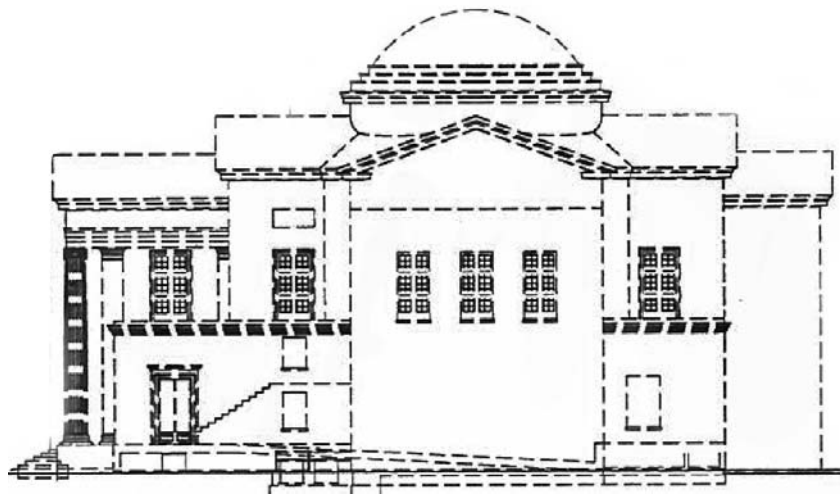


FINAL SUPPLEMENTAL
ENVIRONMENTAL IMPACT REPORT

PARK VIEW TOWERS



SCH #2006032042

City of San Jose

June 2008

CONTENTS OF THIS FINAL ENVIRONMENTAL IMPACT REPORT

This Final Supplemental Environmental Impact Report (FSEIR) document is a compilation of documents prepared individually and previously made available to the public. Consistent with normal practice in the City of San José, a First Amendment to the Draft SEIR was prepared by the City prior to certification of the SEIR. The amendment, together with the Draft SEIR, constitute the Final SEIR for this project. This Final SEIR document integrates all parts of both of those documents, but changes none of them (other than to revise references to where individual subsections are now located). In conformance with Section 15132 of the CEQA Guidelines, this Final SEIR contains the following, at the locations indicated:

- (a) The Draft Supplemental Environmental Impact Report in its entirety is found in the document which follows this page and in the attached *Technical Appendices* (including Appendices A through D).
- (b) The information included in the First Amendment to the Draft SEIR is incorporated into the text of the DEIR (pages iii through 71) which follows this page, and in the attached appendices, including Appendices E through L. The information in the appendices include the following:
 - (1) A list of persons, organizations, and public agencies receiving the Draft SEIR is included in Appendix F, “List of Agencies and Individuals Who Received the Draft SEIR”, and a list of persons, organizations and public agencies commenting on the Draft SEIR is included in Appendix G, “List of Agencies and Individuals Commenting on the Draft SEIR”.
 - (2) Responses to all of the comments received during the review process are included in Appendix H, “Responses to Comments Received on the Draft SEIR”.
 - (3) Complete copies of all comments received on the Draft SEIR are in Appendix I, “Copies of All Comment Letters”.
- (c) Revisions to the Draft SEIR, including revisions made in response to comments received, are incorporated into the text of this Final SEIR, on pages iii through 71. The revisions are indicated with underlining of inserted text and with ~~striketrough~~ of deleted text.
- (d) Appendix J of this Final SEIR contains the Resolution of the City Planning Commission certifying the Final SEIR as complete and in conformance with CEQA.
- (e) Appendix K of this Final SEIR contains the Statement of Findings made by the Director of Planning, Building and Code Enforcement prior to approving the Side Development and Historic Preservation Permits for this project.
- (f) Appendix L of this Final SEIR contains the Mitigation, Monitoring and Reporting Program for this project.

FSEIR TABLE OF CONTENTS

<u>INTRODUCTION TO THE INTEGRATED FINAL SEIR</u>	v
PREFACE	vi
SUMMARY	viii
I. DESCRIPTION OF THE PROPOSED PROJECT	1
A. PROJECT LOCATION	1
B. DESCRIPTION OF THE PROJECT	1
C. PROJECT OBJECTIVES	11
D. USES OF THE SEIR	12
E. CONSISTENCY WITH APPLICABLE PLANS AND POLICIES.....	12
II. EXISTING SETTING, IMPACTS AND MITIGATION MEASURES.....	16
A. HISTORIC RESOURCES	16
1. Existing Setting	19
2. Impacts	25
3. Mitigation and Avoidance Measures.....	42
B. VISUAL AND AESTHETIC	51
1. Existing Setting	51
2. Impacts	53
3. Mitigation and Avoidance Measures.....	56
III. CUMULATIVE IMPACTS	57
IV. ALTERNATIVES TO THE PROPOSED PROJECT.....	59
V. SIGNIFICANT UNAVOIDABLE IMPACTS.....	69
VI. REFERENCES	70
VII. AUTHORS AND CONSULTANTS.....	71

Figures

Figure 1: Regional Map.....	2
Figure 2: Vicinity Map	3
Figure 3: Aerial Photograph	4
Figure 4: Site Plan	5
Figure 5: Conceptual Aerial View.....	7
Figure 6: Building Elevations.....	8
Figure 7: Building Elevations.....	9
Figure 8: Exterior Rehabilitation Notes	28
Figure 9: Exterior Rehabilitation Notes	29
Figure 10: Exterior Rehabilitation Notes	30
Figure 11: Exterior Rehabilitation Notes	31
Figure 12: Height Comparison	35

TABLE OF CONTENTS, Continued

Figures, continued

Figure 13:	Building Section for Tower 1	36
Figure 14:	Building Section for Tower 2	37
Figure 15:	Historic Vocabulary	39
Figure 16:	Saint James Square Historic District.....	40

Photographs

Photo 1:	Saint James Park	45
Photo 2:	Saint James Park	45
Photo 3:	Sainte Claire Club	46
Photo 4:	National Guard Armory	46
Photo 5:	Second and Devine Streets.....	47
Photo 6:	Workingmen's Store.....	47
Photo 7:	Commercial Building	48
Photo 8:	Beatrice Building	48
Photo 9:	County Courthouse	49
Photo 10:	Letcher's Garage 2006.....	49
Photo 11:	Saint James Street Frontage	50

FSEIR APPENDICES

Appendix A	Initial Study
Appendix B	Historic Resources Study
Appendix C	First Church of Christ Scientist Historic Structure Report
Appendix D	Letcher's Garage District Nomination forms and DPR Assessment
<u>Appendix E</u>	<u>Exhibits A,B,C,D,E,F,O, and P from the Appendix to the First Amendment</u>
<u>Appendix F</u>	<u>List of Agencies and Individuals Who Received the Draft SEIR</u>
<u>Appendix G</u>	<u>List of Agencies and Individuals Commenting on the Draft SEIR</u>
<u>Appendix H</u>	<u>Comments and Responses to Comments Received on the Draft SEIR</u>
<u>Appendix I</u>	<u>Copies of All Comment Letters Received on the Draft SEIR</u>
<u>Appendix J</u>	<u>Planning Commission Resolution</u>
<u>Appendix K</u>	<u>Statement of Findings</u>
<u>Appendix L</u>	<u>Mitigation, Monitoring and Reporting Program</u>

INTRODUCTION TO THE INTEGRATED FINAL SEIR

This document constitutes the Final Supplemental Environmental Impact Report (FSEIR) for the proposed Park View Towers Project. It combines both the circulated Draft Supplemental EIR (DSEIR) and the *First Amendment to the Draft Supplemental Environmental Impact Report*. The DSEIR was circulated to affected public agencies and interested parties for a 45-day review period. The Amendment, consisting of comments received by the Lead Agency, the City of San José, on the DSEIR, responses to those comments, and revisions to the text of the DSEIR, was circulated to commenting agencies for ten days prior to certifying the SEIR.

