

NOTICE OF PREPARATION OF A SUBSEQUENT ENVIRONMENTAL IMPACT REPORT FOR THE MUSEUM PLACE MIXED-USE PROJECT

FILE NO:

H16-024 and T16-024

PROJECT APPLICANT:

Insight Realty Company

APN:

259-42-023

Project Description: Site Development Permit to allow the demolition of Parkside Hall to construct a 24-story, mixed-use high rise with up to 306 residential units, 187 hotel rooms, 209,779 square feet of office use, 14,116 square feet of retail space, and 60,000 square feet of additional museum space and a Tentative Map Permit to reconfigure 25 parcels into three lots for a mixed use building, all on a 2.33 gross acre site (File Nos. H16-024 and T16-024).

Location: 180 Park Avenue (APN 259-42-023).

As the Lead Agency, the City of San José will prepare a Subsequent Environmental Impact Report (EIR) for the project referenced above. The City welcomes your input regarding the scope and content of the environmental information that is relevant to your area of interest, or to your agency's statutory responsibilities in connection with the proposed project. If you are affiliated with a public agency, this EIR may be used by your agency when considering subsequent approvals related to the project. The project description, location, and probable environmental effects that will be analyzed in the EIR for the project are attached.

Scoping Meeting: An EIR Scoping meeting will be held on **Thursday, December 1, 2016** from 6:30 p.m. to 7:30 p.m. in Room 120 (Wing Rooms) at San Jose City Hall, 200 E. Santa Clara Street, San Jose, CA 95113.

According to State law, the deadline for your response is 30 days after receipt of this notice; however, we would appreciate an earlier response, if possible. Please identify a contact person, and send your response to:

City of San José

Department of Planning, Building, and Code Enforcement

Attn: David Keyon

200 East Santa Clara Street, 3rd Floor Tower

San José CA 95113-1905

Phone: (408) 535-7898, E-mail: david.keyon@sanjoseca.gov

Harry Freitas, Director

Planning, Building and Code Enforcement

Deputy

Date

NOTICE OF PREPARATION OF A SUBSEQUENT ENVIRONMENTAL IMPACT REPORT FOR THE MUSEUM PLACE MIXED-USE PROJECT

November 2016

Introduction

The purpose of an Environmental Impact Report (EIR) is to inform decision-makers and the general public of the environmental effects of the proposed project that an agency may implement or approve. The EIR process is intended to provide information sufficient to evaluate a project and its potential for significant impacts on the environment; to examine methods of reducing adverse impacts; and to consider alternatives to the project.

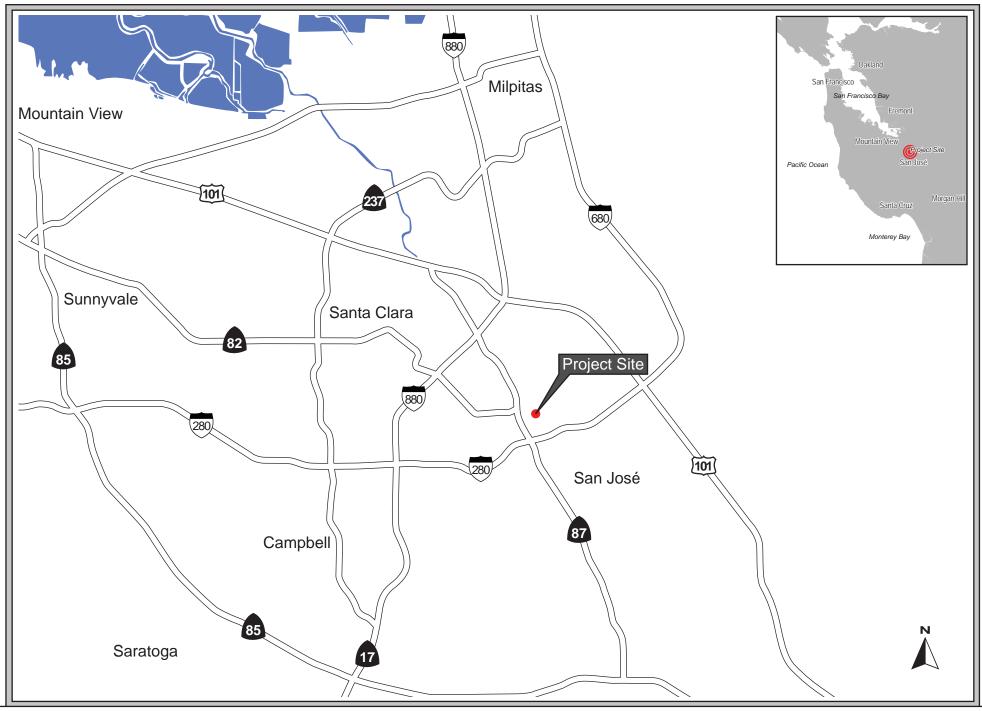
A Subsequent EIR (SEIR) is prepared when it is determined by the discretionary authority that changes proposed in an approved project will require revisions to the previous EIR because of possible new impacts or an increase in severity of previously identified impacts. As the Lead Agency, the City of San José will prepare a SEIR to the Downtown Strategy 2000 Final EIR and the Envision San José 2040 General Plan Final EIR to address the environmental effects of the proposed Museum Place Mixed-Use Project.

