of the buildings date from the early twentieth century and span the length of the block between S. First Street and S. Market Street with no setbacks from the sidewalk. These older commercial buildings have brick facades and large display windows associated with their former auto-related uses. The third building on-site faces William Street and is a former gas station with a parking lot where gas pumps were previously located. Access to this portion of the site is provided from driveways on S. First Street and S. Market Street.

Two of the project frontages, S. First Street and S. Market Street, converge towards William Street, which gives the site a roughly triangular appearance when viewed from the William Street. Views of the site are shown in Photos 1 through 4.

Two of the buildings on the site are on the City's Historic Resources Inventory. The Herrold College Building, located at 465 S. First Street, is listed as a City Landmark due to its association with Doc Herrold, a commercial radio pioneer. The Red Front Surplus Building (455 S. First Street) is listed as a Structure of Merit. Both buildings have brick facades, transom windows, and brick trim and/or piers. Window systems and some of the entries are not original. The project site is not located within or adjacent to a historic district identified in the Downtown Strategy 2000 or the Envision San José 2040 General Plan. As described in *Section 3.1 Cultural Resources*, it is located at the southern end of a potential Historic District, the South Downtown Area Automobile District. Buildings in the area have a scale, rhythm, and pattern of one- to two-story streetfront, brick buildings, with numerous building frontages and visual variation.

3.2.1.1 *Surrounding Visual Character*

The site is located at the southern end of Downtown San José. The visual character of the area is highly urban in nature, with structures of various mass, scale, design and materials built up to the sidewalks. At a distance, tall, mostly modern, glass curtain wall (clad) buildings within the southern Downtown core, dominate views of the skyline. The rounded rooflines of the San José Convention Center is also part of the surrounding visual landscape of the built environment.

At a street level, glass storefronts of commercial businesses (ranging from automobile oriented shops to art galleries, retail stores, and restaurants) line portions of S. First Street and S. Market Street. These storefronts are oriented towards the street and pedestrian traffic. Theaters and nightclubs, with marquees, signage and fewer windows, are scattered throughout the area. A canopy of street trees lines the block of S. First Street between E. San Salvador and William Street. In contrast to the closely spaced, tree lined block of S. First Street, S. Market Street, to the west, has a more open appearance with more traffic lanes and fewer trees. Small surface parking lots are located at each end of the block on William Street (project site) and E. San Salvador Street. Views of buildings in the surrounding area are shown on Photos 5-22 and photo locations are shown in Figure 3.2-1.

PHOTO 1: View of the project site looking southeast from the northwest corner of Balbach and S. Market Streets.

PHOTO 2: View of the project site looking northeast from the northwest corner of William and Market Streets.

PHOTOS 1 AND 2

PHOTO 3: View of the project site looking northwest from the southeast corner of William and S. First Streets.

PHOTO 4: View of commercial buildings on the west side of S. First Street from the northeast corner of William and S. First Streets.

PHOTOS 3 AND 4

Adjacent commercial development on the west side of the S. First Street frontage, north of the site, is comprised of one- to two-story commercial buildings, constructed at the end of the nineteenth century and beginning of the twentieth century. Some of the storefronts retain trim and window details, such as decorative brick trim, columns, and clerestory/transom windows, from those periods (Photos 7-13). The storefront doors, windows, and awnings on many of the buildings have been replaced (Photos 8-10). Buildings closest to E. San Salvador Street have been highly modified with modern finishes, colors, and trim. Additional single-story commercial development, a three-story hotel, and more recent development, including a modern, concrete block and stucco clad theater, the San José Stage Company, are located across S. First Street from the site (Photo 14). Buildings along this block are a vibrant range of colors, textures, and finishes.

To the south of the site and William Street is the Parque de los Pobladores; an urban, plaza-style park with a mix of hardscape, grass, and planting areas (Photos 15 and 17). On both sides of the park, there is a mix of early and mid-twentieth century commercial buildings, some of which are still used for automotive businesses (Photo 19) and others that have converted to various commercial uses, including art galleries and art space (Photo 15). Glass storefront windows are present in the commercial buildings and echoed at the ground level in new multi-story residential development on the west side of S. First Street, near Reed Street (Photo 17).

The Market-Almaden Conservation Area[8], which consists mostly of Victorians and Craftsman bungalows dating from the late 1800s and early 1900s, is located southwest of the project site. The project site is separated from the single-family residential structures in the Conservation Area by S. Market Street and the commercial and residential-mixed use buildings fronting on the west side of S. Market/S. First Street (Photos 17 and 19).

3.2.1.2 *Scenic Views*

The project site is flat and surrounded by downtown urban development. The project area has been developed for over 100 years and no natural scenic resources such as trees or rock outcroppings are present on the site or in the project area.

Scenic views of the Diablo foothills to the east or Santa Cruz Mountains to the west from the project site and immediate area are obscured by street trees and the built environment from the street-level.

Downtown San José, when viewed from freeways and other elevated areas, such as hillsides, provides a man-made vista with a central core of high-rise buildings. Viewed from surrounding highways Interstate 280 and SR 87 and the major roadways of Market Street and First Street, the area is highly urban with a mixture of glass, concrete and masonry clad buildings with limited or no sidewalk setbacks. An eclectic mix of shorter brick and masonry structures is interspersed with the taller buildings in a grid of urban streets.

[8] Under Chapter 13.48 of the San José's Historic Preservation Ordinance, a "conservation area" means a geographically definable area of urban or rural character with identifiable attributes embodied by: (1) architecture, urban design, development patterns, setting, or geography; and (2) history.

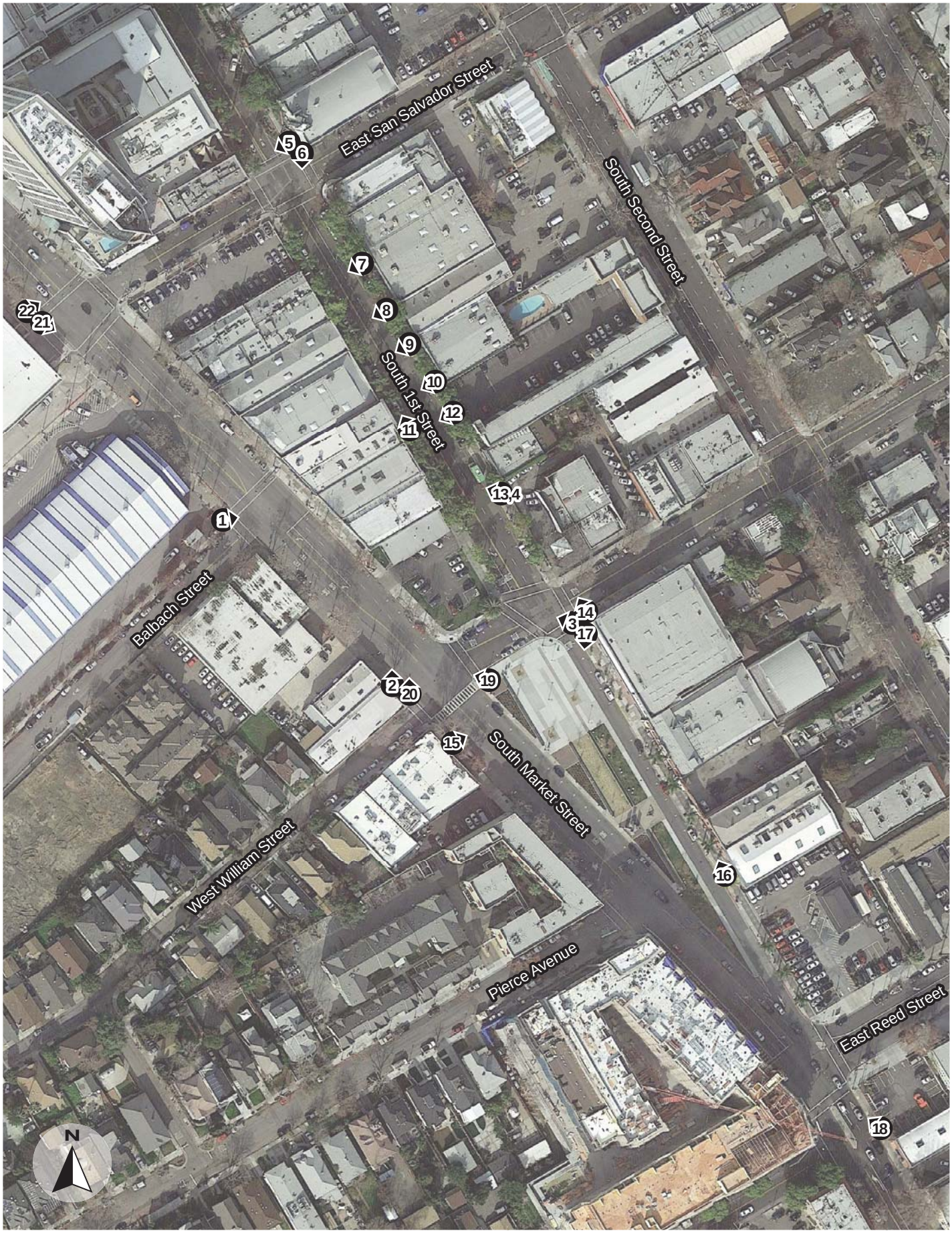


PHOTO LOCATIONS FIGURE 3.2-1

PHOTO 5

PHOTO 6

PHOTO 7

PHOTO 8

PHOTO 9

PHOTO 10

PHOTOS 5 - 10 (SURROUNDING AREA)

PHOTO 11

PHOTO 12

PHOTO 13

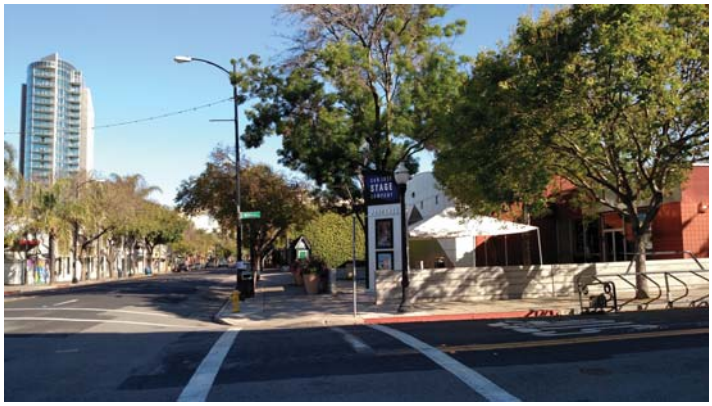


PHOTO 14

PHOTO 15

PHOTO 16

PHOTOS 11 - 16 (SURROUNDING AREA)

PHOTO 17

PHOTO 18

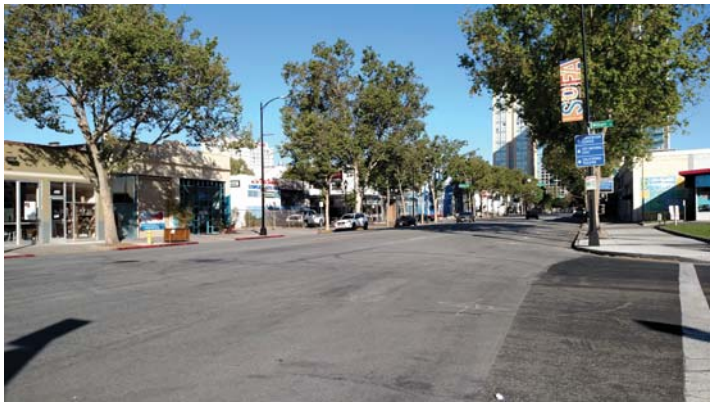


PHOTO 19

PHOTO 20

PHOTO 21

PHOTO 22

PHOTOS 17 - 22 (SURROUNDING AREA)

3.2.1.3 *Applicable Plans, Policies, and Regulations*

State Scenic Highways Program

The State Scenic Highways Program was created by the California State Legislature in 1963 and is under the jurisdiction of the California Department of Transportation (Caltrans). The program is intended to protect and enhance the natural scenic beauty of California highways and adjacent corridors through special conservation treatment. The state laws governing the Scenic Highway Program are found in the Streets and Highway Code, Sections 260 through 263. There are no designated scenic highways in the vicinity of the project site and the project site is not visible from a designated scenic highway.

Envision San José 2040 General Plan

The aesthetic environment, attractive gateways, positive impressions of the City, and access to scenic resources are addressed in Chapter 4, Quality of Life, in the Envision San José 2040 General Plan.

The project site is located in Downtown San José, which the General Plan recognizes as having specific design considerations regarding scale, quality and character. The site is located at the southern end of Downtown, southeast of the San José Convention Center, in the South of First Area (SoFA). SoFA includes a mix of commercial and residential buildings with a high proportion of arts, restaurants, and entertainment uses that result in higher levels of pedestrian use along streets than in more suburban areas of the City. Storefronts in SoFA are located within both masonry buildings from the late nineteenth century and early twentieth century and more modern stucco and glass clad structures. Murals are also present at several nearby locations adjacent to surface parking lots.