In conformance with the CEQA Guidelines, the FSEIR provides objective information regarding the environmental consequences of the proposed project. The FSEIR also examines mitigation measures and alternatives to the project intended to reduce or eliminate significant environmental impacts. The FSEIR can be used by the City and other Responsible Agencies in making decisions regarding the project. The CEQA Guidelines require that, while the information in the FSEIR does not control the agency's ultimate discretion on the project, the agency must respond to each significant effect identified in the DEIR by making written findings for each of those effects. According to the State Public Resources Code (Section 21090), no public agency shall approve or carry out a project for which an environmental impact report has been certified which identifies one or more significant effects on the environment that would occur if the project is approved or carried out unless both of the following occur:

- (a) The public agency makes one or more of the following findings with respect to each significant effect:
 - (1) Changes or alterations have been required in, or incorporated into, the project which will mitigate or avoid the significant effects on the environment.
 - (2) Those changes or alterations are within the responsibility and jurisdiction of another public agency and have been, or can and should be, adopted by that other agency.
 - (3) Specific economic, legal, social, technological, or other considerations, including considerations for the provision of employment opportunities of highly trained workers, make infeasible the mitigation measures or alternatives identified in the environmental impact report.

- (B) With respect to significant effects which were subject to a finding under paragraph (3) of subdivision (a), the public agency finds that specific overriding economic, legal, social, technical, or other benefits of the project outweigh the significant effects on the environment.

All documents referenced in this SEIR are available for public review in the office of the Department of City Planning, Building and Code Enforcement, 200 E. Santa Clara St., 3rd Floor Tower, San José California, on weekdays during normal business hours.

PREFACE

This document has been prepared by the City of San José as the Lead Agency in conformance with the California Environmental Quality Act (CEQA) and the CEQA Guidelines. The purpose of this Supplemental Environmental Impact Report (SEIR) is to inform decisionmakers and the general public of the environmental effects which might result from approval of the Park View Towers development on the approximately 1.8-acre site occupying a city block in Downtown San José, and bounded by East Saint James Street, North First Street, Devine Street, and North Second Street.

Background

The 1.8-acre project site is within the City's Downtown Core Area, as defined by the City of San José 2020 General Plan. This property was a component of the 12 block, 54-acre area addressed in a combined program level and project level Environmental Impact Report (*Mixed-Use Project and Century Center Plan Amendment*) that was certified by the City Council in 2002. This project site is also within the much larger Downtown Core Area evaluated by the City in a subsequent program EIR prepared to analyze the Strategy 2000: San José Greater Downtown Strategy for Development (*San José Downtown Strategy 2000*) certified by the City Council in June 2005. Both EIRs assumed that redevelopment would occur on the project site.

The project proponent is currently proposing to retain and rehabilitate the existing historic First Church of Christ Scientist building and an adjacent surface parking lot and to construct a mixed-use project, including up to 22,700 square feet of ground-floor retail/commercial office space, up to 208 dwelling units, and at least 293 residential parking spaces in an underground structure.

Focusing the EIR

The impacts of the proposed project are evaluated in an Initial Study, prepared pursuant to §15168(c)(1). In that Initial Study, the impacts of this proposal were compared to those identified in two previously prepared EIRs, the *Mixed-Use Project and Century Center Plan Amendment Final EIR*, and the *San José Downtown Strategy 2000 Final EIR*. The City concluded that the project involves substantial changes which would require major revisions to either of the previous EIRs, and these changes include new information of substantial importance to the community, and the impacts may be more severe than was described in the previously prepared EIRs. Because of the length of the EIR titles, they are referred to throughout this document as the CCEIR and the Downtown EIR.

As required in §15163 of the Guidelines, the City has determined that a Supplemental EIR (SEIR) will be prepared for this project.

The Initial Study concluded that the SEIR should focus on aesthetic and historic resources. The impacts to agricultural resources, air quality, biological resources, geology and soils, hazards and hazardous materials, hydrology and water quality, land uses, mineral resources, noise, transportation, population and housing, public services, recreation, and utilities and service systems were determined to be either less than significant, or impacts which would be the same as or less than those identified in the previous EIRs. A copy of the Initial Study for the proposed project is included in Appendix A of this SEIR. Subsequent to completion of the Initial Study, the project was modified to reduce some of the significant impacts, including impacts relating to design and building height. There are, therefore, differences in design between the project described in the Initial Study and the project evaluated in this EIR, and the impacts discussed in this EIR are, accordingly, less than those identified in the Initial Study.

Purpose of the SEIR

In accordance with CEQA, this SEIR provides objective information regarding the environmental consequences of the proposed project to the public and the decisionmakers who will be considering the proposed project. The CEQA Guidelines contain the following general information on the role of an SEIR and its contents:

§15121(a). Informational Document. An EIR is an informational document, which will inform public agency decisionmakers, and the public of the significant environmental effect of a project, identify possible ways to minimize the significant effects, and describe reasonable alternatives to the project. The public agency shall consider the information in the EIR, along with other information which may be presented to the agency.

§15151. Standards for Adequacy of an EIR. An EIR should be prepared with a sufficient degree of analysis to provide decisionmakers with information which enables them to make a decision which intelligently takes account of environmental consequences. An evaluation of the environmental effects of the proposed project need not be exhaustive, but the sufficiency of an EIR is to be reviewed in light of what is reasonably feasible. Disagreement among experts does not make an EIR inadequate, but the EIR should summarize the main points of disagreement among the experts. The courts have looked not for perfection, but for adequacy, completeness, and a good-faith effort at full disclosure.

The CEQA Guidelines also contain certain provisions for minimizing preparation of unnecessary environmental documents. Specific direction is provided for preparing a supplement to an EIR where a project will have one or more significant effects not discussed in the previous EIR.

§15163. Supplement to an EIR.

- (a) The lead or responsible agency may choose to prepare a supplement to an EIR rather than a subsequent EIR if:
 - (1) Any of the conditions described in Section 15162 would require the preparation of a subsequent EIR, and
 - (2) Only minor additions or changes would be necessary to make the previous EIR adequately apply to the project in the changed situation.
- (b) The supplement to the EIR need contain only the information necessary to make the previous EIR adequate for the project as revised.
- (c) A supplement to an EIR shall be given the same kind of notice and public review as is given to a draft EIR under Section 15087.
- (d) A supplement to an EIR may be circulated by itself without recirculating the previous draft or final EIR.
- (e) When the agency decides whether to approve the project, the decision-making body shall consider the previous EIR as revised by the supplemental EIR. A finding under Section 15091 shall be made for each significant effect shown in the previous EIR as revised.

All documents referenced in this EIR are available for public review in the office of the Planning, Building and Code Enforcement Department, 200 East Santa Clara Street, Tower 3, San José, California during normal business hours.