The SEIR for the proposed project will be prepared and processed in accordance with the California Environmental Quality Act (CEQA) of 1970, as amended. An Initial Study has been prepared (which will be incorporated in the SEIR as an appendix) to focus the SEIR on potentially significant issues pursuant to CEQA Guidelines Section 15178. In accordance with the requirements of CEQA, the SEIR will include the following:

- A summary of the project;
- A project description;
- A description of the existing environmental setting, environmental impacts, and mitigation measures for the project;
- Alternatives to the project as proposed; and
- Environmental consequences, including (a) any significant environmental effects which cannot be avoided if the project is implemented; (b) any significant irreversible and irretrievable commitments of resources; (c) the growth inducing impacts of the proposed project; and (d) cumulative impacts

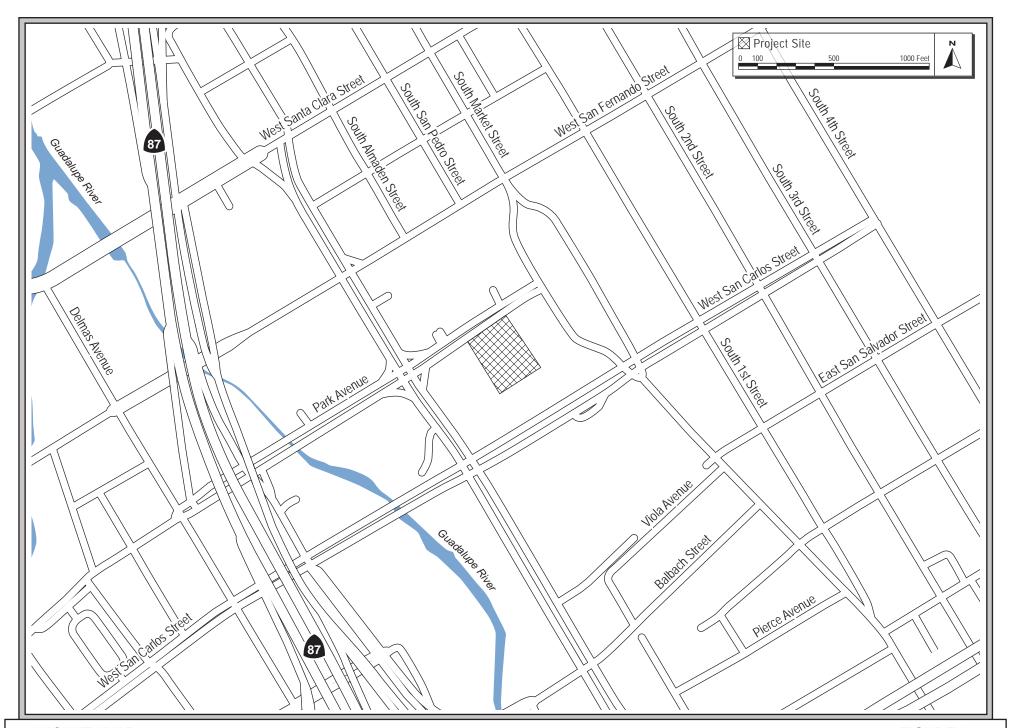
Project Location

The approximate 2.35-acre project site is located on Park Avenue between South Market Street and South Almaden Boulevard in downtown San José. The project site is comprised of a single parcel (APN 259-42-023). Regional and vicinity maps of the project site are shown in Figure 1 and Figure 2, respectively.



REGIONAL MAP

FIGURE 1



Project Description

The project site is currently occupied by an approximate 30,000 square foot stand-alone conference and event facility (Parkside Hall) where the adjacent Tech Museum of Innovation hosts exhibits. As proposed, the project would demolish the approximately 30,000 square foot Parkside Hall, and construct a maximum 267-foot (24 stories), 1.16 million square foot, mixed-use building with residential units, hotel rooms, and office and retail space. The project proposes to develop approximately 209,800 square feet of office space, 14,100 square feet of retail space, a hotel with up to 187 rooms, and up to 306 residential units. The building would also include an approximately 60,000 square foot expansion of the Tech Museum.

The project proposes a three-story below-grade parking garage with approximately 1,000 parking stalls. Mechanical lift parking is being proposed on each level in the parking garage. All parking in the garage would be valet only. Vehicular access to the parking garage would be provided via a proposed driveway on Park Avenue.

The project site is designated *Public/Quasi-Public* under the City of San José's adopted General Plan and has a zoning designation of *DC – Downtown Commercial*.

Possible Required Project Approvals:

- 1. Site Development Permit
- 2. Tentative Map
- 3. Demolition Permit
- 4. Building Permit
- 5. Grading Permit

Potential Environmental Impacts of the Project

The SEIR will identify the significant environmental effects anticipated to result from development of the project as proposed. Mitigation measures will be identified for significant impacts, as warranted. The SEIR will include the following specific environmental categories as related to the proposed project:

1. Land Use

The project site is located in a developed urbanized area surrounded by a mix of commercial, hotel, and office land uses. The SEIR will describe the existing land uses adjacent to and within the project area. Land use impacts that will occur as a result of the proposed project will be analyzed, including the consistency of the project with the City's General Plan and zoning code and compatibility of the proposed and existing land uses in the project area.

The project is anticipated to result in a shading impact on the nearby Plaza de Cesar Chavez Park. As a result, shade and shadow impacts resulting from the development will be analyzed. The SEIR will also address and the effect of the project on the City's jobs/housing balance.

2. Aesthetics

The proposed development will replace a one-story stand-alone facility with a 24-story mixed-use building, in the downtown area of San José. The SEIR will describe the existing visual setting of the project area and the visual changes that are anticipated to occur as a result of the proposed project. The SEIR will also discuss possible light and glare issues from the development.

3. Biological Resources

The project site is currently developed with a one-story building. Habitats in the project area are low in species diversity and include predominately urban adapted birds and animals. The SEIR will include a tree survey and will identify and discuss potential biological impacts resulting from construction of the project.

4. Cultural Resources

The project area has been occupied since the late 1700's. Because of the early development on-site, there is the potential for subsurface resources associated with this early development to still be located on-site. Because of the proposed underground parking, the entire site will need to be excavated. The project site is in proximity to two historic buildings, the City National Civic Auditorium and McCabe Hall.

The SEIR will address the impacts to known and unknown buried historic resources on the project site, as well as impacts to potential historic structures near the project site.

