



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Councilmember Raul Peralez

SUBJECT: SEE BELOW

DATE: October 15, 2021

Approved

Date 10/15/21

SUBJECT: Approval of Downtown High-Rise Tax/Fee Waiver for 27 West at 27 S. First Street

RECOMMENDATION

Approve staff recommendations for Downtown High Rise Incentives for 27 West at 27 S. First Street and with the following additional direction:

1. Require from the applicant proof of receipt that they received the High Rise Building Best Practices Toolkit.
2. Request from the applicant a commitment to not retain the services of any contractor or sub-contractors found by the judicial system or by final administrative action of an investigatory government agency that have a history of wage theft violations in the past five years, and will provide an affidavit to that effect to the City of San José prior to the start of construction.

BACKGROUND

On October 3, 2017¹, the City Council included the above recommendations when approving the Downtown High Rise Incentives for MIRO, The Grad, Park View Towers, and San Pedro Tower 3. The same recommendations were included during the incentive approval for the Post & San Pedro project on November 6, 2018.² For all five projects, the applicants agreed voluntarily on recommendation #2. I ask that the same requirements be approved for this project.

¹ <https://sanjose.legistar.com/View.ashx?M=F&ID=5479765&GUID=080553E4-2CC9-449B-8207-991A68E38A36>

² <https://sanjose.legistar.com/View.ashx?M=F&ID=6720102&GUID=28FEF43A-12AA-45DA-B16B-45310B237FB1>

27 West is an opportunity to add another 374 housing units and 35,264 sq. ft. of commercial space and the city's provision of this incentive should signal that we hope to see this project materialized. The applicant has worked collaboratively with the Historic Landmark Commission (HLC) to redesign the ground floor and improve the quality of materials to better complement the character along this historic district corridor. This includes voluntarily lowering the project height by 20 feet to ensure that the Bank of Italy spire remains the tallest element in this area. I also would like to commend the applicant for pioneering a positive example on how to activate a vacant property through providing a space for the creation of the arts organization, Local Color.

As always, I encourage the applicant to commit their project to local labor and talent which the applicant has already indicated having initiated conversations with. Developers can and should work with our local labor organizations to establish labor peace as I believe that investment into our downtown should not only be for our economy but for our community at large.