SUMMARY

The proposed project is the redevelopment of most of a 1.8-acre site in Downtown San José with a mixed use project that includes up to 208 dwelling units and 16,700 square feet of retail commercial space, plus 6,000 square feet of commercial space in a rehabilitated historic structure. The property is a city block that presently contains a vacant church, a two-part commercial structure that is sometimes used in part for informal meetings or other purposes, and a parking lot. The site is bounded on three sides by a light rail transit (LRT) line, and is partially within the St. James Square National Register Historic District. That portion of the site that is not proposed for redevelopment is presently occupied by an historic church structure.

The entire project can be characterized in terms of three primary parts: (1) the demolition of the commercial structure (which consists of two attached buildings, one of which is a designated historic structure) and removal of the large commercial parking lot; (2) construction of up to 208 dwelling units and 16,700 square feet of commercial retail space in two tower structures; and (3) the rehabilitation of the First Church of Christ Scientist structure for commercial uses and reconstruction of an adjacent parking lot for use by future commercial uses in the church building. The project will be implemented in two phases.¹ It is presently anticipated that the rehabilitation of the exterior of the church structure, and the construction of a 136-unit Tower One and a portion of the underground parking structure will be accomplished in Phase 1. Phase 2 will include the completion of the rehabilitation of the interior of the church structure, the construction of a 72-unit Tower Two, and completion of the underground parking structure. The interior of the church structure may be completed in Phase 1 if a feasible tenant is identified.

The following information summarizes the significant effects of the proposed project and mitigation measures proposed to reduce the effects. A complete description of the project and of its impacts and proposed mitigation measures can be found in the text of the EIR which follows this summary.

ENVIRONMENTAL IMPACTS	MITIGATION/AVOIDANCE MEASURES
Historic Resources	
The project proposes the demolition of the building known as Letcher's Garage, which is a designated historic structure.	Significant Unavoidable Impact
(Significant Impact)	

¹ The number of dwelling units discussed throughout this EIR is approximate. The total number of units and the number of units in each tower may be reduced as building plans are finalized.

IMPACTS	MITIGATION/AVOIDANCE
---------	----------------------

Historic Resources, Continued

The proposed rehabilitation of the First Church of Christ Scientist will comply with the Secretary of the Interior’s Standards for the Treatment of Historic Properties and the Rehabilitation Guidelines for Existing Structures in the St. James Square Historic District Design Guidelines.

No mitigation is required or proposed.

(Less Than Significant Impact)

Excavation and construction of the proposed underground parking garage could cause significant damage to the church building and/or to the nearby Sainte Clare Club building.

Proposed Mitigation Measure: A geotechnical investigation by a California-licensed geotechnical engineer completed to a degree of specificity that the City Geologist can determine that all appropriate measures are proposed to avoid impacts to nearby historic structures, is proposed and will be required as a condition of project approval. The project sponsor and its contractors will follow the recommendations of the final geotechnical report(s) regarding any excavation and construction for the project. The project sponsor will ensure that the construction contractor conducts a pre-construction survey of existing conditions and monitors the adjacent buildings for damage during construction, if recommended by the geotechnical engineer.

(Significant Impact)

If dewatering is necessary during or after construction, the final soils report will address the potential settlement and subsidence impacts of this dewatering. Based on this discussion, the soils report would determine whether or not a lateral movement and settlement survey should be done to monitor any movement or settlement of surrounding buildings and adjacent streets. If a monitoring survey is recommended, such monitoring will follow City of San José procedures. Instruments would be used to monitor potential settlement and subsidence. If unacceptable movement were to occur during construction, groundwater recharge would be used to halt this settlement. The project sponsor would delay construction if necessary. Costs for the survey and any necessary repairs to service lines under the street would be born by the project sponsor.

IMPACTS	MITIGATION/AVOIDANCE
Historic Resources, Continued	
	<p>If dewatering is necessary, the project sponsor and its contractor would follow the geotechnical engineers' recommendations regarding dewatering to avoid settlement of adjacent streets, utilities, and buildings that potentially occur as a result of dewatering. The project sponsor and its contractor will follow the geotechnical engineers' recommendations regarding installation of settlement markers around the perimeter of shoring to monitor any ground movements outside of the shoring itself. Shoring systems would be modified as necessary in the event that substantial movements are detected.</p> <p style="text-align: center;">Less Than Significant Impact With Proposed Mitigation</p>
<p>The design of Tower Two was modified so it would not deviate from the adopted Design Guidelines for the District in the following specific area:</p> <p>The two tower buildings are significantly taller than recommended by the guidelines and are therefore inconsistent in height and scale with the historic structures in the District. This would result in a significant impact.</p> <p>(Significant Impact)</p>	<p>Proposed Mitigation Measure: To reduce the identified significant impacts to the Historic District and the First Church of Christ Scientist, the following specific changes were incorporated into the proposed project design to reduce the impacts:</p> <p>Building height for Tower Two has been revised to step down within the 69-foot distance measured from the front property line. The design of Tower Two steps down to the Saint James Street frontage, with the building height within 43 feet of the property line being no more than 45 feet high, which is less than the height of the dome on the First Church of Christ Scientist building.</p> <p>The modified design of the project, with Tower Two establishing a gradual transition between the new project, the church and the park, will be less than significant.</p> <p style="text-align: center;">(Less Than Significant Impact with Mitigation Proposed)</p>

IMPACTS	MITIGATION/AVOIDANCE
Visual and Aesthetics	
The project proposes removal of the building known as Letcher's Garage, a designated historic building. This would be a significant visual and aesthetic impact.	Significant Unavoidable Impact
(Significant Impact)	
The City has determined that the proposed project design is essentially consistent with the <i>Urban Design Concept</i> identified in the <i>Strategy 2000</i> plan to place new development around St. James Park, "consistent with the St. James Square Historic District Design Guidelines."	Less Than Significant Impact
(Less Than Significant Impact)	

SUMMARY OF ALTERNATIVES

The CEQA Guidelines advise that the alternatives analysis in an EIR should be limited to alternatives that would avoid or substantially lessen any of the significant effects of the project and would achieve most of the project objectives. This EIR analyzes a "No Project" alternative and one other alternative to the project as it is proposed. Each of these alternatives are summarized below.

A. No Project Alternative: If the currently proposed project is not approved and implemented, it is likely that another project will be proposed in the future. Since the approved Strategy 2000 plan for Downtown San José explicitly encourages the development of residential high rise structures around St. James Park, any future alternative proposal is likely to be similar to the currently proposed Park View Towers project. Variables would likely be choices between the rehabilitation of the church versus its demolition, and rehabilitation of the Letcher's Garage structure versus its demolition. Since the church building is a significant aesthetic and historic resource and the garage building has been substantially altered from its historic appearance, the same choices reflected in the Park View Towers project (demolition of the garage and rehabilitation of the church) are likely to be made in designing future projects.

Should future proposals more explicitly conform to the Historic District Design Guidelines and not include parking in the front setback, propose buildings within the District that are no taller than 70 feet, and include design details more consistent with the Guidelines, the impacts of this alternative could be incrementally less than the less-than-significant impacts of the proposed project. Should delay in redeveloping this site result in a complete loss of the First Church of Christ Scientist due to catastrophe or non-reversible deterioration, the impact of this alternative would be greater than that of the proposed project.