5. Transportation

The project site is located within the Downtown Core. As a result, transportation impacts in the project area were previously evaluated in the Downtown Strategy 2000 FEIR and a full transportation impact analysis is not necessary. A traffic operations analysis will be completed to evaluate the proposed site access/circulation and intersections in the project area to identify any necessary improvements.

6. Air Quality

The SEIR will address the regional air quality conditions in the Bay Area and discuss the proposed project's impacts to local and regional air quality according to 2011 Bay Area Air Quality Management District (BAAQMD) guidelines and thresholds.

The SEIR will describe the existing air quality conditions in the Bay Area and will evaluate the operational and construction air quality impacts of the proposed project in accordance with current BAAQMD CEQA Guidelines and thresholds.

7. Greenhouse Gas Emissions

The SEIR will address the project's consistency with the City's Greenhouse Gas Reduction Strategy. Proposed design measures to reduce energy consumption, which in turn would reduce greenhouse gas emissions, will be discussed.

8. Noise and Vibration

The SEIR will discuss noise that will result from operation of the proposed project, as well as temporary construction noise. Noise levels will be evaluated for consistency with applicable standards and guidelines in the City of San José.

Due to the size of the proposed building, it is reasonable to assume that construction of the project would require the use of other heavy equipment. The SEIR will evaluate the effects of vibration during project construction on nearby structures, including the historic City National Civic Auditorium and McCabe Hall.

9. Energy

Implementation of the proposed project will result in an increased demand for energy on-site. The SEIR will address the increase in energy usage on-site and proposed design measures to reduce energy consumption.

10. Utilities

Implementation of the proposed project would result in an increased demand on utilities and public facilities compared to existing conditions. The SEIR will examine the impacts of the project on public services, including utilities such as sanitary and storm drains, water supply/demand, and solid waste management.

11. Public Services

Implementation of the proposed project would increase the population of the City which will result in an increased demand on public services, including police and fire protection, schools, and recreational facilities. The SEIR will address the availability of public facilities and service systems and the potential for the project to require the construction of new facilities.

12. Hazards and Hazardous Materials

Development in the project area is a mix of residential, retail, hotel, and office land uses. The SEIR will summarize known hazardous materials conditions on and adjacent to the project site and will address the potential for hazardous materials impacts to result from implementation of the proposed project.

13. Geology

The project site is located in the most seismically active region in the United States. The SEIR will discuss the possible geological impacts associated with seismic activity and the existing soil conditions on the project site.

14. Hydrology and Water Quality

Based on the Federal Emergency Management Agency (FEMA) flood insurance rate maps, the SEIR will address the possible flooding issues of the site as well as the effectiveness of the storm drainage system and the projects effect on storm water quality consistent with the requirements of the Regional Water Quality Control Board (RWQCB).

15. Alternatives

The SEIR will examine alternatives to the proposed project including a "No Project" alternative and one or more alternative development scenarios depending on the impacts identified. Other alternatives that may be discussed could include reduced development alternatives (e.g., smaller project or reduced alternatives), alternative land uses, and/or alternative locations. Alternatives discussed will be chosen based on their ability to reduce or avoid identified significant impacts of the proposed project while achieving most of the identified objectives of the project.

16. Significant Unavoidable Impacts

The SEIR will identify those significant impacts that cannot be avoided, if the project is implemented as proposed.

17. Cumulative Impacts

The SEIR will include a Cumulative Impacts section that will address the potentially significant cumulative impacts of the project (particularly the cumulative traffic impacts) when considered with other past, present, and reasonably foreseeable future projects in the development area.

In conformance with the CEQA Guidelines, the SEIR will also include the following sections: 1) consistency with local and regional plans and policies, 2) growth inducing impacts, 3) significant irreversible environmental changes, 4) references and organizations/persons consulted, and 5) EIR authors.

An Initial Study has been prepared and will be provided as an appendix to the SEIR. The Initial Study will include an analysis of the resource areas that have no new significant impacts or no increase in previously identified impacts.