The proposed project is also located along a designated Gateway in the Envision San José 2040 General Plan (S. First Street, north of Interstate 280). The City's goal is to create and maintain attractive Gateways into San José and attractive major roads through San José, including freeways and Grand Boulevards, to contribute towards the positive image of the City. In addition to the First Street Gateway to Downtown, the project area is visible from elevated portions of Interstate 280 (roughly between SR 87 and 4th Street) and SR 87 (roughly between I-280 and underlying West San Carlos Street), in the immediate vicinity of the interchanges of these two freeways. S. First Street and S. Market along the project frontages are classified as Grand Boulevards on the City's transportation diagram.

The Envision San José 2040 General Plan includes the following policies applicable specifically to development in Downtown San José and along Gateways:

Envision San José 2040 Relevant Aesthetic Policies

Policies	Description
Policy CD-1.1	Require the highest standards of architecture and site design, and apply strong design controls for all development projects, both public and private, for the enhancement and development of community character and for the proper transition between areas with different types of land uses.
Policy CD-1.9	Give the greatest priority to developing high-quality pedestrian facilities in areas that will most promote transit use and bicycle and pedestrian activity. In pedestrian-oriented areas

Envision San José 2040 Relevant Aesthetic Policies

Policies	Description
	such as Downtown, Urban Villages, or along Main Streets, place commercial and mixed-use building frontages at or near the street-facing property line with entrances directly to the public sidewalk, provide high-quality pedestrian facilities that promote pedestrian activity, including adequate sidewalk dimensions for both circulation and outdoor activities related to adjacent land uses, a continuous tree canopy, and other pedestrian amenities. In these areas, strongly discourage parking areas located between the front of buildings and the street to promote a safe and attractive street facade and pedestrian access to buildings.
Policy CD-1.23	Further the Community Forest Goals and Policies in this Plan by requiring new development to plant and maintain trees at appropriate locations on private property and along public street frontages. Use trees to help soften the appearance of the built environment, help provide transitions between land uses, and shade pedestrian and bicycle areas.
Policy CD-1.26	Apply the Historic Preservation Goals and Policies of this Plan to proposals that modify historic resources or include development near historic resources.
Policy CD-6.2	Design new development with a scale, quality, and character to strengthen Downtown's status as a major urban center.
Policy CD-6.6	Promote development that contributes to a dramatic urban skyline. Encourage variations in building massing and form, especially for buildings taller than 75 feet, to create distinctive silhouettes for the Downtown skyline.
Policy CD-6.7	Recognize Downtown's unique character as the oldest part, the heart of the City, and leverage historic resources to create a unique urban environment there. Respect and respond to on-site and surrounding historic character in proposals for development.
Policy CD-6.8	Recognize Downtown as the hub of the County's transportation system and design buildings and public spaces to connect and maximize use of all types of transit. Design Downtown pedestrian and transit facilities to the highest quality standards to enhance the aesthetic environment and to promote walking, bicycling, and transit use. Design buildings to enhance the pedestrian environment by creating visual interest, fostering active uses, and avoiding prominence of vehicular parking at the street level.
Policy CD-10.2:	Require that new public and private development adjacent to Gateways, freeways (including U.S.101, I-880, I-680, I-280, SR17, SR85, SR237, and SR87), and Grand Boulevards consist of high-quality architecture, use high-quality materials, and contribute to a positive image of San José.
Policy CD-10.3:	Require that development visible from freeways (including U.S.101, I-880, I-680, I-280, SR17, SR85, SR237, and SR87) be designed to preserve and enhance attractive natural and man-made vistas.
Policy LU-13.3:	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.
Policy LU-13.6:	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

Envision San José 2040 Relevant Aesthetic Policies

Policies	Description
	appropriate State of California requirements regarding historic buildings and/or structures, including the California Historical Building Code.
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.

The *Envision San José 2040 General Plan Final EIR* (General Plan FEIR) found that the implementation of General Plan policies generally would avoid or substantially reduce impacts to natural and man-made scenic views from key gateways in the City.

Downtown Strategy 2000

The Downtown Strategy 2000 provides a long-range conceptual program for redevelopment of Downtown San José. The Strategy focuses on revitalizing the traditional Downtown by allowing higher density infill development and replacement of underutilized ones. Future Downtown development is guided by a variety of urban design concepts, strategies, actions, and guidelines, including but not limited to, the following:

Downtown Strategy 2000 Urban Design Concepts & Strategies

Strategies	Description
Urban Form & Buildings (e, f, l, ii, ll, nn, oo)	Design buildings with a distinctive form, keeping in mind that the assemblage of buildings on the city skyline contributes to the overall image of Downtown San José.
	Design the exterior lighting and building signage with a conscious effort to create the nighttime cityscape of downtown.
	Taller buildings can be built at the short ends of blocks and at block corners to emphasize intersections, to maintain sun exposure at the street level, and to frame views to the surrounding foothills.
	Buildings should present active, pedestrian-friendly facades to the street.
	Exterior building materials should be chosen with consideration of their glare-causing potential not only at the street level but also from the view of other neighboring structures.
	New developments in and around Historic Districts should be designed with consideration of nearby buildings and public spaces without resorting to historic imitation or nostalgia.
	Respect historic buildings and districts in development and redevelopment projects, without resorting to stylistic imitation.
Transportation and Access (g,h)	Incorporate a pedestrian orientation in new development, including appropriate site planning, human-scale street frontages, ground floor uses, and integration with adjacent transit stops, to ensure walkability and integration with the existing downtown.
	Incorporate bicycle amenities into transportation and streetscape planning.

Downtown Strategy 2000 Urban Design Concepts & Strategies

Strategies	Description
SOFA/Convention Center (d)	Design Gore Park/Plaza de Pobladores as the southern gateway into the Greater Downtown surrounded by new high quality development.

Downtown Design Guidelines

The Downtown Design Guidelines further refine the strategies and policies set forth in the Downtown Strategy 2000 and help provide direction for the design of future development. The Downtown Design Guidelines describe topics such as lighting, materials for construction, exterior design, massing and scale, orientation, and identity. The Guidelines were adopted to enhance the character of the City and encourage creativity while ensuring a reasonable degree of cohesion. Select guidelines are summarized below.

Downtown Design Guidelines

Guidelines	Description
Roofscapes/Skyline and Height	Relative to the rest of development on a block, taller buildings should be built at the short ends of a city block and at block corners. Tall buildings should add to the city skyline for views to and views from each building. While each building and complex of buildings should be designed for distinction, every building should also be designed within the context of the downtown skyline.
Massing	Minimize the mass and apparent bulk of high buildings through articulation of the building envelope with offsets, changes of plane, stepbacks and other architectural devices. Buildings that are over 150 feet tall should have a discernible treatment that distinguishes the base, middle and top of each building on all facades.
Rehabilitation/Reuse	Existing buildings and portions of blocks that are designated for rehabilitation or preservation shall not be demolished, but rather shall be rehabilitated, respecting their original character, materials and design intent. Storefronts and signage in buildings undergoing rehabilitation shall follow standards to ensure their appropriate scale, character and continuity in relation to other nearby buildings.
Existing Buildings/Infill	New structures, built adjacent to or between existing buildings, shall respond architecturally to the existing built surroundings. New buildings, located within a block designated for rehabilitation or preservation, shall be designed in a character compatible with that of existing buildings.
Lighting	Building exteriors shall be illuminated to highlight the facades at street level and to accent noteworthy architectural features. The tops of tall structures shall be illuminated to emphasize building height and roof form within the context of the City's downtown skyline. Lighting should be coordinated with the Federal Aviation Administration (FAA) and the Lick Observatory.

Downtown Design Guidelines

Guidelines	Description
SoFA	Develop buildings with small floor plates to ensure a street façade with numerous building frontages and a streetscape with a street façade of great visual variation. Rich visual interest at the street level is achieved at the first levels above the street through an eclectic mix of visual styles. The density and height of development generally should be higher in the north and lower in the south of SoFA. Buildings at the southern gateway sites at Reed should be lower than buildings at San Carlos and north of William Street. Building designs should reflect the nature of the district: its arts/entertainment focus and its eclectic range of architectural form and style. Mixed-use development should encourage active use by day and by night.

Downtown Streetscape Master Plan

The Downtown Streetscape Master Plan aims to enrich the pedestrian experience in the Greater Downtown area and support existing and planned future developments. The Streetscape Master Plan defines an overall physical and visual image of the Greater Downtown area that can be achieved through a combination of high-quality materials, amenities, furnishings, and infrastructure. Implementation of the Plan ultimately helps improve pedestrian safety, walkability, and continuity.

Residential Design Guidelines

The Residential Design Guidelines establish a framework for private residential units in San José and reinforce guidelines established in the General Plan. The Residential Design Guidelines address a variety of areas, including street frontage, perimeter setbacks, parking, landscaped areas, building design, and street design, that ultimately influence how developers and residents view and interact with one another in the City of San José.

Historic Resources Regulations and Secretary of the Interior's Standards for Rehabilitation

Location of a project on or near a historic resource can change the visual appreciation of a landscape and possibly compromise a property's historic integrity. Hence, the assessment of aesthetics impacts should consider the visual impacts from the perspective of the Secretary of the Interior's (SOI) Standards for Rehabilitation. Additionally, of all the four treatment options from the SOI (Preservation, Rehabilitation, Restoration, and Reconstruction), only SOI Standards for Rehabilitation allows for additions to a historic resources for a new use. New construction within the boundaries of the historic properties is possible if site conditions allow and if the design, density, and placement of the new construction respect the overall character of the site and the buildings.

From a visual perspective, key considerations related to aesthetics impacts on historic properties based upon SOI Standards include:

1. **Historic Significance of the Properties From Visual Perspective:** the two buildings are Herrold College Building at 465-467 South First Street and the Red Front Surplus Building at 455 South First Street. They are within a potential Historic District (South Downtown Area Automobile District, south of East San Salvador Street and north of Reed Street, along portions of S. First Street and S. Market Street).

2. **Existing Visual Characteristics/Features of the Project Location and Properties:** The alterations caused to the historic properties and its resources can affect the view of the historic properties and possibly the location, feeling, setting, and association of the historic properties. This includes the proportion of existing features or elements that would be removed, altered, or demolished and that contributes to the visual character or image of the property, neighborhood, community, or localized area with which the property is associated and that which could affect the historic properties' integrity. In addition, the physical changes could affect the historic property's design, construction, workmanship, and materials.

3. **Compatibility of the Proposed Project:** The compatibility of the project is important to the character of the historic properties and the surrounding area. The character of the existing architectural and landscape features should be the basis for determining the appropriate characteristics of the proposed project. The compatibility of the project is determined by, but is not limited to, the following:
    a. Mass-- The arrangement of the project's spaces;
    b. Scale and Proportion-- The size and proportion of the project to the surrounding structures and features;
    c. Height-- It is important that the height of the project does not cause the line of sight to move so far on that the surrounding features are out of view, thereby, detraction from the original view;
    d. Shadows;
    e. Colors;
    f. Material;
    g. Visual Balance and Spatial Relationship – the degree of contrast, or lack thereof, between the project and the background, surrounding scenery, or neighborhood;
    h. The degree to which the project would contribute to the area's aesthetic value; and
    i. The amount of open space.

These criteria are consistent with SOI's Standard of Rehabilitation 9 and 10. As previously stated in the Cultural Resources section, Standard 9 and 10 states:

- New additions, exterior alterations, or related new construction will not destroy historic materials, features, and spatial relationships that characterize the property. The new work will be differentiated from the old and will be compatible with the historic materials, features, size, scale and proportion, and massing to protect the integrity of the property and its environment.

- New additions and adjacent or related new construction will 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.

Projects can also have obstructive visual effects on historic properties. Whether a project is located on or near historic property, it can block the historic property from being viewed or block a view as seen from the historic property; thereby possibly diminishing the property's integrity as a historic resource. In the case of the one and two-story historic commercial buildings within the area, views *from* the buildings themselves do not contribute to the significance and integrity of the historic properties. Applicable factors for the determination of adverse obstructive effects that should be considered include: 1) an understanding of the property's historic significance and integrity and the possible effects on the property's eligibility for listing as a historic resource, and 2) how the project might obstruct the historic properties from being viewed from the project site or other area. If the historic property is visually appreciated from surrounding viewpoints, obstructing its view may affect its feeling, setting, location, or association.

3.2.2 Aesthetic Impacts

3.2.2.1 *Thresholds of Significance*

For the purposes of this EIR, an aesthetic impact is considered significant if the project would:

- Have a substantial adverse effect on a scenic vista;
- Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway;
- Substantially degrade the existing visual character or quality of the site and its surroundings; or
- Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area.