B. Preserve Letcher's Alternative: This alternative would preserve the outer walls of the Letcher's Garage building. Structural reinforcing would be built inside the existing walls to support residential floors above part of the footprint of the historic structure. The existing trusses and roof of

the building would be removed. The existing walls of the Letcher's Garage building would "wrap" the visible east, south and west facades at street level.

Two variations on this alternative are discussed: (1) For one subalternative, no subsurface parking would be built underground beneath the Letcher's structure, just as no parking is proposed under the First Church of Christ Scientist building. To offset the loss of that parking somewhat, parking could be created within the footprint of the Letcher's Garage structure; the building was historically used as a car sales and repair facility and the City considers parking to be a use compatible with the building's historic purpose. (2) For the other subalternative, subsurface parking is built beneath the Letcher's structure, but some number of spaces would be lost due to the changed footprint of the tower and the need to reinforce the Letcher's structure.

Tower Two would begin 11.5 back from the front wall of Letcher's and would step up, to the same heights as the proposed building.

Because of the reduction in floor area in Tower Two that would occur with this alternative, it is estimated that a maximum of 10 dwelling units would be lost, as would 6,900 square feet of ground floor retail space on North First Street. Ten additional dwelling units would have to be downsized.

The most substantial secondary effect, however, would result from the loss of parking spaces in the parking structure under Letcher's. If all three levels of parking are eliminated, this would reduce the number of parking spaces by 84 stalls. The addition of 15 spaces within the Letcher's footprint would reduce the net loss to 69 stalls. To remain consistent with the applicant's objectives of providing two parking spaces for two-bedroom units and larger, and one parking space for each one-bedroom unit, the loss of parking resulting from the preservation of Letcher's would either totally eliminate Tower Two (which contains only 58-72 units as proposed or it could result in a slightly smaller Tower Two and a downsized Tower One. If underground parking is allowed under Letcher's, the redesign of the parking structure to reflect the changed building footprint (designing the tower around Letcher's) and the necessary structural reinforcing would result in some loss of parking spaces and an associated loss of dwelling units.

This alternative would avoid the significant historic and visual impacts from the loss of the Letcher's Garage building, a designated historic building.

Because this alternative would create an entire block face of one story buildings and parking lots immediately adjacent to St. James Park, it would be inconsistent with the adopted *Strategy 2000* plan objective of framing the park with high density uses, however, it would be consistent with other *Strategy 2000* objectives such as historic preservation.

ENVIRONMENTALLY SUPERIOR ALTERNATIVE

The environmentally superior alternative is Alternative C, the Preserve Letcher's Alternative. It could reduce all significant impacts to less than significant levels. This alternative is inconsistent with the adopted *Strategy 2000* plan.

PUBLIC CONTROVERSY

There are, at this time, no known issues about which public controversy has arisen relative to the environmental impacts of the proposed project.

I. DESCRIPTION OF THE PROPOSED PROJECT

A. PROJECT LOCATION

Approximately 1.8 acres, consisting of the city block bounded by North First Street, Devine Street, North Second Street, and East Saint James Street, in the Downtown Core Area of the City of San José. (refer to Figures 1-2).

B. DESCRIPTION OF THE PROJECT

The proposed project is the redevelopment of most of a 1.8-acre site in Downtown San José with a mixed use project that includes construction of up to 208 dwelling units and 16,700 square feet of retail/commercial office space (including space in live-work units), plus renovation of 6,000 square feet of commercial space in the existing church building. As shown on the aerial photograph (Figure 3), the property is a city block that presently contains a vacant church, a two-part commercial structure, and two parking lots. The site is bounded on three sides by a light rail transit (LRT) line, and is partially within the St. James Square National Register Historic District. That portion of the site that is not proposed for redevelopment is presently occupied by an historic church structure.

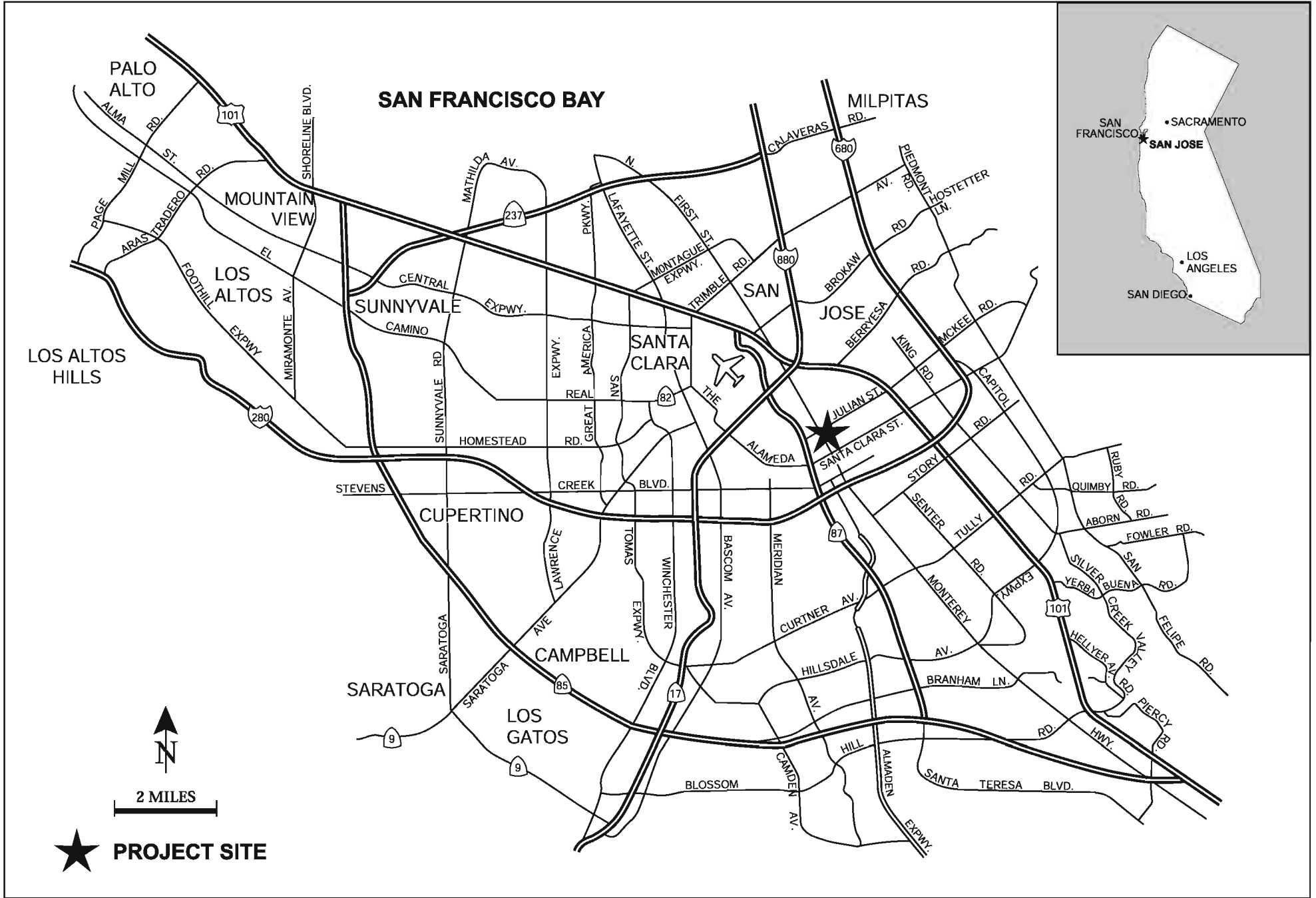
The entire project can be characterized in terms of three primary parts: (1) the demolition of the existing commercial structure (which actually includes two joined buildings) and removal of the existing parking lot on the northern half of the property; (2) construction of up to 208 dwelling units and 16,700 square feet of commercial office/retail space in two tower structures; and (3) the rehabilitation of the First Church of Christ Scientist structure for neighborhood-serving commercial uses and reconstruction of an adjacent parking lot for the commercial uses in the church building. Within the second part of the project, the high density residential towers will be built in two phases, a 136-unit Tower One on the northern portion of the project site, and a 72-unit Tower Two on the western portion of the site. Each part of the project is described below. It is presently anticipated that the rehabilitation of the exterior of the church structure, demolition of the commercial structure, and the construction of Tower One and part of the underground parking structure will be accomplished in Phase 1. Phase 2 will consist of the completion of the rehabilitation of the church building interior and the construction of Tower Two and the rest of the underground parking structure. If a feasible tenant can be found for the church building, its rehabilitation will be completed earlier.