County of Santa Clara

Parks and Recreation Department

298 Garden Hill Drive Los Gatos, California 95032-7669 (408) 355-2200 FAX 355-2290 Reservations (408) 355-2201 www.parkhere.org



November 23, 2016

Mr. David Keyon City of San Jose Department of Planning, Building, and Code Enforcement 200 East Santa Clara Street, 3rd Floor Tower San Jose, CA 95113-1905

Subject: Notice of Preparation of a Subsequent Environmental Impact Report for the

Museum Place Mixed Use Project (File Nos. H16-024 and T16-024)

Dear Mr. Keyon:

The County of Santa Clara Parks and Recreation Department ("County Parks Department") is in receipt of the Notice of Preparation of a Subsequent Environmental Impact Report (SEIR) for the Museum Place Mixed Use Project. As outlined in the Notice of Preparation, the application proposes to construct a 24-story, mixed-use high rise with up to 306 residential units, 187 hotel rooms, 209,779 square feet of office use, 14,116 square feet of retail space, and 60,000 square feet of additional museum space on a 2.33 gross acre site. In regard to this proposed project, the County Parks Department's comments are primarily focused on potential impacts related to the *Santa Clara County Countywide Trails Master Plan Update* relative to countywide trail routes, public access, and regional parks.

The SEIR should include a discussion related to the *Santa Clara County Countywide Trails Master Plan Update*, an element of the Parks and Recreation Section of the County General Plan that the Board of Supervisors adopted on November 14, 1995. Two existing trail routes, the Guadalupe River - Coyote Creek Trail and the Guadalupe Sub-regional Trail, are located within the vicinity of the project site. The SEIR should describe the routes and evaluate the potential impacts to these trails as a result of the project. Please extend the impacts analysis of the nearby Plaza de Cesar Chavez Park to include study of increased demand by new residential and workplace populations as well as increased shade and shadow to the Guadalupe River - Coyote Creek Trail and the Guadalupe Sub-regional Trail.

Thank you for the opportunity to comment on the Notice of Preparation of the Subsequent Environmental Impact Report for the Museum Place Mixed Use Project. If you have any questions regarding these comments, please feel free to contact me at (408) 355-2362 or via email at Michael.Hettenhausen@prk.sccgov.org.

Sincerely,

Michael Hettenhausen

Michael Hettenhausen, Associate Planner



BAY AREA

AIR QUALITY

November 30, 2016

City of San Jose

Dept. of Planning, Building, and Code Enforcement

Attn: David Keyon

200 East Santa Clara Street, 3rd Floor Tower

San Jose, CA 95113-1905

MANAGEMENT

RE: Notice of Preparation (NOP) for the Museum Place Mixed-Use Project

DISTRICT

Dear Mr. Keyon,

ALAMEDA COUNTY Tom Bates Scott Haggerty Rebecca Kaplan Nate Miley

CONTRA COSTA COUNTY

John Gioia David Hudson (Secretary) Karen Mitchoff Mark Ross

MARIN COUNTY Katie Rice

NAPA COUNTY Brad Wagenknecht

SAN FRANCISCO COUNTY

John Avalos Edwin M. Lee Eric Mar (Chair)

SAN MATEO COUNTY

David J. Canepa Carole Groom Warren Slocum

SANTA CLARA COUNTY

Cindy Chavez Liz Kniss (Vice-Chair) Jan Pepper Rod G. Sinks

SOLANO COUNTY James Spering

Osby Davis

SONOMA COUNTY Teresa Barrett Shirlee Zane

Jack P. Broadbent **EXECUTIVE OFFICER/APCO**

Connect with the Bay Area Air District:









Bay Area Air Quality Management District (Air District) staff has reviewed the Notice of Preparation of a Subsequent Environmental Impact Report (SEIR) for the Museum Place Mixed-Use Project. This project includes the demolition of Parkside Hall and the construction of a 24-story, mixed-use high rise with up to 306 residential units, 187 hotel rooms, 209,779 square feet of office use, 14,116 square feet of retail space, and 60,000 square feet of additional museum space on a 2.33 acre lot.