The project proposes a 262 foot tall, glass and metal clad contemporary building above two existing early twentieth century buildings. The high-rise structure would have a footprint of 0.5 acres within an approximately 1.6 acre the city block. The building design includes street level commercial uses and public seating areas on the sidewalk and articulation and offsets within the building envelope and lighting features to provide visual interest. Lighting at the roofline, linear features illuminating a vertical slot along the William Street side of the building tower, and illumination of the retained brick building facades and parking facades are proposed.

The following discussion focuses on the visual effects on public views and visual character resulting from the proposed project. As described in the City's General Plan, development can affect views of both natural and man-made features. Scenic resources in the San José area include the broad sweep of the Santa Clara Valley, the hills and mountains which frame the Valley floor, the baylands of San Francisco Bay and the urban skyline itself, particularly high-rise development in Downtown. Impacts to a scenic vista or scenic resources may occur if either the resource is directly affected by development or a public view from a public vantage point is blocked. Where scenic resources consist of historic structures, impacts may occur if scenic views are modified such that the integrity of historic structures or districts in terms of historic materials, features, size, scale and proportion are

affected. Changes to the physical environment, scenic views, and historic character are assessed, in part, based on the criteria included in the SOI standards as outlined in Section 3.2.1.3, above.

Aesthetic considerations of visual character and quality, as they apply to the man-made, built environment, are based upon whether buildings and other structures enhance or detract from the overall visual environment of the community based on design and the relationship to other structures and features. A component of these considerations is the effect of new development, alterations, and remodeling of the historic characteristics of the Historic Districts or properties. SOI's Standards for Rehabilitation, General Plan policies, Downtown 2000 Strategies and applicable design guidelines are the basis for determining whether a project meets community standards for aesthetics and design.

3.2.2.2 *Impact to Scenic Views or Scenic Resources*

Impacts to Scenic Resources

The project site is located within the South First Area (SoFA) of Downtown San José. There are no natural landscape features (such as foothills, mountains, or baylands) onsite or in the project vicinity and natural, scenic resources would not be directly affected by the proposed project.

Historic structures are a component of the built environment that can be considered to have scenic or aesthetic values to a community. Several historic buildings in the Downtown, such as the Sainte Claire Hotel, De Anza Hotel, and Bank of America Building, due to their height and design, are man-made scenic resources that are highly visible from surrounding freeways and major streets and are landmarks in the urban skyline. The historic structure on the project site is 30 feet in height and surrounding buildings in the potential Historic District surrounding the site are one to two stories in height. Unlike taller historic buildings in Downtown, the existing brick buildings on the site and the surrounding urban blocks, are not highly visible as a scenic resource within the greater Downtown or surrounding areas. Therefore, the project would not adversely impact typical, views of a man-made scenic resource from surrounding freeways and major streets.

While the project would not substantially impact or obstruct typical views of an existing scenic resource from surrounding freeways or other elevated vantage points, the Herrold College Building and Red Front Surplus Building are a part of the local Downtown streetscape. Aesthetic effects to the existing City Landmark on the site and within the potential South Downtown Area Automobile Historic District are addressed below in Section 3.2.2.2 *Change in Visual Character.*

Impacts to Scenic Vistas and Views

Public thoroughfares (travel corridors), such as freeways and Grand Boulevards, provide visual access to scenic resources. The project site is in a broad, developed portion of the Santa Clara Valley. The site is locally visible from adjacent streets and nearby segments of freeways. As noted above, the existing City Landmark (Herrold College Building) that would be partially demolished is about 30 feet in height and currently is not highly visible from nearby freeways.

As shown in Figures 3.2-2 to 3.2-3, the proposed building that will be seen by drivers on the elevated segments of I-280 and SR 87 near the site would not substantially obstruct larger views of the Diablo foothills and Santa Cruz Mountains that are in the direct line-of-sight of drivers on the sections of the

freeways south and west of the project site. It would be within the Downtown core, an area of the City where high-rise buildings contribute to the central urban skyline. The proposed building, where visible from nearby freeways, would contribute to the visual presence of the Downtown area and would not substantially block scenic views of foothill areas.

Redevelopment of this site would not have a significant adverse effect on a scenic vista or damage scenic resources within a state scenic highway or visible from SR 87 or Interstate 280. **(Less Than Significant Impact)**

3.2.2.3 *Change in Visual Character*

Aesthetic values are, by their nature, subjective. Opinions as to what constitutes a degradation of visual character will differ among individuals. Secretary of Interior's Standards for Rehabilitation, General Plan policies, Downtown 2000 Strategies and applicable design guidelines are means for assessing what constitutes a visually acceptable standard for new buildings. These standards are outlined in *Section 3.2.1.3 Applicable Plans, Policies, and Regulations.*

Currently, buildings on the commercial block bordered by E. San Salvador Street, S. First Street, E. William Street, and S. Market Street are one to two stories and up to about 30-45 feet in height (Photo 13 and Photos 20-21). The architectural fabric of the early twentieth century buildings is visible from adjacent streets and sidewalks. Modernized storefront window and door systems, awnings, colorful architectural coatings, and other contemporary materials have been added to the buildings on this block over time. Buildings extend to the sidewalk and connectivity of sidewalks in this urban grid allows for pedestrian access throughout the area.

The project would introduce a building tower above the existing streetscape, extending to a height of approximately 262 feet. The facades of two existing buildings are proposed to be retained to maintain the continuity of the existing commercial streetscape on S. First Street and S. Market Street. The building and parking lot to be removed are adjacent to, but distinct from the orientation, building materials and design of the early twentieth century buildings to the north.

In addition to the City's applicable General Plan policies, Downtown strategies, and downtown design guidelines, the aesthetic impact evaluation for the proposed project below is also based on the SOI's Standards for Rehabilitation (refer to Section 3.2.1.3).

Change in Visual Character from the First Street Gateway and Change in Historic Character on the 400 Block

Locally, the scale and design of the proposed tower would be in sharp contrast to the existing mix of buildings on the block. However, tall, modern structures, mixed in with older buildings, such as the California Theater and Sainte Claire Hotel (now the Westin Hotel), are present immediately to the north, on S. Market and S. First Streets, and south of W. San Carlos Street.

As mentioned in Section 3.2.1.4, the proposed project is located along a designated Gateway in the Envision San José 2040 General Plan (S. First Street, north of Interstate 280). The project would be required to incorporate high-quality architecture and materials in the building design to conform to the Attractive Gateway policies of the General Plan. The project would also include streetscape

features consistent with the Downtown Streetscape Master Plan, two relevant plans that address community design. Consistent with the policies of the Envision San José 2040 General Plan, commercial, building lobby, leasing and bike uses are proposed on the street frontages to activate the pedestrian environment along the streets. Utilities and parking areas are located within the interior of the building, shielding them from the street frontage and the street environment. The frontage of the property on William Street would also include a seating area to further activate the corner of the property.

The project includes floor to ceiling windows in the new ground floor portions of the building near William Street and also incorporates the existing brick building facades on both S. First and S. Market Streets. The project will replace and add street trees along all street frontages and provide pedestrian accent paving along the William Street sidewalk. The proposed building near the southern gateway to Downtown San José would also be consistent with General Plan policies to strengthen Downtown's image as a major urban center (refer to Figures 3.2-2 to 3.2-4). Consistent with General Plan Policy CD-6.6, the design of the proposed project would create a distinctive building silhouette.

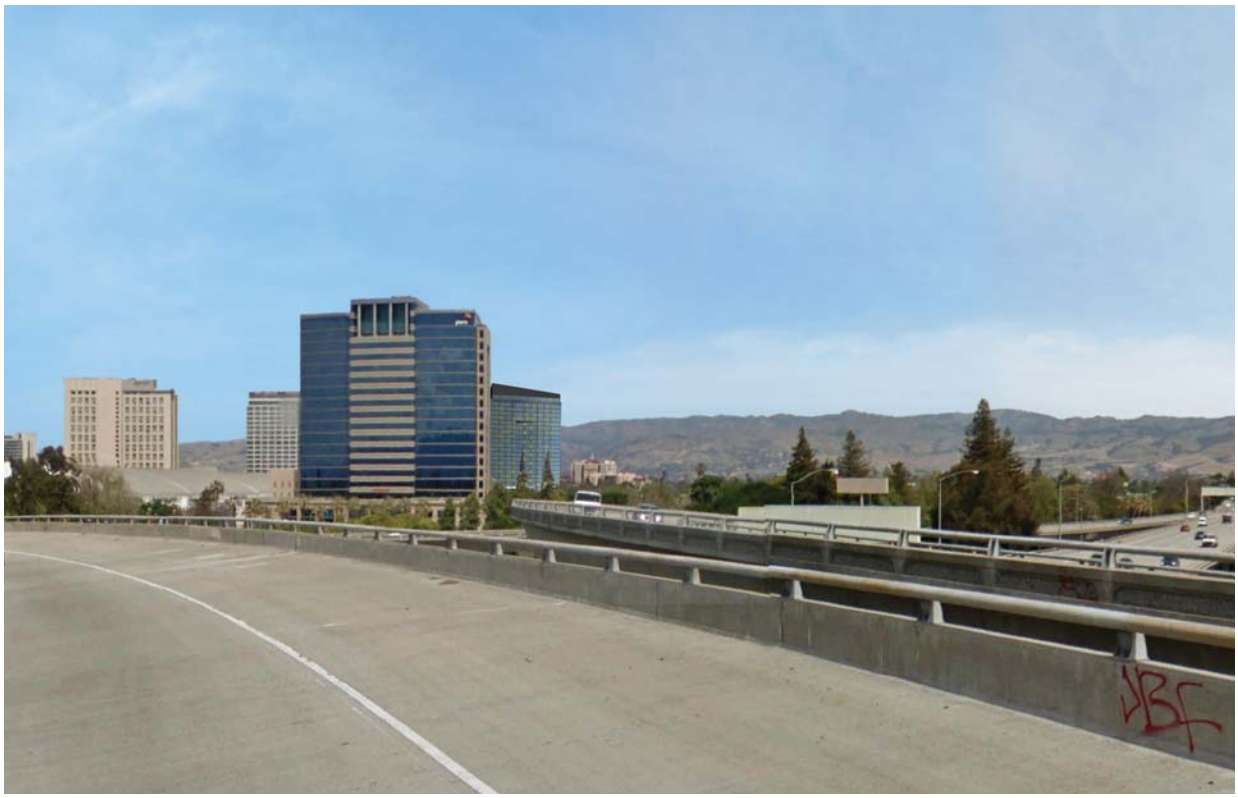
As previously stated, the current development on the site includes two structures on the City's Historic Resources inventory and the site and surrounding area are within a potential, though not currently designated, Historic District. Both the General Plan and Downtown Strategy call for consideration historic structures and Historic Districts in the design of Downtown redevelopment projects. Considerations include incorporation of historic structures in new development and whether renovations are consistent with the SOI's Standards for Rehabilitation of Historic Structures and with the original character, materials and design intent.

Existing - View of Downtown San José looking north from northbound I-280.

Proposed - View of proposed Gateway Tower looking north from northbound I-280.

PHOTOSIMULATION - VIEW 1 FIGURE 3.2-2

Existing - View of Downtown San José looking east from the southbound I-280 connector to northbound SR 87.



Proposed - View of proposed Gateway Tower looking east from the southbound I-280 connector to northbound SR 87.

PHOTOSIMULATION - VIEW 2 FIGURE 3.2-3

Existing - View of the project site looking north from S. First Street with Parque de los Pobladores in the foreground.

Proposed - View of Gateway Tower looking north from the southern gateway to Downtown at S. First Street.

PHOTOSIMULATION - VIEW 3 FIGURE 3.2-4

Existing - View of S. Market Street looking south from the San José Convention Center.

Proposed - View of the Gateway Tower on S. Market Street from the San José Convention Center.

PHOTOSIMULATION - VIEW 4 FIGURE 3.2-5

Existing - View of the S. First Street commercial area looking south from the southeast corner of San Salvador and S. First Street.

Proposed - View of the Gateway Tower looking south from the southeast corner of San Salvador and S. First Street.

PHOTOSIMULATION - VIEW 5 FIGURE 3.2-6

The proposed project would introduce a tall, modern tower on a block of low-rise, mostly early twentieth century structures on the 400 block of S. First Street (refer to Figure 3.2-6). This block is within a potential Historic District called South Downtown Area Automobile District that is characterized by a scale and pattern of one- to two-story streetfront, brick and concrete buildings, with numerous building frontages and visual variation. While the project incorporates some of the character defining features of the facades of the existing Herrold College Building City Landmark and Red Front Surplus Building Structure of Merit to maintain the line of brick and masonry storefronts and a pedestrian oriented commercial area, the scale of the tower would change the spatial relationships of the buildings with the rest of the block in terms of scale, proportion and massing.