Demolition

The two joined commercial buildings currently located at the northeast corner of St. James and North First Streets and extending along North First Street, will be demolished. This includes the historic building referred to as Letcher's Garage. The large commercial parking lot that occupies the northern half of the site will also be removed.

Residential Project

As shown in the site plan on Figure 4, Tower One on the Devine Street frontage of the site will occupy a 12,485 square foot footprint and is proposed to be 18 stories tall, to a maximum of 198 feet in height. Tower One will contain up to a maximum of 136 condominium dwelling units, with the distribution of unit sizes currently anticipated to be as shown in Table 1. Amenities provided for the residents in Tower One include a fitness room, community rooms, an outdoor courtyard, and a



REGIONAL MAP

FIGURE 1



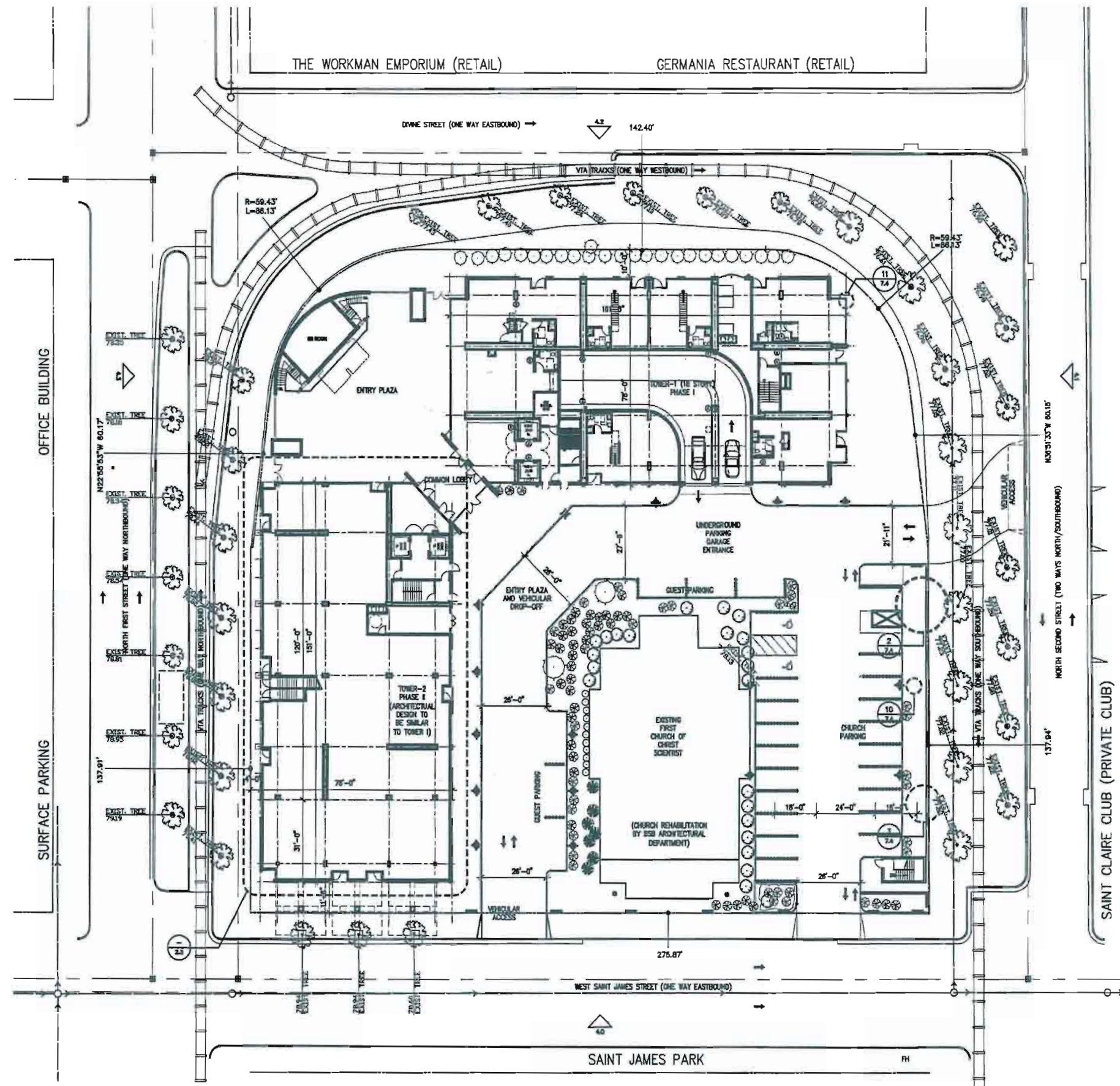
VICINITY MAP

FIGURE 2



AERIAL PHOTOGRAPH

FIGURE 3



SITE PLAN

FIGURE 4

rooftop garden. On the Divine Street frontage, Tower One is currently planned to include approximately 3,700 square feet of commercial floor space and three live/work units at the base or ground floor level. The live/work units include a total of approximately 3,000 square feet of commercial floor area.

Tower Two will be located on the North First Street frontage of the site. Tower Two will contain up to a maximum of 72 condominium units. With 72 units, the unit sizes would be as shown in Table 1; larger units with more bedrooms will result in fewer units in Tower Two. The footprint of Tower Two will be 11,300 square feet. Tower Two is designed to step down in order to create a transition from the taller Tower One to the street frontage adjacent to St. James Park. The building is to be set back 11.5 feet from the property line. The first building element will be 45 feet tall measured to the top of the terrace wall (see Figure 7), two residential floors above ground floor commercial. This building element will extend approximately 43 feet back from the property line. The next building element will be approximately 100 feet tall (eight residential floors above ground floor commercial) for a distance of between 43 feet and approximately 70 feet from the front property line. The tenth and eleventh floors will contain loft units. The twelfth floor will be the penthouse level. At the 70 foot setback line, the building will be up to 150 feet tall. Outdoor terraces will be provided on the St. James side of the building at the third and tenth floors. A wing wall on the interior (northeastern) corner of Tower Two is 153 feet tall.