The Air District commends the City and the developer on this high density mixed use project located in a downtown PDA near public transit, which will help to reduce vehicle miles travelled and therefore both air quality and greenhouse gas impacts.

Air District staff notes that the NOP states that the SEIR will assess greenhouse gas (GHG) impacts by analyzing consistency with the City's Greenhouse Gas Reduction Strategy (Strategy). However, the Strategy is based on meeting the State's interim 2020 GHG reduction goal, which is not aligned with the State's longer term climate stabilization goals for 2030 or 2050. Air District staff recommends that GHG impacts from this project be assessed in terms of 2030 or 2050 GHG reduction targets. For example, one option for conducting such an analysis would be to calculate an updated efficiency threshold, which considers the GHG emissions on a service population basis for 2030 or 2050.

Air District staff is available to assist the City in addressing these comments. For more information, or if you have any questions, please contact Karen Kristiansson, Principal Planner, at (415) 749-4753 or via email at kkristiansson@baaqmd.gov.

Sincerely,

Jean Roggenkamp

Deputy Executive Office

Director Cindy Chavez CC:

> Vice Chair Liz Kniss Director Jan Pepper Director Rod G. Sinks



December 21, 2016

City of San Jose Department of Planning and Building 200 East Santa Clara Street San Jose, CA 95113

Attention: David Keyon

Subject: City File No. H16-024 / Museum Place Mixed Use

Dear Mr. Keyon:

Santa Clara Valley Transportation Authority (VTA) staff have reviewed the NOP for 308 residential units, 209,779 square feet of office uses, 14,116 square feet of retail uses, and 60,000 square feet of additional museum space at 180 Park Avenue. We have the following comments.

Land Use

VTA strongly supports the proposed land use intensification of this site, strategically located in Downtown San Jose, within short walking distance of VTA Light Rail Transit and Local Bus lines 55, 63, 64, 65, 81, 86, Express Bus line 181, and the Downtown Area Shuttle (DASH) Bus Rapid Transit. The Diridon Station is also within approximately ½-mile of the site, and is served by Caltrain, Altamont Corridor Express (ACE), Capitol Corridor, and VTA Light Rail Transit (LRT), as well as the future BART extension to Silicon Valley and California High Speed Rail services. Additionally, by increasing residential, hotel, office, and cultural uses within close proximity to the numerous shops, restaurants, services and work sites in Downtown San Jose, the project will increase opportunities for daily tasks to be accomplished by walking and biking, thereby incrementally reducing automobile trips and greenhouse gas emissions.

Downtown San Jose is identified as a Regional Core in VTA's Community Design & Transportation (CDT) Program Cores, Corridors and Station Areas framework, which shows VTA and local jurisdiction priorities for supporting concentrated development in the County. The CDT Program was developed through an extensive community outreach strategy in partnership with VTA Member Agencies, and was endorsed by all 15 Santa Clara County cities and the county.

Transportation Impact Analysis (TIA) Report

VTA's Congestion Management Program (CMP) requires a Transportation Impact Analysis (TIA) for any project that is expected to generate 100 or more net new peak-hour trips. Based on the information provided on the size of this project, a TIA may be required. The updated 2014 VTA *TIA Guidelines*, which can be found at http://www.vta.org/cmp/tia-guidelines, include

City of San Jose December 21, 2016 Page 2

updated procedures for documenting auto trip reductions, analyzing non-auto modes, and evaluating mitigation measures and improvements to address project impacts and effects on the transportation system. For any questions about the updated *TIA Guidelines*, please contact Robert Swierk of the VTA Planning and Program Development Division at 408-321-5949 or Robert.Swierk@vta.org.