The 0.5 acre site is located on a tapering City block, approximately 1.6 acres in area. Consistent with the guidelines for the SoFA in the Downtown Strategy, the building would have a relatively small footprint for a high-rise, which minimizes the mass of the building within the block. Consistent with the General Strategies in the Downtown Strategy 2000, the architectural design of the new building would not mimic the historic fabric of the historic resource.

The scale of the building and the introduction of modern architectural features, such as the louvered panels of the garage, over the width of three lots would contrast with the historic character and architectural fabric that remains on the 400 block of S. First Street and S. Market Street. Thus, this would not be consistent with SOI Standards regarding consideration of the scale, proportion and massing for new development that incorporates historic resources (SOI Standards 3, 6, and 9; refer to *Section 3.1.2.1 Cultural Resources)*. This change in visual character would be locally apparent to drivers and pedestrians.

Impact AES-1: The project proposes to retain the brick facades of two buildings on the City of San José's Historic Inventory and construct a high-rise building above and to the south of the facades. Introduction of a high-rise building on a block of mostly one story, early twentieth century brick commercial buildings would result in a local change in historic character in terms of scale, proportion and massing. **(Significant Impact)**

Mitigation Measures:

Mitigation for visual character impacts due to the proposed modifications of the existing historic buildings on the project site are discussed in Section 3.1.2.3 under mitigation measures for Impact CUL-2.

The project includes several measures to minimize the effects of the project on the historic character of the area at the street levels (e.g., treatments at the façade interfaces, MM CUL-2.3, and MM CUL-2.4/3.2/4.1). The construction of a high-rise tower at this location will substantial change the historic character of the area in terms of scale, proportion, and massing. This effect cannot be avoided without a substantially different project design. **(Significant Unavoidable Impact)**

Reduced scale alternatives that describe possible design alternatives for the site and location alternatives are described in *Section 7.0 Alternatives* of this SEIR.

3.2.2.4 *Light and Glare Impacts*

Nighttime Lighting

As discussed above, development on the project site would be visible from the immediate area and nearby freeways, I-280 and SR 87. Sources of nighttime light would include external lights, new street lights, security lights, internal building lights, and illumination to highlight the roofline and other architectural features of the building, including the retained historic facades.

The urban design illumination features would be shielded, especially at the roofline and along the illuminated slot within the William Street facade, so that none of the light will be directed skyward. Lighting would not flash or include animated or sequential illumination that could be distracting to pilots of aircraft or drivers on nearby roadways. The proposed project would comply with City's codes and policies in regards to lighting specifications.

Lighting will be designed and managed consistent with Building Code regulations and adopted City policies to control the amount and color of light shining on streets and sidewalks and to protect the night sky. The final lighting plans, including light brightness, intensity and shielding, will be reviewed subsequent to approval of the site development permit and will be approved through a permit amendment or adjustment. This review will include consultation with the FAA, San José International Airport, and Lick Observatory on light intensity and color, consistent with the Downtown Design Guidelines. Therefore, as a result of the review, the proposed project would not significantly impact adjacent land uses, aircraft overflights, or nighttime dark skies for Lick Observatory with increased nighttime light levels. **(Less than Significant Impact)**

Daytime Glare

Reflective light (glare) is caused by sunlight or artificial light reflecting from finished surfaces such as window glass, metal, or other reflective materials. Buildings constructed of highly reflective materials, which the sun reflects at a low angle, commonly cause adverse glare.

Non-reflective glass and building materials would be used, consistent with Building Code standards. It is not anticipated that glare from the glass on the exterior of the proposed buildings will adversely affect nearby uses or automobiles traveling on surrounding roadways. **(Less Than Significant Impact)**

3.2.2.5 *Consistency with Plans and Policies*

Additional tall structures would not be out of character or inconsistent with most of the policies or strategies for community design in the City's General Plan and Downtown Strategy (refer to *Section 3.2.1.3 Applicable Plans, Policies, and Regulations* for a list of applicable policies).

As discussed above, the scale, proportion and massing of the proposed building would adversely affect views and the historic character of two of the buildings on the site and buildings in the immediate area within a potential Historic District. This would be inconsistent with several Community Design and Land Use policies in the General Plan (CD-1.26, CD-6.7, LU-13.6, and LU-13.8 as listed in Section 3.2.1.3).

The project site is located within SoFA and the City's Downtown Design Guidelines for this district call for a sympathetic treatment of the massing, overall design, facades and streetscape design when a project is proposed adjacent to or across the street from a designated landmark site or Historic District. The project would not be wholly consistent with this portion of the City's Downtown Design Guidelines.

3.2.2.6 *Cumulative Impacts*

Change in Visual Character and Historic Character

The proposed project would substantially change the visual character of the site. The proposed project introduces a high-rise building on a block of mostly one story, early twentieth century brick commercial buildings that would result in a local change in historic character in terms of scale, proportion and massing. None of the other cumulative projects listed in Table 3.0-1 include introduction of a high-rise building that towers over the streetscape, locally modifying the historic character of the 400 block of South First Street and South Market Street. Therefore, while the project would have a project impact, it would not contribute to a cumulative aesthetic impact to the immediate area.

Cumulative projects within the Downtown area, including the proposed project, could incrementally increase the amount of lighting in the City; however, the cumulative projects would be required to comply with the City's Design Policies regarding lighting and building regulations related to reflective surfaces. For these reasons, the cumulative projects would not result in significant light or glare impacts.

Although the project would individually result in a significant aesthetic impact, the 2011 Envision San José 2040 General Plan Final EIR concluded that build-out of the General Plan in accordance with City policies and design guidelines would result in a less than significant cumulative impact to aesthetics. The proposed project, therefore, would not contribute towards a significant cumulative impact regarding the degradation of the visual character of the area. **(Less Than Significant Cumulative Impact)**

3.2.3 Conclusion

Impact AES-1: While there are several mitigation measures that would reduce impacts to the historic fabric of the two building facades to be retained, these measures will not reduce the visual and aesthetic impact of the changes of scale, proportion and massing of the project on the local historic character of the project site and surrounding area in SoFA. **(Significant Unavoidable Impact)**

3.3 ENERGY

This section was prepared pursuant to CEQA Guidelines Section 15126.4 (a)(1)(C) and Appendix F which requires that EIRs include a discussion of the potential energy impacts of proposed projects with particular emphasis on avoiding or reducing inefficient, wasteful, and unnecessary consumption of energy. The information in this section is based largely on data and reports produced by the California Energy Commission (CEC), Bay Area Air Quality Management District (BAAQMD), and the United States Department of Energy Information Administration (EIA). The analysis of project impacts is also based in part on an Air Quality and Greenhouse Gas Emissions Assessment completed by *Illingworth & Rodkin, Inc.* in December 2015. The report (Appendix A-1) can be found appended to the Initial Study (Appendix A) of this EIR.

3.3.1 Environmental Setting

Energy consumption is analyzed in an EIR because of the environmental impacts associated with its production and usage. Such impacts include the depletion of nonrenewable resources (e.g., oil, natural gas, coal, etc.) and emissions of pollutants during both the production and consumption phases of energy use.

Energy usage is typically quantified using the British thermal unit (Btu).[9] As points of reference, the approximate amount of energy contained in a gallon of gasoline, a cubic foot of natural gas, and a kilowatt hour (kWh) of electricity are 123,000 Btus, 1,000 Btus, and 3,400 Btus, respectively. Utility providers measure natural gas usage in therms. One therm is approximately equal to 100,000 Btus.

Electrical energy is expressed in units of kilowatts (kW) and kilowatt-hours (kWh). One kilowatt, a measurement of power (energy used over time), equals one thousand joules[10] per second. A kilowatt-hour is a measurement of energy. If run for one hour, a 1,000 watt (one kW) hair dryer would use one kilowatt-hour of electrical energy. Other measurements of electrical energy include the megawatt (1,000 kW) and the gigawatt (1,000,000 kW).

Total energy usage in California was approximately 7,642 trillion Btus in the year 2013 (the most recent year for which this specific data was available).[11] The breakdown by sector was approximately 19 percent for residential uses, 19 percent for commercial uses, 24 percent for industrial uses, and 38 percent for transportation.[12]

Existing energy use associated with operation of the structures and uses at the project site primarily consists of fuel for vehicle trips to and from the site, electricity for lighting and cooling, and natural gas for operations within the existing buildings. Given the nature of land uses proposed as part of the project, the remainder of this discussion will focus on the three most relevant sources of energy: electricity, natural gas, and gasoline for vehicle trips.

[9] A Btu is the amount of energy that is required to raise the temperature of one pound of water by one degree Fahrenheit.
[10] As defined by the International Bureau of Weights and Measures, the joule is a unit of energy or work. One joule equals the work done when one unit of force (a Newton) moves through a distance of one meter in the direction of the force.
[11] EIA. California Energy Consumption Estimates 2013. Accessed May 9, 2016. http://www.eia.gov/state/?sid=CA#tabs-2.
[12] EIA. California Energy Consumption by End-Use Sector, 2013. Accessed May 9, 2016. http://www.eia.gov/beta/state/seds/data.cfm?incfile=/state/seds/sep_sum/html/sum_btu_1.html&sid=CA.

3.3.1.1 *Electricity*

Electricity supply in California involves a complex grid of power plants and transmission lines. In 2014, California produced approximately 75 percent of the electricity it consumed; it imported the remaining 25 percent from 11 western states, Canada, and Mexico. Decreases in hydroelectric generation resulting from lower precipitation in California and the northwest was made up for by an increase in renewable energy generation, specifically utility-scale solar photovoltaic, solar thermal, and wind generation.

In 2014, 45 percent the state's electricity was generated by natural gas, nine percent by nuclear, five percent by large hydroelectric, and six percent by coal. Renewable sources such as photovoltaic systems, biomass power plants, and wind turbines, accounted for 20 percent of California's electricity. Fifteen percent of California's power comes from unspecified sources.[13]

In 2014, total system power for California was 293,268 gigawatt-hours (GWh), about one percent lower than 2013. California's in-state electricity production remained virtually unchanged from 2013 levels at 198,908 GWh, a difference of less than one percent compared to the year before. Growth in annual electricity consumption was flat or declining in 2014 reflecting continued slow economic growth in California, particularly in Southern California. It is estimated that future demand in California for energy will grow at approximately one percent each year through 2025, and that 320,862 GWh of electricity would be utilized in the state in 2025.[14]

Pacific Gas and Electric Company (PG&E) is San José's energy utility, providing both natural gas and electricity for residential, commercial, industrial, and municipal uses. PG&E generates or buys electricity from hydroelectric, nuclear, renewable, natural gas, and coal facilities. In 2015, natural gas facilities provided 25 percent of PG&E's electricity delivered to retail customers; nuclear plants provided 23 percent; hydroelectric operations provided six percent; renewable energy facilities including solar, geothermal, and biomass provided 30 percent; and 17 percent was unspecified.[15]

Electricity usage for differing land uses varies substantially by the type of uses in a building, the type of construction materials used, and the efficiency of the electricity-consuming devices used. Electricity in Santa Clara County in 2014 was consumed primarily by the commercial sector (77 percent), the residential sector consuming 23 percent. In 2014, approximately 16,671 GWh of electricity were consumed in Santa Clara County.[16]

3.3.1.2 *Natural Gas*

In 2013, approximately 10 percent of California's natural gas supply came from in-state production, while 90 percent was imported from other western states and Canada.[17] In 2015, approximately 36 percent of the natural gas delivered for consumption in California was for electricity generation, 35

[13] CEC, Energy Almanac, Total Electricity System Power. Accessed May 9, 2016. Available at: http://energyalmanac.ca.gov/electricity/total_system_power.html.
[14] CEC. California Energy Demand Updated Forecast 2015-2015. Accessed May 9, 2016. http://www.energy.ca.gov/2014publications/CEC-200-2014-009/CEC-200-2014-009-SD.pdf.
[16] CEC, Energy Consumption Data Management System. Electricity Consumption by County. Accessed May 9, 2016. http://ecdms.energy.ca.gov/elecbycounty.aspx.
[17] CEC. Natural Gas Supply by Region. 2011. Accessed May 9, 2016. http://www.energyalmanac.ca.gov/naturalgas/natural_gas_supply.html.

percent for industrial uses, 18 percent for residential uses, 10 percent for commercial uses, and less than one percent for transportation. As with electricity usage, natural gas usage depends on the type of uses in a building, the type of construction materials used, and the efficiency of natural gas-consuming devices. In 2015, the State of California consumed approximately 2.3 trillion cubic feet of natural gas, or 2.36 quads (10^{15} Btu)[18,19]

Overall demand for direct-service natural gas in the commercial residential sectors California is expected to flatten or decrease as a result of overall energy efficiency. Demand for natural gas at power plants for electricity generation is also expected to decrease by one percent by 2025 (as compared to 2013 demand rates). This decrease is a result of increases in renewable power generation.[20]