Table 1 Bedroom Count*						
	Tower One		Tower Two		Totals	
Unit Size	# Units	%age	# Units	%age	# Units	%age
3 bdrm	17	12%	0	0	17	8%
2 bdrm	54	40%	37	51%	91	44%
1 bdrm	65	48%	35	49%	100	48%
Totals	136	100%	72	100%	208	100%
*Note: All unit counts are not-to-exceed.						

The two towers will be joined by a single-story ground level lobby of approximately 1,300 square feet facing the northwest corner of the site, which is the corner of North First and Devine Streets. An open landscaped plaza area is proposed in front of the lobby entrance.

The ground floor of Tower Two will be developed as commercial/retail space facing North First Street. Uses will be those allowed by the Downtown Primary Commercial zoning district.

Three levels of underground parking are proposed under all of the site except directly beneath the First Church of Christ Scientist building. The parking for the residential units is proposed at a minimum ratio of one space each for one-bedroom units, and two parking spaces each for two- and three-bedroom units; 293 parking spaces are anticipated. No on-site parking is proposed for the commercial space, other than the surface parking lot proposed for the commercial uses that will be located in the church building (see next section).

Tower Elevations

Figure 5, 6 and 7 show the proposed building elevations in both a conceptual aerial view and plan view. The building materials and elements of the proposed elevations of the two new tower structures were selected to reflect elements of existing older commercial buildings in the area, and are intended by the designer to reinterpret the character of the neighborhood with contemporary materials.

While the primary building elevation frame material is neutral colored GFRC (glass fiber reinforced concrete) with stone aggregate, a 20-foot stone base in a traditional staggered pattern and textured accent stone bands align approximately with the height of the entrance lobby volume of the adjacent First Church of Christ Scientist building on St. James Street. The 45-foot building element of Tower Two aligns approximately with the ridge height of the Church's main (auditorium) space. The stone bases include storefronts and entries with oversized doors recessed from the wall plane.

The middle floors of the tower elevations are characterized by glazed curtain walls set within the GFRC frame with primary vertical divisions and secondary horizontal mullions.

The two tower buildings are flat roofed with horizontal trellises on top.

First Church of Christ Scientist Building

This building is a Contributing Structure to the St. James Park National Register Historic District (see discussion of Cultural Resources in Section II.A. of this EIR). The project proponent proposes to rehabilitate the building consistent with the Secretary of Interior's Standards. Attached to this EIR as Appendix C is the *Historic Structure Report* which evaluates the church's existing physical condition and identifies the methods that will be used to stabilize and rehabilitate the structure.

At this time, it is anticipated that uses of the church building will be limited to local serving commercial uses. This is more restrictive than the broader range of uses proposed for the North First Street frontage; the uses of the church building are proposed to be limited to those permitted (i.e., allowed without a use permit) by the City's Neighborhood Commercial zoning district. There are a number of uses (nightclubs, for example) that are allowed by the site's existing zoning (Downtown Primary Commercial) that might be annoying to future residents of the two towers because of the orientation and proximity of the towers vis-à-vis the church building. While the project proponent/property owner is proposing to not allow these uses in the church building, they are uses allowed by the City's zoning ordinance. The City cannot, therefore, enforce such a restriction on use. If the property owner chooses to allow them, any of the uses of the Downtown Primary Commercial zoning district could locate in the church building, assuming that relevant building and occupancy codes could be met and that any applicable planning permits are obtained.

A 22-space surface parking lot is proposed adjacent to the church building, at the northwest corner of St. James and North Second Streets for use by the future tenants of the church building. Access to the parking will be provided by a driveway onto St. James Street and an interior driveway from the main access drive adjacent to the two towers. There is an existing parking lot at approximately this same location.

Access and Circulation

The southerly boundary of the project site abuts St. James Street, a two-lane eastbound one-way street. The easterly boundary of the site abuts North Second Street, a two-lane two-way street that becomes one-way southbound and part of the Downtown Transit Mall south of St. James Street. The westerly site boundary abuts North First Street, a two-lane northbound one-way street that is also part of the Downtown Transit Mall south of St. James Street.

Primary vehicular access to the site and to the underground parking is proposed via two two-way at-grade driveways, one from St. James Street and one from North Second Street (see Figure 4). Both driveways connect to an L-shaped on-site drive that provides access to surface guest parking spaces, a passenger drop-off and entry plaza, the parking lot for church building tenants' use, and the underground parking access which will be at the southern facade of Tower One. A secondary driveway access is also proposed on St. James Street for the church building's surface parking lot, at the same location as an existing driveway.

The LRT tracks border the site on three sides (north, east and west). For this reason, the project designer tried to limit driveways on those sides and the project includes two driveways onto St. James Street. Vehicles entering the site at the eastern driveway must cross the tracks. In all cases, the tracks are located between the sidewalk and the curb.

C. PROJECT OBJECTIVES

The City of San José's objectives for development of the site are that such development be consistent with the San José 2020 General Plan and with the adopted *Strategy 2000* plan, and that it further General Plan Major Strategies regarding Growth Management, Downtown Revitalization, Urban Conservation/Preservation, and Housing. These strategies articulate the City's intention to encourage commercial and high-density residential development of the site to revitalize the Downtown Core area, preserve the St. James Square Historic District, and provide housing opportunities in a stable environment that has adequate municipal services. General Plan conformance would be achieved by new development which results in the following:

- High-density housing in the Downtown Core accessible to Downtown jobs, retail and entertainment and various modes of public transit.
- Commercially viable retail space on the transit line and within walking distance of a transit station.
- Preservation and enhancement of the St. James Square National Register Historic District.

Similarly, the objectives of the project proponent are to produce a project that includes:

- High-density housing in the Downtown Core accessible to Downtown jobs, retail and entertainment, and various modes of public transit. Such a housing project must qualify for construction financing and provide units that will attract tenants/buyers. Attracting buyers requires the provision of at least one parking space for each one-bedroom unit and at least two parking spaces for each two-bedroom or larger unit.
- Commercially viable retail space on the North First Street frontage.
- Reuse of a physically stable and commercially viable First Church of Christ Scientist building that will attract and retain tenants.

- Significant elements that preserve and enhance the St. James Square National Register Historic District, in order to protect the viability of the project itself.
- A sufficient degree of economic viability that the entire project, including the rehabilitated First Church of Christ Scientist building, can be constructed, completed, and maintained over time.

D. USES OF THE SEIR

This Supplemental Environmental Impact Report (SEIR) is intended to provide the City of San José, and other public agencies, and the general public with the relevant environmental information needed in considering the proposed project.

At this time, the City of San José anticipates that the following discretionary actions by the City of San José may need to rely upon this SEIR:

1. Site Development Permit/Historic Preservation (HP) Permit(s)
2. Tentative Map

E. CONSISTENCY WITH APPLICABLE PLANS AND POLICIES

In conformance with Sections 15125(b) and 15163(b) of the CEQA Guidelines, the following section discusses the consistency of the proposed project with those adopted plans and policies that are relevant to the historic impacts of the Park View Towers project. All other aspects of the project and its consistency with plans and policies, other than its consistency with the adopted guidelines of the St. James Square Historic District, were adequately addressed in the CCEIR and the Downtown EIR.

1. Local Plans and Policies

City of San José 2020 General Plan

The San José General Plan is a comprehensive, long-term plan that represents the City's official development policy. The following is a summary of policies that apply to the proposed project. Although these policies were also addressed in the previously certified EIRs, they are discussed here because they are relevant to the reasons why a high rise structure is proposed at this location.