Pedestrian Accommodations & Access to Transit

Given the increased pedestrian volumes associated with the project, VTA recommends that the City work with the project sponsor to provide exceptional pedestrian accommodations on the project frontages. The NOP materials do not contain a detailed site plan of the proposed pedestrian accommodations; however, City staff provided VTA with a draft site plan ("Architectural Site Plan" by Steinberg Architects, revised date 9/6/16). The existing Park Avenue project frontage consists of a 20-foot wide sidewalk buffered on both sides with street trees. Half of the proposed project frontage consists of a 15-foot wide sidewalk buffered along the roadside with street trees; the other half consists of a buffered drop-off area and curb cut providing auto access to the parking garage. VTA supports the project sponsor for retaining a continuous buffer of street trees along the roadside and drop-off area, and providing a 15-foot wide sidewalk. Resources on pedestrian quality of service, such as the Highway Capacity Manual 2010 Pedestrian Level of Service methodology, indicate that a buffer strip with street trees placed between pedestrians and automobiles improves pedestrian perceptions of comfort and safety on a roadway.

VTA encourages the City to work with the project applicant to reduce potential safety conflicts for pedestrians and bicyclists where the project driveway crosses the sidewalk by minimizing the width of the project driveway/curb cut, reducing the speed of right turns, and providing other safety features, such as high-visibility crosswalks, special pavement, or low bollards. Improved pedestrian accommodations along the project frontage would encourage greater trips by walking, and improve access to transit.

Pedestrian Accommodations - Site Circulation

VTA applauds the project sponsor for improving the east-west pedestrian paseo connecting Park Avenue and West San Carlos Street. The site plan shows the Park Avenue paseo frontage improved from a curb cut/driveway access to a pedestrian-only/ADA access, and active retail uses and building entrances facing the paseo. Such site treatment creates an interesting and varying cityscape for pedestrians that is safe and visible from public streets, thereby encouraging trips by walking.

Bicycle Accommodations

Currently a bike lane exists along Park Avenue, and is immediately accessible from the site. The site plan shows that the bike lane would be coincident with the drop-off/project driveway area, which would effectively operate as a shared facility for bicyclists and vehicles. VTA

City of San Jose December 21, 2016 Page 3

recommends that the City reduce potential safety conflicts between bicyclists and vehicles within this shared-use zone by minimizing the length of the drop-off portion, and providing additional safety features. Such features could include a raised shared-use area and/or special striping or pavement within the shared-use zone to encourage yields.

The NOP and site plan do not provide details regarding the location of the bicycle parking spaces or other bicycle-supportive facilities. VTA supports bicycling as an important transportation mode and thus recommends inclusion of conveniently located bicycle parking for the project. Bicycle parking facilities can include bicycle lockers or secure indoor parking for all-day storage and bicycle racks for short-term parking. VTA's Bicycle Technical Guidelines provide guidance for estimating supply, siting and design for bicycle parking facilities. This document may be downloaded from www.vta.org/bikeprogram.

Transportation Demand Management (TDM) & Trip Reduction

VTA recommends that the City and project sponsor consider a comprehensive Transportation Demand Management (TDM) program for this project. VTA notes that such programs can be more effective when they include a vehicle trip reduction target, third-party monitoring of trip generation upon project completion and a Lead Agency enforcement/penalty structure. Effective TDM programs that may be applicable to the Project include:

- * Parking pricing and parking cash-out programs
- * Public-private partnerships or contributions to improved transit service to the area
- * Participation in a Transportation Management Association (TMA) including other projects in the vicinity
- * Transit fare incentives such as free or discounted transit passes on a continuing basis
- * Bicycle lockers and bicycle racks
- * Showers and clothes lockers for bicycle commuters
- * Preferentially located carpool parking
- * Employee carpool matching services
- * Parking for car-sharing vehicles

City of San Jose December 21, 2016 Page 4

Thank you for the opportunity to review this project. If you have any questions, please call me at $(408)\ 321-5784$

Sincerely,

Roy Molseed

Senior Environmental Planner

cc: Michael Liw, San Jose Development Services

Patricia Maurice, Caltrans Brian Ashurst, Caltrans

SJ1625