3.3.1.3 *Gasoline for Motor Vehicles*

California accounts for more than one-tenth of the United States' crude oil production and petroleum refining capacity.[21] In 2015, over 18 billion gallons of gasoline, diesel, and jet fuel were consumed in California.[22] The United States has seen low prices and high demand in the last few years due to low oil prices and a recovering economy, and this trend is expected to continue in the near term.[23]

The average fuel economy for light-duty vehicles (autos, pickups, vans, and SUVs) in the United States has steadily increased from about 13.1 miles-per-gallon (mpg) in the mid-1970s to 23.2 mpg in 2014.[24] Federal fuel economy standards have changed substantially since the Energy Independence and Security Act was passed in 2007. That 2007 standard, which originally mandated a national fuel economy standard of 35 miles per gallon by the year 2020, was subsequently revised to apply to cars and light trucks of Model Years 2011 through 2020.[25,26] In 2012, the federal government raised the fuel economy standard to 54.5 miles per gallon for cars and light-duty trucks by Model Year 2025.[27]

[18] EIA. Natural Gas Summary. Accessed May 9, 2016. http://www.eia.gov/dnav/ng/ng_sum_lsum_dcu_SCA_a.htm.
[19] EIA. Natural Gas Conversion Calculator. Accessed May 9, 2016. https://www.eia.gov/kids/energy.cfm?page=about_energy_conversion_calculator-basics#natgascalc.
[20] [20] CEC. *2013 Natural Gas Issues Trends, and Outlook*. Accessed May 9, 2016. http://www.energy.ca.gov/2014publications/CEC-200-2014-001/CEC-200-2014-001-SF.pdf.
[21] EIA. California State Energy Profile. Accessed May 9, 2016. http://www.eia.gov/beta/state/analysis.cfm?sid=CA.
[22] California State Board of Equalization. Taxable Gasoline, Diesel Fuel, Jet Fuel Ten Year Reports. Accessed May 9, 2016. http://www.boe.ca.gov/sptaxprog/spftrpts.htm.
[23] EIA. Short-Term Energy and Fuels Outlook. Accessed May 9, 2016. http://www.eia.gov/forecasts/steo/report/us_oil.cfm.
24 U.S. EPA. Table 4-23: Average Fuel Efficiency of U.S. Light Duty Vehicles. Accessed May 9, 2016. http://www.rita.dot.gov/bts/sites/rita.dot.gov.bts/files/publications/national_transportation_statistics/html/table_04_23.html.
[25] U.S. Department of Energy. Energy Independence & Security Act of 2007. Accessed May 9, 2016. http://www.afdc.energy.gov/laws/eisa
[26] Public Law 110–140—December 19, 2007. Energy Independence & Security Act of 2007. Page 1449. Accessed May 9, 2016. http://www.gpo.gov/fdsys/pkg/PLAW-110publ140/pdf/PLAW-110publ140.pdf
[27] National Highway Traffic Safety Administration. Obama Administration Finalizes Historic 54.5 mpg Fuel Efficiency Standards. Accessed May 9, 2016. http://www.nhtsa.gov/About+NHTSA/Press+Releases/2012/Obama+Administration+Finalizes+Historic+54.5+mpg+Fuel+Efficiency+Standards.

3.3.1.4 *Regulatory Framework*

Many federal, state, and local statutes and policies address energy conservation. At the federal level, energy standards set by the U.S. Environmental Protection Agency (EPA) apply to numerous consumer and commercial products (e.g., the EnergyStar™ program). The EPA also sets fuel efficiency standards for automobiles and other modes of transportation.

State of California

Renewable Energy Standards

In 2002, California established its Renewables Portfolio Standard (RPS) Program, with the goal of increasing the percentage of renewable energy in the state's electricity mix to 20 percent of retail sales by 2010. In 2006, California's 20 percent by 2010 RPS goal was codified under Senate Bill (SB) 107. Under the provisions of SB 107 (signed into law in 2006), investor-owned utilities were required to generate 20 percent of their retail electricity using qualified renewable energy technologies by the end of 2010. In 2008, Executive Order S-14-08 was signed into law and requires that retail sellers of electricity serve 33 percent of their load with renewable energy by 2020. As described previously, PG&E's (the electricity provider to the project site) 2015 electricity mix was 30 percent renewable.

In October 2015, Governor Brown signed SB 350 to codify California's climate and clean energy goals. A key provision of SB 350 for retail sellers and publicly owned utilities, requires them to procure 50 percent of the state's electricity from renewable sources by 2030.

Building Codes

At the state level, the Energy Efficiency Standards for Residential and Nonresidential Buildings, as specified in Title 24, Part 6, of the California Code of Regulations (Title 24), was established in 1978 in response to a legislative mandate to reduce California's energy consumption. Title 24 is updated approximately every three years; the 2013 standards became effective July 1, 2014. The 2016 Title 24 updates will be published on or before July 1, 2016 and will go into effect on January 1, 2017.[28] Compliance with Title 24 is mandatory at the time new building permits are issued by city and county governments.[29]

In January 2010, the State of California adopted the California Green Building Standards Code (CalGreen) that establishes mandatory green building standards for all buildings in California. The code was subsequently updated in 2013. The code covers five categories: planning and design, energy efficiency, water efficiency and conservation, material conservation and resource efficiency, and indoor environmental quality.

[28] California Building Standards Commission. 2015 Triennial Code Adoption Cycle. Accessed May 9, 2016. http://www.bsc.ca.gov/.

[29] CEC. Building Energy Efficiency Program. 2013. Accessed May 9, 2016. http://www.energy.ca.gov/title24/.

At the local level, the City of San José sets green building standards for municipal development. All projects are required to submit a Leadership in Energy and Environmental Design (LEED)[30], GreenPoint[31], or Build-It-Green checklist as part of their development permit applications. Private developments are required to implement green building practices if they meet the Applicable Projects criteria defined by Council Policy 6-32 and shown in the following Table 3.3-1.

Table 3.3-1
Private Sector Green Building Policy Applicable Projects

Applicable Project	Minimum Green Building Rating
Commercial/Industrial – Tier 1 (Less than 25,000 square feet)	LEED Applicable New Construction Checklist
Commercial/Industrial – Tier 2 (25,000 square feet or greater)	LEED Silver
Residential – Tier 1 (Less than 10 units)	GreenPoint or LEED Checklist
Residential – Tier 2 (10 units or greater)	GreenPoint Rated 50 points or LEED Certified
High Rise Residential (75 feet or higher)	LEED Certified

Source: City of San José. Private Sector Green Building Policy: Policy Number 6-32. October 7, 2008. Accessed May 9, 2016. http://www3.sanjoseca.gov/clerk/cp_manual/CPM_6_32.pdf.

3.3.1.5 *Energy Use of Existing Development*

The electricity and natural gas used by the existing development at the project site is estimated in Table 3.3-2 based on energy demand factors used in the California Emissions Estimator Model (CalEEMod).

[30] Created by the U.S. Green Building Council, LEED is a certification system that assigns points for green building measures based on a 110-point rating scale.
[31] Created by Build It Green, GreenPoint is a certification system that assigns points for green building measures based on a 381-point scale for multi-family developments and 341-point scale for single-family developments.

Table 3.3-2
Estimated Annual Energy Use of Existing Development

Development	Energy Demand Factors	Electricity Use (kWh)	Natural Gas Use (kBtu)
5,400 square foot office	11.87 kWh/square foot; 19.90 kBtu/square foot	64,098	107,460
4,750 square foot martial arts facility	1.93 kWh/square foot; 22.58 kBtu/square foot	9,168	107,255
2,550 square foot dry cleaner	1.81 kWh/square foot; 20.74 kBtu/square foot	4,615	52,887
	Total:	**77,881**	**267,602**

Source: California Air Pollution Control Officers Association (CAPCOA). *CalEEMod User's Guide, Version 2013.2*. July 2013. Appendix D, Table 8.1. Climate Zone 4. Martial Arts = Fitness Center, Dry Cleaner = General Light Industry.

As shown in the previous table, each year the existing development on consumes approximately 77,881 kWh of electricity and 267,601 kBtu of natural gas.

3.3.1.6 *Vehicle-Related Energy Use of Existing Development*

Based upon the traffic report for the project contained within the Supplemental Traffic Analysis dated May 5, 2016 for the project (Appendix A), the uses at the project site generate a total of approximately 335 vehicle trips daily. The total annual vehicle miles traveled (VMT) is approximately 87,100 miles, assuming that the average trip length in Santa Clara County is 11 miles. [32,33] Given that the vehicles going to and from the site have a wide range of fuel efficiencies, any estimate of gasoline use from vehicle trips will have a substantial margin of error. Fuel economy estimates from the U.S. EPA can, however, be used to approximate existing gasoline use and to provide a comparison with the proposed project. Based on the 2014 estimated average fuel economy of 23.2 miles per gallon (mpg), the existing development results in the consumption of approximately 41,297 gallons of gasoline per year.

3.3.2 Energy Impacts

3.3.2.1 *Thresholds of Significance*

Based on Appendix F of the CEQA Guidelines, and for the purposes of this EIR, a project will result in a significant energy impact if the project will:

- Use fuel or energy in a wasteful manner; or
- Result in a substantial increase in demand upon energy resources in relation to projected supplies; or
- Result in longer overall distances between jobs and housing.

[32] 335 daily trips (260 weekdays) =87,100 yearly trips (11 miles) =958,100 annual VMT/23.2 mpg=41,297.
[33] Association of Bay Area Governments. *Plan Bay Area*. Table 2.1-5. Accessed May 9, 2016. http://planbayarea.org/pdf/Draft_EIR_Chapters/2.1_Transportation.pdf 10,529.

3.3.2.2 *Energy Use and Efficiency*

Construction

The anticipated construction schedule assumes that the project would be built out over a period of approximately 22 months. The project would require demolition, grading, and site preparation for construction of the proposed mixed-use, high-rise building. The proposed project would require up to 26,900 cubic yards of soil export.

The overall construction schedule and process is already designed to be efficient in order to avoid excess monetary costs. That is, equipment and fuel are not typically used wastefully on the site because of the added expense associated with renting the equipment, maintaining it, and fueling it. Therefore, the opportunities for efficiency gains during construction are limited. However, the proposed project includes several measures that will improve the efficiency of the construction process. Implementation of the BAAQMD Best Management Practices (BMPs) associated with the standard permit conditions in Section 4.3.2.3 in Appendix A would restrict equipment idling times to five minutes or less and would require the applicant to post signs on the project site reminding workers to shut off idle equipment. The project will also recycle or salvage at least 30 percent of construction waste as part of its LEED certification (discussed further below).

There will be unavoidable adverse effects caused by construction because the use of fuels and building materials are fundamental to construction of new buildings; however, with implementation of standard permit conditions during all phases of construction (as described in section 4.3.2.3 in Appendix A), the energy impacts of construction and unavoidable effects of development would be less than significant. **(Less than Significant Impact)**

Operation

The proposed project would be required to build to the state's CalGreen code, which includes design and operational provisions to minimize wasteful energy consumption. Though the proposed project does not include on-site renewable energy resources, the proposed building would also be required to be LEED-certified, consistent with San José Council Policy 6-32. Based on the measures required for LEED certification, not only would the proposed project comply with existing Title 24 state energy standards, it would exceed them.

The proposed project is required to provide at least 75 bicycle parking spaces, per the City of San José Municipal Code, and would also implement a transportation demand management (TDM) program; which would incentivize the use of alternative methods of transportation to and from the site. **(Less Than Significant Impact)**

3.3.2.3 *Energy Demand of Proposed Project*

Energy and Natural Gas

The project proposes construction of a 25-story, with up to 308 units in a residential apartment building and approximately 8,000 square feet of ground floor commercial space. Three levels of subgrade parking and parking in the northern half of the building on the first through fifth floors is also proposed. Energy would be consumed during both the construction and operational phases of the proposed project. The construction phase would require energy for the manufacture and transportation of building materials, preparation of the site (e.g., demolition and grading), and the actual construction of the building. Petroleum-based fuels such as diesel fuel and gasoline would be the primary sources of energy for these tasks. The operation and occupation of the proposed buildings would consume energy (in the form of electricity and natural gas) primarily for building heating and cooling, lighting, cooking, and water heating. Table 3.3-3 summarizes the estimated energy use of the project.