Urban Conservation/Preservation Major Strategy

This strategy applies to the importance of sustaining viable neighborhoods because there "is no practical way to replace the City's housing stock, or its other physical assets." This strategy emphasizes the use of public policies and private initiatives and the need of residents to belong to a neighborhood to promote civic pride and a concern for the community.

The Strategy states that the Greenline/Urban Growth Boundary, the Urban Service Area, and the level of service policies all support the conservation of existing neighborhoods. The City will strive to maintain adequate levels of service for existing neighborhoods by avoiding development at the fringe of the City. The Strategy states that preservation of specific structures or special areas is part of the urban conservation strategy, but the objective goes beyond saving "an individual structure or even a group of structures". The strategy states

that: “Preservation activities contribute visual evidence to a sense of community that grows out of the historical roots of San José’s past.”

Community Development Goals and Policies

The goal of the Community Development Element of the San José 2020 General Plan is to provide a high quality living environment in residential neighborhoods and to ensure that lands planned for residential use are fully and efficiently utilized to maximize the City’s housing supply.

This goal is achieved through the following policies:

Residential Land Use

Policy 3: Higher residential densities should be distributed throughout the community. Locations near commercial and financial centers, employment centers, the light rail transit stations and along bus transit routes are preferable for higher density housing.

Policy 22: High density residential and mixed residential/commercial development located along transit corridors should be designed to: 1) create a pleasant walking environment to encourage pedestrian activity, particularly to the nearest transit stop; 2) maximize transit usage; 3) allow residents to conduct routine errands close to their residence; 4) integrate with surrounding uses to become a part of the neighborhood rather than an isolated project; 5) use architectural elements or themes from the surrounding neighborhood; and 6) ensure that building scale does not overwhelm the neighborhood.

Urban Design

Policy 19: In the Downtown Core Area, a pedestrian orientation should be fostered by appropriate design techniques, including: 1) the location of retail and commercial uses at street level; 2) improvements to sidewalks and other pedestrian ways should include attractive and interesting streetscape features such as street furniture, pedestrian-level lighting, clocks, fountains, and landscaping; 3) sidewalk elevators should be strongly discouraged in areas of high pedestrian usage; 4) sidewalks, plazas and other pedestrian ways should be spacious and of ample width; 5) commercial uses oriented to occupants of vehicles, such as drive-up service windows, are discouraged.

Historic, Archaeological and Cultural Resources Goals and Policies

The goal of the Historic, Archaeological and Cultural Resources policies of the San José 2020 General Plan are the preservation of historically and archaeologically significant structures, sites, districts, and artifacts in order to promote a greater sense of historic awareness and community identity and to enhance the quality of urban living.

This is achieved through implementation of the following policies:

Policy 1: Because historically or archaeologically significant sites, structures, and districts are irreplaceable resources, their preservation should be a key consideration in the development review process.

Policy 2: The City should use the Area of Historic Sensitivity overlay and the landmark designation process of the Historical Preservation Ordinance to promote and enhance the preservation of historically or architecturally significant sites and structures.

Policy 5: New development in the proximity to designated historic landmark structures and sites should be compatible with the character of the designated historic resources. In particular, development proposals located within the Areas of Historic Sensitivity designation should be reviewed for such design sensitivity.

Policy 6: The City should foster the rehabilitation of individual buildings and districts of historic significance and should utilize a variety of techniques and measures to serve as incentives toward achieving this end. Approaches which should be considered for implementation of this policy include, among others: Discretionary Alternative Use Policy Number 3, permitting flexibility as to the uses allowed in structures of historic or architectural merit; transfer of development rights from designated historic sites; tax relief for designated landmarks and/or districts; alternative building code provisions for the reuse of historic structures; and such financial incentives as grants, loans and/or loan guarantees to assist rehabilitation efforts.

Policy 8: For proposed development sites which have been identified as archaeologically sensitive, the City should require investigation during the planning process in order to determine whether valuable archaeological remains may be affected by the project and should also require that appropriate mitigation measures be incorporated into the project design.

Consistency: Implementation of the proposed project will result in infill construction within the City's Urban Service Area and the St. James Square National Register Historic District. Many of the buildings in the project area are listed as contributing structures to the District; one of those structures is proposed for demolition while another is proposed for rehabilitation and preservation. The scale of the proposed structures is consistent with the approved *Strategy 2000* Plan and will not overwhelm the neighborhood. The scale of Tower Two is compatible with the scale of the Historic District.

City of San José Council Policy Preservation of Historic Landmarks

The City Council adopted a Preservation of Historic Landmarks Policy (adopted December 8, 1998, revised May 23, 2006) that designated landmark structures, sites or districts be preserved wherever possible. This category includes any officially designated City Landmark, any building designated as a Contributing Structure in a City Landmark Historic District, any structure listed on the California Register of Historic Places or the National Register of Historic Places, any building designated as a Contributing Structure in a National Register Historic District, or any structure that qualifies for any of these designations based on the applicable City, state, or national criteria.

The policy requires that proposals to alter such structures must include a thorough and comprehensive evaluation of the historic and architectural significance of the structure and the economic and structural feasibility of preservation and/or adaptive reuse. Every effort should be made to incorporate existing landmark structures into future development plans.

Final decisions to alter or demolish a historic landmark or impact the integrity of a landmark district must be accompanied by findings which document that it is not feasible to retain the structure. The financial profile and/or preferences of a particular developer should not, by

themselves, be considered a sufficient rationale for making irreversible decisions regarding the survival of the City's historic resources.

Consistency: The project includes the preservation and rehabilitation of the First Church of Christ Scientist building, which is a contributing structure in the St. James Square National Register and City Landmark Historic District. The project proposes the demolition of the Letcher's Garage building, which is also designated as a Contributing Structure. The demolition of the Garage building is inconsistent with this adopted Council Policy.

Downtown Strategy 2000 Plan

The City Council adopted the *Downtown Strategy 2000 Plan* in June, 2005 after certifying a Final EIR that addressed the impacts of the Plan. The discussion below summarizes the analysis of the proposed Park View Tower project with relevant elements of the Plan.

Aesthetics

The adopted Plan identifies the following design concepts and elements that will be included in new development in the St. James Park area:

X Frame the park on available sites with tall, high-density, mixed-income residential development consistent with the St. James Square Historic District Design Guidelines. New development should be compatible with B while not directly imitating B the historic character of the district. At least 20 percent of the new residential development should be affordable. St. James Park should become the center of a major new Downtown residential district, with high-density housing developed on all available adjacent sites.

X Orient new development to create a strong pedestrian presence at the street: include primary entrances that face the park, avoid blank walls, and minimize the size and number of vehicular entrances. Where appropriate, include some residential-serving retail or restaurant uses at the street level, with the south side of the Park as the preferred location.

X Preserve and restore Frederick Law Olmsted-inspired historic landscape.

X Preserve the historic buildings that front the park, including preservation, restoration or rehabilitation of underused or deteriorating historic resources through adaptive use.

Consistency: The project proposes tall, high-density residential development (all market-rate) that will frame the park in a design that is consistent with the St. James Square Historic District Design Guidelines. The design is consistent with the historic character of the District. The development is oriented to the face the park with one new vehicular entrance. No changes will be made to the park itself. One historic building will be preserved and restored, and one will be demolished.

Cultural Resources

X Preserve and restore Frederick Law Olmsted-inspired historic landscape.