Table 3.3-3
Estimated Annual Energy Use of Proposed Project

Proposed Project	Electricity (kWh)	Natural Gas (kBtu)
308 Residential Units	10,011,640	20,111,500
Enclosed Parking Garage	488,448	0
8,000 Square Feet of Retail Space	71,920	13,920
Total:	**10,572,008**	**20,125,420**

Source: Illingworth & Rodkin. *470 S. Market Air Quality and Greenhouse Gas Emissions Assessment*. December 21, 2015. The assessment included 5,135 square feet of retail; however, 8,000 square feet of retail uses are proposed. Thus, the annual natural gas use was extrapolated to be 8,900btus/5,135=1.74 btus/square foot(8000 square feet)=13,920 and the annual energy use was extrapolated to be 46,164 kWh/5,135 square feet=8.99kWh/square foot(8000 square feet)= 1,920 kWh.

Vehicle-Related Energy Use

The proposed project would generate a 1,906 daily trips and a total annual VMT of approximately 7,652,590 miles.[34,35] Based on the U.S. EPA's 2014 estimated average fuel economy of 23.2 mpg, operation of the proposed project would result in increased consumption of 288,556 gallons of gasoline each year.

3.3.2.4 *Operational Impacts*

Table 3.3-4 compares the energy use that would result from the proposed project with the energy use of the existing development.

[34] 1,906 trips(365 days)=695,690 annual trips(11 miles)=7,652,590 annual VMT/23.2 mpg=329,853 gallons

[35] Hexagon Transportation Consultants. *Supplemental Traffic Analysis for the 470 S. Market Street Residential Project in San Jose, CA.* May 5, 2016.

Table 3.3-4 Annual Energy Demand Summary (Existing and Proposed)			
Development Scenario	**Electricity (kWh)**	**Natural Gas (kBtu)**	**Gasoline (gallons)**
Existing Development	77,881	267,602	41,297
Proposed Project	10,572,008	20,125,420	329,853
Increase:	**10,494,127**	**19,857,818**	**288,556**

Sources: 470 S. Market Air Quality and Greenhouse Gas Emissions Assessment. December 21, 2015. CAPCOA. Cal *CalEEMod User's Guide, Version 2013.2*. July 2013. Appendix D, Table 8.1

The project would increase electricity use at the project site by approximately 10,494,127 kWh per year, natural gas usage by 19,857,818 kBtu per year, and gasoline consumption by 288,556 gallons over existing conditions. The energy use increase is likely overstated, however, because the estimates for energy use do not take into account the efficiency measures and the required TDM program, which would incorporated into the project (discussed below). In addition, the project will be built to the CalGreen standards and would be LEED Certified, thus meeting Title 24 energy efficiency standards.

Electricity

As described previously, the annual 293,268 GWh electricity use in California was projected to increase by approximately one percent each year through 2025. The proposed project would increase annual electricity use by approximately 10,494,127 kWh, or 10.5 GWh; therefore, the project would not result in a substantial increase in demand on electrical energy resources in relation to projected supply.

Natural Gas

California uses approximately 2.36 quads (10^{15} Btu) of natural gas each year. It is assumed that energy efficiency technology and the RPS targets are likely to reduce demand for natural gas in the state in the future. Additionally, system and drilling efficiencies will continue to enhance production and decrease the overall need for natural gas.[36] Based on the relatively small increase in natural gas demand from the project (19,857,818 kBtu per year) compared to the growth trends in natural gas supply and the existing available supply in California, the proposed project would not result in a substantial increase in natural gas demand relative to projected supplies.

Gasoline

As detailed previously, the proposed project would increase annual gasoline demand by approximately 288,556 gallons over the existing condition. Though this increase is sizable when compared to the gasoline use associated with the existing development, it would not be a substantial increase in the context of gasoline supply and demand in the City of San José and in the State of California. New automobiles purchased by future occupants of the proposed project would be

[36] CEC. *2013 Natural Gas Issues Trends, and Outlook.* Accessed May 9, 2016. http://www.energy.ca.gov/2014publications/CEC-200-2014-001/CEC-200-2014-001-SF.pdf.

subject to fuel economy and efficiency standards applied throughout the State of California, which means that over time the fuel efficiency of vehicles associated with the project site would improve.

The project site is located within close walking distance to VTA bus routes (including the 304, 82, 66, and 232 lines), as well as Convention Center and Paseo de San Antonio Light-Rail stops. Several designated bicycle routes are also located in the project vicinity, along East San Fernando Street and North 7th Street. These existing transit facilities and services can accommodate an increase in ridership demand resulting from the proposed project, which means that many of the residents and employees of the project site could commute to and from work without increasing transportation-related energy use. Additionally, the project would implement a TDM program to further reduce the gasoline and energy use associated with the project. **(Less Than Significant Impact)**

3.3.2.5 *Distance Between Jobs and Housing*

The project is a mixed-use development that would create housing and jobs in a city that currently has a higher number of employed residents than jobs (approximately 0.8 jobs per employed resident). The implications of this imbalance are that many residents leave San José five times per week to commute to and from work, typically by personal vehicle. In adding 308 units of additional housing to the City of San José, and only 17 jobs (assuming one worker per 300 square feet of retail space provided) the proposed project would incrementally increase the imbalance between jobs and employed residents.

However, the proposed project is an infill development and would create jobs and place housing in an area where services, retail, and transit are in the immediate vicinity. High-density development by its very nature makes for an efficient use of land and resources by concentrating development in urban areas near existing roads, transit, and infrastructure. High-density infill development also results in fewer environmental impacts and shorter commute distances to jobs than traditional urban-sprawl development, which occurs at the urban edge. Because the project is an infill development near transit, jobs, and services, the project would not substantially increase the distance between jobs and housing nor substantially exacerbate the jobs/housing imbalance.

In addition, the project would include bicycle parking and would be required as a Condition of Approval to implement a TDM program to reduce daily vehicle trips. Ongoing increases in the fuel economy standards for new vehicles would result in efficiency gains for vehicles overtime. While the project would increase the VMT associated with the project site compared to the existing condition, the project would not result in significant energy impacts as a result of an increase in the distance between jobs and housing. **(Less Than Significant Impact)**

3.3.3 Conclusion

The project proposes a mixed-use development and would place new housing and jobs on a site near bus transit and employment areas of San José. The project would not result in significant energy impacts associated with the distance between jobs and housing and, due to the inclusion of the proposed green building design features and TDM program, the project would not result in the wasteful use of fuel or energy. Additionally, the project would not result in a substantial increase in demand upon energy resources in relation to projected supplies. **(Less Than Significant Impact)**

SECTION 4.0 GROWTH-INDUCING IMPACTS

As stated in the CEQA Guidelines, Section 15126.2(d), a project is considered growth-inducing if it would:

- Directly or indirectly foster economic or population growth, or the construction of additional housing in the surrounding environment.
- Remove obstacles to population growth or tax community service facilities to the extent that the construction of new facilities would be necessary.
- Encourage or facilitate other activities that would cause significant environmental effects.

Examples of projects likely to have significant growth-inducing impacts include extensions or expansions of infrastructure systems beyond what is needed to serve project-specific demand, and development of new residential subdivisions or industrial parks in areas that are currently only sparsely developed or are undeveloped.

The project site is located within the incorporated limits of the City of San José and redevelopment of the project site would not result in an expansion of urban services or the pressure to expand beyond the City's existing Sphere of Influence.

The project would not open additional undeveloped land to further growth, or provide expanded utility capacity that would be available to serve future unplanned development. Instead, it would facilitate the intensification of residential uses near transit in the Downtown, in a manner generally consistent with the 2040 General Plan and the Downtown Strategy 2000. The population growth associated with redevelopment of the project site is accounted for in the City's General Plan and the Downtown Strategy 2000. For these reasons, the project would not result in a significant growth-inducing impact.

Impact GRO-1: The project would not result in significant growth-inducing impacts. **(Less Than Significant Growth-Inducing Impact)**

SECTION 5.0 SIGNIFICANT AND IRREVERSIBLE ENVIRONMENTAL CHANGES

This section was prepared pursuant to CEQA Guidelines Section 15126.2(c), which requires a discussion of the significant irreversible changes that would result from the implementation of a proposed project. Significant irreversible changes include the use of nonrenewable resources, the commitment of future generations to similar use, irreversible damage resulting from environmental accidents associated with the project, and irretrievable commitments of resources.

5.1 USE OF NONRENEWABLE RESOURCES AND IRRETRIEVABLE COMMITMENT OF RESOURCES

The demolition and partial demolition of the existing commercial buildings on the proposed project site and construction of a mixed-use tower with garage would require the use and consumption of nonrenewable resources. Nonrenewable resources include fossil fuels and metals, and cannot be regenerated over short span of time.

Energy will be consumed during both the construction and operational phases of the project. The demolition and construction phase will require energy for the manufacture and transportation of building materials, preparation of the site (e.g., demolition of the existing buildings and grading), and the actual construction of the buildings. The operation of the proposed uses would consume energy (in the form of electricity and natural gas) for building heating and cooling, lighting, water heating, and the operation of appliances, electronic equipment, and commercial machinery. Operational energy will also be consumed during each vehicle trip associated with these proposed uses.

5.2 COMMITMENT OF FUTURE GENERATIONS TO SIMILAR USE

The project proposes residential and retail uses on an urban site. The redevelopment under the proposed project would commit a substantial amount of resources to prepare the site, construct the building, and operate.

5.3 IRREVERSIBLE DAMAGE RESULTING FROM ENVIRONMENTAL ACCIDENTS ASSOCIATED WITH THE PROJECT

The project does not propose any new or uniquely hazardous uses, and its operation would not be expected to cause environmental accidents that would impact other areas. As discussed in Appendix A (Section 4.8 Hazards and Hazardous Materials), there are no known significant unmitigable on-site or off-site sources of contamination (such as on-site soil or groundwater contamination) that would substantially affect the proposed uses on the project site.

The project site is located within a seismically active region. Conformance with the standard engineering practices in the California Building Code and implementation of the recommendations in the project-specific geotechnical report to be prepared for the project would not result in significant geological impacts (refer to Appendix A, Section 4.5 Geology and Soils).

The project, with the implementation of the identified mitigation measures to reduce hazards and hazardous material impacts (refer to Section 4.8 Hazards and Hazardous Materials) and standard

measures to reduce geology and soil impacts (refer to Section 4.6 Geology and Soils), would not likely result in irreversible damage that may result from environmental accidents.

SECTION 6.0 SIGNIFICANT AND UNAVOIDABLE IMPACTS

As defined in the CEQA Guidelines, a significant impact on the environment is "a substantial, or potentially substantial, adverse change in any of the physical conditions within the area affected by the project…" Final determination of the significant impacts is made by the decision making body of the Lead Agency having final approval authority over the project.

A significant unavoidable impact is an impact that cannot be mitigated to a less than significant level if the project is implemented, because no feasible mitigation has been identified.

If the project is implemented, the project would have the following impacts that could not be mitigated to a less than significant level:

Cultural Resources

- Impact to the City Landmark Herrold College Building
- Impact to the eligibility of the identified South Downtown Area Automobile District as a potential historic district.
- Cumulative impact to early automobile related historic resources in the City of San José.

Aesthetics

- Impact to the visual local historic character of the project site and surrounding area.

SECTION 7.0 ALTERNATIVES

7.1 INTRODUCTION

The CEQA Guidelines give direction on identifying and evaluating alternatives to a proposed project in an EIR (Section 15126.6). The purpose of analyzing alternatives in an EIR is to identify ways to substantially lessen or avoid the significant effects that a proposed project may have on the environment. The range of alternatives selected for analysis is governed by the "rule of reason," which requires the EIR to discuss only those alternatives necessary to permit a reasoned choice. Although the alternatives do not have to meet every goal and objective set for the proposed project, they should "feasibly attain most of the basic objectives of the project."

The CEQA Guidelines (Section 15126.6) do not require that all possible alternatives be evaluated, only that a range of potentially feasible alternatives be discussed so as to encourage both meaningful public participation and informed decision making. In selecting alternatives to be evaluated, consideration may be given to their potential for reducing significant unavoidable impacts, reducing significant impacts that are mitigated by the project to less than significant levels, and further reducing less than significant impacts.

The three critical factors to consider in selecting and evaluating alternatives are, therefore: (1) the significant impacts from the proposed project which could be reduced or avoided by an alternative, (2) the project's objectives, and (3) the feasibility of the alternatives available. Each of these factors is described below.

7.1.1 Significant Impacts of the Project

As mentioned above, the CEQA Guidelines advise that the alternatives analysis in an EIR should be limited to potentially feasible alternatives that would avoid or substantially lessen any of the significant effects of the project, and would achieve most of the project objectives.

As discussed previously in this SEIR, the project would result in three significant, unavoidable impacts. These include:

- Historic resources impact to a City Landmark (Herrold College Building)
- Historic resource impact to the potential South Downtown Area Automobile Historic District and a contributing structure (Red Front Surplus Building)
- Aesthetics impacts to the historic character of the project site and surrounding area associated with the scale, proportion and massing of the high-rise building on a block of mostly one story, early twentieth century brick commercial buildings.

Alternatives may also be considered if they would further reduce impacts that are already less than significant because of required or proposed mitigation. Impacts that would be significant, but for which the mitigation is available to reduce them to less than significant levels include (see Appendix A):

- Construction Air Quality (Dust and Toxic Air Contaminants)
- Geology and Soils

- Hazardous Materials (Potential Historic Contamination)
- Potential Hazard to Aircraft
- Noise Impacts to Future Residents
- Construction Noise
- Construction Vibration

7.1.2 Objectives of the Project

As previously mentioned in Section 2.3, the project applicant, The Core Companies, has the following objectives for the proposed project:

- To provide a minimum of 300 units of high-density, high-rise housing in the Downtown Core accessible to Downtown jobs, retail, entertainment, and various modes of public transit, thereby implementing the objectives of the Envision San José 2040 General Plan and Downtown Strategy Plan which include locating higher density development on infill sites along transit corridors to foster transit use and the efficiency of urban services and other objectives.

- To support City policy of increasing the housing base in the Downtown Core in order to reduce commutes by placing housing in proximity to jobs and transit.

- To advance the principle of "Smart Growth" by replacing underutilized low-rise commercial structures and a surface parking lot with a new tower structure that will provide needed housing units and ground floor commercial space in the Downtown Core.

- To efficiently provide adequate on-site parking and loading to meet the needs of the project while maintaining traffic flow and safe operations on S. First and S. Market Street.

- To provide for construction of a high-quality residential development that is marketable and produces a reasonable return on investment for the Project Sponsor and its investors and is able to attract investment capital and construction financing.

- Develop a mixed-use project that addresses the urban design policies of the 2040 General Plan, including:

  - Promoting Downtown's full potential through distinctive design with a scale, quality and character that strengthens Downtown's status as a major urban center.

  - Providing iconic architecture to make Downtown visually exciting and attractive to residents and visitors.

  - Providing development that contributes to a dramatic urban skyline.

  - Recognizing Downtown's unique character as the oldest part, the heart of the City, and providing a design that will respect and respond to the existing facades to promote a unique urban environment.

The City of San José, has the following objectives for the proposed project and development within the South of First Area and within the overall Downtown area of San José:

- Create a walkable, pedestrian-friendly environment in the cultural-commercial core of the SoFA.

- Create a mixed-use of activities in the SoFA and the overall downtown to promote and prioritize development that serves the needs of the entire City and valley.

- Maintain the SoFA historic character along with any new proposed development by creating compatibility between the new development and existing features, buildings, and/or structures.

- Make the greater downtown a memorable urban place to live, work, shop and play.

The City also identified the following goals and strategies for the 2040 General Plan which apply to the proposed project:

- Major Strategy #3 - Focused Growth: Strategically focus new growth into areas of San José that will enable the achievement of City goals for economic growth, fiscal sustainability and environmental stewardship and support the development of new, attractive urban neighborhoods. The Plan focuses significant growth, particularly to increase employment capacity, in areas surrounding the City's regional Employment Center, achieve fiscal sustainability, and to maximize the use of transit systems within the region.

- Major Strategy #9 - Destination Downtown: Support continued growth in the Downtown as the City's cultural center and as a unique and important employment and residential neighborhood. Focusing growth within the Downtown will support the Plan's economic, fiscal, environmental, and urban design/ placemaking goals.

- Community Design Goal CD-6 – Downtown Urban Design: Promote and achieve the Downtown's full potential as a regional destination and diverse cultural, recreational, civic, and employment center through distinctive and high-quality design.

- Land Use Goals LU-3 – Downtown: Strengthen Downtown as a regional job, entertainment, and cultural destination and as the symbolic heart of San José.

- Policy LU-13.1 – Preserve the integrity and fabric of candidate or designated Historic Districts.

- Policy LU-13.2 – 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.

- Policy LU-13.3 – 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.

- 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.

- Policy LU-13.15 – Implement City, State, and Federal historic preservation laws, regulations, and codes to ensure the adequate protection of historic resources.

7.1.3 Feasibility of Alternatives

CEQA, the CEQA Guidelines, and the case law on the subject have found that feasibility can be based on a wide range of factors and influences. The CEQA Guidelines [Section 15364] define feasibility as "capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, legal, social, and technological factors." The Guidelines advise that the factors to be taken into account when addressing the feasibility of alternatives can include (but are not necessarily limited to) the suitability of an alternate site, economic viability, availability of infrastructure, consistency with a general plan or with other plans or regulatory limitations, jurisdictional boundaries, and whether the project proponent can "reasonably acquire, control or otherwise have access to the alternative site" [Section 15126.6(f)(1)].

Notably, the inclusion of an alternative in an EIR requires that the alternative be only "potentially feasible." The ultimate determination of "actual feasibility" can only be made by final lead agency decision-makers, who have the discretion under CEQA to reject as "infeasible" alternatives that embody what the decision-makers believe to be unacceptable policy tradeoffs. After weighing "economic, environmental, social, and technological factors," such decision-makers "may conclude that an alternative is impractical or undesirable from a policy standpoint and reject it as infeasible on that ground." Similarly, "an alternative 'may be found infeasible on the grounds it is inconsistent with the project objectives as long as the finding is supported by substantial evidence in the record" (California Native Plant Society v. City of Santa Cruz (2009) 177 Cal.App.4th 957, 1001).

7.1.3.1 *Alternatives Considered But Rejected*

Location Alternatives

CEQA encourages consideration of an alternative site when significant effects of the project might be avoided or substantially lessened. Only locations that would avoid or substantially lessen any of the significant impacts of the project and meet most of the project objectives need be considered for inclusion in the EIR [CEQA Guidelines Section 15126.6(f)(2)].

An alternative location of the proposed residential and retail uses off-site could reduce significant impacts related to cultural resources and aesthetics if located outside the potential South Downtown Area Automobile Historic District in the SoFA District. An alternative site would need to have the capacity to accommodate approximately 300 residential units, ground floor retail, and associated parking. The site should also need to be located away from City landmarks or a historic district with a characteristic low profile.

In order to identify an alternative site that might reasonably be considered to "feasibly accomplish most of the basic purposes" of the project, and would also mitigate some or all of the significant impacts of the project, it is assumed that such a site would need to have the following characteristics:

1. Approximately 0.5 acre in size (or larger) in the Downtown,
2. Not require modification or removal of historic resources,
3. Immediately available (or available in the immediate future).

Sites considered as immediately available (or available in the immediate future) include vacant land, parking lots in the downtown without any potential project on file or pre-application, or developed properties that meet the size criteria and are for sale. Sites in Downtown San José, with an emphasis on vacant and underdeveloped properties, were reviewed in order to identify potentially suitable alternative locations for the project and are listed in Table 7.1-1 and shown in Figure 7.1-1.

LOCATION ALTERNATIVES CONSIDERED FIGURE 7.1-1

Table 7.1-1 Location Alternatives Considered			
No.	**Name and Location**	**Feasibility Constraint(s)**	**Rejected**
1	**Mitchell Block Parking Lot** East side of Market Street, north of Santa Clara Street, and south of Market Street, APN 259-34-10 to 14, -26-31, acres: vary	Multiple parcels owned by VTA. Currently not available for private development.	X
2	**Block 3 – Parking Lot** San Fernando St. between 1st St. and 2nd St. APN 467-22-142, approximately one acre	Anticipated submittal for development review in 2016	X
3	**Block 8 - Market St. & San Carlos St.** West of S. 1st street, north of E. San Carlos, and east of Market St. APN: 25942080, approximately 1.5 acres	No development proposal on file. Near historic hotels and Plaza de Cesar Chavez.	
4	**Valley Title Parking Lot** E. San Carlos to the north, S. 2nd St. to the east, E. San Salvador to the south, and S. 1st St. to the west. APN 467-080, 2.1 acres	Currently being planned for development by others	X
5	**Almaden Avenue and Woz Way** West of Almaden Blvd, north of Woz Way, and south of W. San Carlos St. APN: Multiple, approximately 3.5 acres	Multiple parcels; Potential biological constraints as close proximity to Guadalupe River and trail.	
6	**180 Balbach Street and 507 S. Almaden Avenue** East of S. Almaden Blvd, south of Balbach St. APN: 264-31-006, -109,-110, approximately 0.5 acres	-109 is public land and may be used for public projects in the future.	X
7	**Vacant Lot** Northeast corner William and 2nd Street APN 467-47-034, approximately 0.2 acre	Lot size, adjacent to Victorian era buildings to the north.	X

There is considerable development activity in Downtown San José and other projects have been proposed on the several of the sites listed above by other project proponents. Because these sites may not be available for development or redevelopment by the project applicant, they are not considered feasible locations and are not considered further.

Two of the seven potential sites listed in Table 7.1-1 that do not have current projects on file were identified as potentially feasible within Downtown San José. The 3.5-acre parking lot at Almaden Avenue and Woz Way does not have any current development proposals and the last development proposal on record for this property was filed in 2006. It is made up of multiple parcels and potentially one or more of the parcels could be assembled for a high rise residential/mixed use project. A second site on the north side of San Carlos Street between Market and South First Street

is currently used as a parking lot and may also be available for development. These sites are discussed under Sections 7.2.4 and 7.2.5 below.

7.1.4 Selection of Alternatives

In addition to the "No Project Alternative," the CEQA Guidelines advise that the range of alternatives discussed in the EIR should be limited to those that "would avoid or substantially lessen any of the significant impacts of the project" [CEQA Guidelines Section 15126.6(f)].

Two reduced-scale development scenarios that would reduce or avoid these impacts are discussed. They both include retention of the historic brick buildings at 455 and 465 S. First Street, with new development restricted to the approximately 0.27 acre parcel with frontage on William Street.

Two location alternatives are identified that would allow for development of a high density, high rise residential development at other locations within Downtown San José. These alternative locations were selected based upon a review of a range of downtown properties known to the City of San José.

The proposed project would result in impacts from construction and demolition activities, which will be reduced to less than significant by the implementation of mitigation measures and conditions of approval. These impacts include short-term impacts to noise and air quality emissions, and potential hazardous materials impacts from historic contamination and asbestos-causing materials and lead-based paint. As these are not unique impacts to the project site location or design and there is available mitigation that would be similar for any redevelopment project, an alternative designed to reduce these impacts is not included in this analysis.

7.2 PROJECT ALTERNATIVES

The components of the identified alternatives to the proposed project are described below, followed by a discussion of their impacts, relationship to the project objectives, and how they would differ from those of the proposed project.

7.2.1 No Project – No Redevelopment Alternative

The following alternative assumes no redevelopment of the three parcels that make up the project site.

7.2.1.1 *Description of Alternative*

The CEQA Guidelines stipulate that an EIR specifically include a "No Project" alternative. The purpose in including a No Project Alternative is to allow decision-makers to compare the impacts of approving the project with the impacts of not approving the project. The Guidelines specifically advise that the No Project Alternative is "what would be reasonably expected to occur in the foreseeable future if the project is not approved, based on current plans and consistent with available infrastructure and community services." The Guidelines emphasize that an EIR should take a practical approach, and not "…create and analyze a set of artificial assumptions that would be required to preserve the existing physical environment [Section 15126.6(e)(3)(B)]."

Since the project site is currently developed with existing commercial buildings, the "No Project-No Redevelopment" alternative includes the continued occupancy or reoccupancy of these buildings.

The following alternative assumes no redevelopment of the buildings on the three parcels that make up the project site. A second No Project Alternative covers redevelopment under the Existing Plan (Downtown Strategy 2000) and consists of a reduced scale and height scenario.

Comparison of Environmental Impacts

The No Project Alternative would avoid all of the project's impacts assuming no physical changes are made to the site.

Relationship to Project Objectives

The No Project Alternative would not meet any of the project objectives.

Conclusion: No Project – No Redevelopment Alternative

Because the No Project Alternative would not result in any development on the project site, this Alternative would avoid all of the environmental impacts from the project. However, this Alternative would not meet any of the project objectives.

7.2.2 Reduced Scale and Height (Existing Plan) Alternative

7.2.2.1 *Description of Alternative*

One scenario that may be expected to occur if the project is not approved, based on the assumptions in the Downtown Strategy, is redevelopment of the non-historic dry cleaners building at 493 South First Street and continued use or adaptive reuse of the historic structures on the site located at 455 South First Street and 465-467 South First Street.

This alternative would consist of adaptive reuse of the Herrold College Building and Red Front Surplus Building in conformance with the Secretary of Interior's Standards for Rehabilitation and construction of a residential building up to three stories and about 35 feet in height on the site of the existing dry cleaners and parking lot facing S. Williams Street. The height of the new residential building would reduce indirect impacts to the adjacent historic structure and the rhythm of one and two-story structures in the potential South Downtown Automobile Historic District.

The two structures on the City's Historic Inventory at 455 and 465 S. First Street would be renovated for commercial or office use (approximately 10,150 square feet of leasable space). Rehabilitation as residential lofts may be feasible if key architectural and historic elements on street frontages are maintained. Construction of a three-story residential building with no underground parking could be undertaken on the approximately 0.27 acre portion of the 0.5 acre site at the southern end of the site and with frontage on William Street.

This alternative would reduce the number of residential units that could be developed by approximately 297 units or 96 percent.

The Reduced Scale and Height Alternative assumes that the two buildings on the City's historic resources inventory either would remain as is today or be rehabilitated in conformance with the Secretary of Interior's Standards, per the Downtown Strategy 2000. New residential development on the southernmost portion of the site would not be more than 35 feet in height. The overall density of residential development on the 493 South First Street parcel would be approximately 50 units to the acre.

Comparison of Environmental Impacts

Cultural Resources and Aesthetics Impacts

The Reduced Scale and Height (Existing Plan) Alternative would avoid the project's significant aesthetic and cultural resources impacts.

Other Impacts

Construction impacts (air, noise, vibration) would be reduced to the extent that excavation would be limited (no underground parking) and the length of construction activities would be reduced. Hazards associated with potential historic contamination would be reduced, but not completely avoided if soil vapors are present above environmental screening levels. Like the project, potential hazards could be reduced with the implementation of mitigation measures.

Relationship to Project Objectives

The Reduced Scale and Height Alternative would not meet project objectives related to the provision of high density residential development near transit in the Downtown. The site is designated *Downtown* in the General Plan, which also calls for redevelopment at very high intensities (up to 800 dwelling units per acre and up to a floor area ratio of 30), unless incompatibility with other major policies within the Envision General Plan (such as Historic Preservation Policies) indicates otherwise. While not consistent with densities envisioned in the General Plan, this alternative would be consistent with City of San José objectives related to maintaining the SoFA historic character along with any new proposed development by creating compatibility between the new development and existing features, buildings, and/or structures.

Conclusion

Because the Reduced Scale and Height Alternative would not result in the partial demolition of the Herrold College Building and Red Front Surplus Building and would not introduce a new building tower of a scale and mass that is out of character with the existing potential historic district, it would avoid the identified impacts to built historic resources and the aesthetic historic character of the immediate area. This Alternative would avoid all of the significant unavoidable environmental impacts from the project. However, this Alternative would not meet the applicant's objectives for the project related to the provision of high density housing in Downtown, near transit.

7.2.3 Reduced Footprint Tower Alternative

7.2.3.1 *Description of Alternative*

Like the Reduced Scale and Height Alternative, this reduced scale alternative would also include adaptive reuse of the Herrold College Building and Red Front Surplus Building in conformance with the Secretary of Interior's Standards for Rehabilitation. On the site of the existing dry cleaners and parking lot, a residential tower up to 262 feet in height would be constructed.

The two structures on the City's Historic Inventory at 455 and 465 S. First Street would be renovated for commercial or office use (approximately 10,150 square feet of leasable space). Rehabilitation as residential lofts also may be feasible if key architectural and historic elements on street frontages are maintained. Construction of a residential tower up to 25 stories could be undertaken on the approximately 0.27 acre portion of the 0.5 acre site at the southern end of the site and with frontage on William Street.

This alternative would reduce the number of residential units that could be developed to approximately 154-160 units or an approximately 50 percent reduction. Because the ground floor would be needed to access the parking garage, there would be little or no opportunity for ground floor retail uses. This alternative would also place garage entrances closer to a corner than the project would, although the garage entrances could be in the same location as current driveways serving the parking lot. This may reduce the efficiency of on-site parking and loading and affect traffic flow and operations on S. First and/or S. Market Street.

Comparison of Environmental Impacts

Cultural Resources

The Reduced Footprint Tower Alternative would avoid the project's direct physical impacts to both the Herrold College Building and the Red Front Surplus Building. The effects of mass, scale and spatial relationships on the potential South Downtown Area Automobile Historic District would be reduced by keeping the two buildings intact and reducing the mass of the tower; however, due to the location of a tower at the end of the block, it would continue to dwarf the historic structures on the 400 blocks of S. First Street and S. Market Street. Under CEQA, a change in the character of the surrounding area can result in an adverse impact to a historic property or a larger historic district.

Aesthetic Resources

Similar to the identified impacts to historic resources, the Reduced Footprint Tower Alternative would reduce the aesthetics impacts related to a visual change in the historic character on the 400 block 400 blocks of S. First Street and S. Market Street in the SoFA District of Downtown San José. However, impacts of a tall tower of reduced mass would remain significant.

Other Impacts

Construction impacts (air, noise, vibration) would be reduced to the extent that the excavation for underground parking and the length of construction activities would be reduced. Hazards associated with potential historic contamination would be reduced, but not completely avoided if soil vapors are present above environmental screening levels. Similar to the proposed project, potential hazards could be reduced with the implementation of mitigation measures.

Relationship to Project Objectives

With the reduction in number of units by approximately 50 percent, the Reduced Footprint Tower Alternative would not wholly meet project objectives related to the provision of high-quality, high density residential development near transit in the Downtown. The density on the 0.27 acre parcel would be similar to the proposed project (about 570 versus 616 dwelling units per acre), however the total number of dwelling units provided would be substantially reduced. This alternative would also place garage entrances closer to a corner, which may reduce the efficiency of on-site parking and loading and effect traffic flow and operations on S. First and/or S. Market Street, which would not be consistent with project objectives. Due to the location of the tower in relation to the locations of the historic buildings, this alternative would still not be consistent with City of San José objectives related to maintaining the SoFA historic character along with any new proposed development by creating compatibility between the new development and existing features, buildings, and/or structures.

Conclusion

Because the Reduced Footprint Tower Alternative would not result in the partial demolition of the Herrold College Building and Red Front Surplus Building, it would reduce direct impacts to these two structures. It would introduce a new building tower of a scale and mass that is out of character with the existing potential historic district. It would reduce, but not to a less than significant level the identified indirect impacts to historic resources and the aesthetic historic character of the immediate area. This Alternative would partially meet the basic objectives of the project (i.e., 50-60 percent of desired unit count) of building approximately 300 units of high density housing closer to transit in Downtown.

7.2.4 Location Alternative – Block 8 -Market and San Carlos Street Parking Lot

7.2.4.1 *Description of Alternative*

This alternative would develop a high rise, residential mixed use building on an approximately 1.5-acre site on the north side of San Carlos Street, between South Market and South First Streets.

Comparison of Environmental Impacts

Cultural Resources

The site is located in an area of San José that was occupied during the Mexican and Early American Periods and like much of the central area of downtown, there is a potential to encounter buried prehistoric and historic cultural resources during excavation.

This location alternative would avoid the direct impacts to the City Landmark Herrold College Building and the effects of mass, scale and spatial relationships on the potential South Downtown Area Automobile Historic District.

Aesthetic Resources

Similar to the identified impacts to historic resources, this Location Alternative would avoid the aesthetics impacts related to a visual change in the historic character on the 400 blocks of S. First Street and S. Market Street in the SoFA District of Downtown San José.

There are several other aesthetic considerations for a high rise building at this location. The site is located near several historic hotels and a high rise building may shade public open space at Cesar Chavez Park.

Other Impacts

Construction impacts (air, noise, vibration) would be similar to the proposed project. Like the project, potential hazards could be reduced with the implementation of mitigation measures.

This location alternative may have a lower maximum building height to meet FAA requirements for aircraft, but given the larger site area available, the full development program proposed by the project could be achieved on this site while still complying with FAA restrictions.

Relationship to Project Objectives

This location could meet most of the objectives of the project. While the FAA height restriction may result in a slight reduction in height, the development may still be feasible in meeting its objectives at this site, given the site is 1.5 acres.

Feasibility

This property was purchased by a development company in 2010 from the former San José Redevelopment Agency and may not be available to the project applicant for development.

Conclusion

If this site was available to the applicant, development of a high density, high-rise housing project at this location could meet most of the basic objectives of the project. This location alternative would also avoid the identified impacts to historic resources, including to the potential South Downtown Automobile District. This alternative could have other impacts to buried cultural resources or shade public park areas at Cesar Chavez Park.

7.2.5 Location Alternative – Woz Way and Almaden Avenue Parking Lot

5.2.5.1 *Description of Alternative*

This alternative would develop a high rise, residential mixed-use building on a portion of the 3.5 acre parking lot site on the north side of Woz Way between Almaden Avenue and the Guadalupe River.

Comparison of Environmental Impacts

Cultural Resources

The site is located adjacent to the Guadalupe River and there would be a greater potential to encounter buried prehistoric cultural resources. It also is in an area of San José, like much of the central area of downtown, where there is a potential to encounter buried historic cultural resources during excavation.

This location alternative would avoid the direct impacts to the City Landmark Herrold College Building and the effects of mass, scale and spatial relationships on the potential South Downtown Area Automobile Historic District.

Aesthetic Resources

Similar to the identified impacts to historic resources, this Location Alternative would avoid the aesthetics impacts related to a visual change in the historic character on the 400 blocks of S. First Street and S. Market Street in the SoFA District of Downtown San José.

There are several other aesthetic considerations for a high rise building at this location. The site is located near the Guadalupe River and Guadalupe River Trail and a design would need to be sensitive to the mass of the building and appropriate setbacks from the riparian corridor.

Other Impacts

Construction impacts (air, noise, vibration) would be similar to the proposed project. Like the project, potential hazards could be reduced with the implementation of mitigation measures.

This location alternative may have a lower maximum building height to meet FAA requirements for aircraft, but given the potentially larger site area available, the full development program proposed by the project could be achieved on this site while still complying with FAA restrictions.

Groundwater would likely be higher at this location and building design would need to consider lateral spreading and liquefaction hazards along with possible dewatering of subgrade parking levels.

A high rise tower at this location could result in significant impacts to biological resources along the Guadalupe River, if appropriate setbacks were not provided, and building design did not include treatments of windows and other reflective surfaces.

Relationship to Project Objectives

This location could meet most of the basic objectives of the project. Site design would need to include additional area for appropriate setbacks and to meet riparian development standards and guidelines.

Feasibility

This 3.5-acre parking lot is composed of multiple parcels. A site would need to be assembled for a high rise residential tower from one or more owners and acquisition of all or most of the 3.5 acres may be required by the owners.

Conclusion

If this site was available to the applicant, development of a high density, high-rise housing project at this location could meet most of the objectives of the project. This location alternative would avoid the identified impacts to historic resources, including to the potential South Downtown Automobile District. This alternative could have other impacts to buried prehistoric cultural resources, biological resources along the Guadalupe River, and geology and soils hazards.

7.3 COMPARISON OF ALTERNATIVES

A comparison of alternatives based upon whether they avoid or substantially lessen any of the significant environmental effects of the project is provided in Table 7.3-1.

7.3.1 Environmentally Superior Alternative(s)

The CEQA Guidelines specify that an EIR must identify the environmentally superior alternative among those alternatives discussed. If the environmental superior alternative is the "No Project" alternative, the EIR shall also identify an environmentally superior alternative amount the other alternatives [Section 15126.6(e)(2)].

Based upon the previous discussion, the environmentally superior alternative would be the No Project Alternative, which would avoid the identified significant impacts. This alternative would not fulfill the project's basic objectives, including providing high-density, high-rise housing near jobs and transit.

If the site is available and a tower would not shade more than 10 percent of Cesar Chavez Park, the Location Alternative – Block 8 would be environmentally superior alternative in terms of impacts to a City Landmark and the potential historic district.

Table 7.3-1
Comparison of Impacts from Alternatives to the Project

Significant Impacts of the Project	Alternatives				
	No Project	**Reduced Scale and Height**	**Reduced Footprint Tower**	**Location (Block 8)**	**Location (Woz Way &Almaden)**
Cultural Resources: – Impact to City Landmark	No Impact	LTS	LTS	LTS	LTS
– Impact to Potential Historic District and Contributing Structure	No Impact	LTS	SU: Similar/Less	LTS	LTS
– Potential Impacts to Buried Cultural Resources	No Impact	Less	Similar/Less	Similar	Greater
Aesthetics	No Impact	LTS	Similar	LTS*	LTS*
Construction Impacts (air, noise, hazards)	No Impact	Less	Less	Similar	Similar
Other Impacts	No Impact			Shading Park	Biological Resources; Geology & Soils
Meets Project Objectives?	No	No	Partially	Yes	Yes
Environmentally Superior Alternative	Yes			Yes	

LTS = Less Than Significant Impact
SU = Remains Significant, Unavoidable Impact
Less = Substantial impact reduction compared to the project, but not to a less than significant level
*Assumes designs would meet the City's design guidelines, including Riparian Corridor Policy, as applicable.

SECTION 8.0 REFERENCES

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SECTION 9.0 LEAD AGENCY AND CONSULTANTS

9.1 LEAD AGENCY

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