X Preserve the historic buildings that front the park, including preservation, restoration or rehabilitation of underused or deteriorating historic resources through adaptive use.

Consistency: The project proposes no change to the Olmsted-inspired park. The project includes preservation of one historic building that fronts the park, and demolition of one building.

II. ENVIRONMENTAL SETTING, IMPACTS, AND MITIGATION

A. HISTORIC RESOURCES

Regulatory and Policy Background

National Register Of Historic Places

The National Register of Historic Places (National Register) is the official federal list of historic resources that have architectural, historic, or cultural significance at the national, state, or local level. The National Register is administered by the State Office of Historic Preservation (OHP), and is implemented by the National Park Service (NPS), an agency of the U.S. Department of the Interior. Listing of a property on the National Register does not prohibit demolition or alteration of that property, but does denote that the property is a resource worthy of recognition and protection. There are four criteria for listing a property or historic district in the National Register:

The quality of significance in American history, architecture, archeology, 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:

- A. That are associated with events that have made a significant contribution to the broad patterns of our history; or
- B. That are associated with the lives of persons significant in our past; or
- C. 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
- D. That have yielded or may be likely to yield, information important in prehistory or history.

For purposes of CEQA, the St. James Square Historic District and its contributing resources including the First Church of Christ Scientist and Letcher's Garage would be considered historic resources.

California Register Of Historical Resources

The California Register of Historical Resources (CRHR) is the official state list of historic resources that have architectural, historic or cultural significance at the state level. The OHP administers and maintains the CRHR that includes resources listed in, or formally determined eligible for, the National Register of Historic Places and California Historical Landmarks. The CRHR can also include properties designated under local ordinances or identified through local historic resource surveys. There are four criteria for listing a property or historic district in the CRHR:

Resources eligible for listing include buildings, sites, structures, objects, or historic districts that retain historic integrity and are historically 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 possesses high artistic values; or
- 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.

In addition to having significance, resources must have integrity for the period of significance. The period of significance is the date or span of time within which significant events transpired, or significant individuals made their important contributions. Integrity is the authenticity of a historical resource's physical identity as evidenced by the survival of characteristics or historic fabric that existed during the resource's period of significance. Alterations to a resource or changes in its use over time may have historical, cultural, or architectural significance. Simply, resources must retain enough of their historic character or appearance to be recognizable as historical resources and to convey the reasons for their significance. A resource that has lost its historic character or appearance may still have sufficient integrity for the California Register if, under criterion 4, it maintains the potential to yield significant scientific or historical information or specific data.

Historic Districts are a concentration of historic buildings, structures, objects, or sites within precise boundaries that share a common historical, cultural or architectural background. Individual resources within an historic district may lack individual significance but be considered a contributor to the significance of the historic district.

For purposes of CEQA, the St. James Square Historic District and its contributing resources, including the First Church of Christ Scientist and Letcher's Garage (Four Wheel Brake) building would be considered historic resources.

City Of San José

According to the City of San José's Historic Preservation Ordinance (Chapter 13.48 of the Municipal Code), a resource qualifies as a City Landmark if it has "special historical, architectural, cultural, aesthetic or engineering interest or value of an historical nature" and is one of the following resource types:

1. An individual structure or portion thereof;
2. An integrated group of structures on a single lot;
3. A site, or portion thereof; or
4. Any combination thereof. (Sec. 13.48.020.C)

The ordinance defines the term "historical, architectural, cultural, aesthetic, or engineering interest or value of an historical nature" as deriving from, based on, or related to any of the following factors:

1. Identification or association with persons, eras or events that have contributed to local, regional, state or national history, heritage or culture in a distinctive, significant or important way;

2. Identification as, or association with, a distinctive, significant or important work or vestige:
 - a. Of an architectural style, design or method of construction;
 - b. Of a master architect, builder, artist or craftsman;
 - c. Of high artistic merit;
 - d. The totality of which comprises a distinctive, significant or important work or vestige whose component parts may lack the same attributes;
 - e. That has yielded or is substantially likely to yield information of value about history, architecture, engineering, culture or aesthetics, or that provides for existing and future generations an example of the physical surroundings in which past generations lived or worked; or
 - f. That the construction materials or engineering methods used in the proposed landmark are unusual or significant or uniquely effective.
3. The factor of age alone does not necessarily confer a special historical, architectural, cultural, aesthetic or engineering significance, value or interest upon a structure or site, but it may have such effect if a more distinctive, significant or important example thereof no longer exists. (Sec. 13.48.020.A)

The ordinance also provides a definition of a district: “a geographically definable area of urban or rural character, possessing a significant concentration or continuity of site, building, structures or objects unified by past events or aesthetically by plan or physical development.” (Sec. 13.48.020.B) Although the definitions listed are the most important determinants in evaluating the historic value of San José resources, the City of San José also has a numerical tally system that is must be used in identifying potential historic resources. The “Historic Evaluation Sheet” reflects the historic evaluation criteria for the Registers as well as the City’s Historic Preservation Ordinance, and analyzes resources according to the following criteria:

- Visual quality/design
- History/association
- Environment/context
- Integrity
- Reversibility
- Interior quality and conditions
- NRHP/CRHR status

A rating system with “points” is assigned by the evaluator according to the extent to which each building meets the criteria listed above. The following is a list of the net point scores:
 # Candidate City Landmark (CCL): 67-120 points # Structure of Merit (SM) and/or Contributing Structure (CS): 33-66 points # Non-Significant (NS)/Non-Contributing (NCS): 0-32
 The list of historically significant resources in San José is called the “Historic Resources Inventory.” The St. James Square Historic District was listed on the National Register of Historic Places in 1979, and designated a City Landmark Historic District in 1984. The First Church of Christ Scientist is listed as a contributing resource to this historic district and is a designated City of San José Structure of Merit. Letcher’s Garage is also a contributing structure to these historic districts. The garage and church as well as the district would be considered historic resources for the purposes of CEQA.

The following discussion references an Historic Resources Evaluation prepared by *Carey & Company*, which is included in its entirety as Appendix B of this SEIR.

1. **Existing Setting**

The project site is located in Downtown San José on a block bounded by East Saint James Street, South Second Street, Devine Street, and South First Street.

This existing setting subsection includes the following:

- A summary of the historic background for this area
- A discussion of the methods and criteria used at the federal, state, and local levels to evaluate historic resources;
- Descriptions of the on-site historic resources.

The next subsection evaluates the impacts to both the on-site resources and the Historic District. The final subsection identifies mitigation measures for those impacts found to be significant.

As discussed in the Preface to this EIR and in the Initial Study in Appendix A, this is a Supplemental EIR. In addition to the comprehensive evaluation of planned development and its anticipated impact in all subject areas, there is a discussion of the historic context, background and setting for this area in the Final EIRs that were prepared by the City of San José for development in the Downtown Core. This discussion is not, therefore, freestanding, but is tiered from those two EIRs (CCEIR and Downtown EIR).

Historic Background

Settlement of the Santa Clara Valley by Euro-Americans began in 1769 with the Spanish Portola Expedition. Early in 1777, Mission Santa Clara de Asis was established on the west bank of Guadalupe River, near present-day Trimble Road. A civilian settlement, San José de Guadalupe was founded on the east side of the river about two miles from the mission. The original location of the pueblo was near the Guadalupe River, in the vicinity of present-day Hobson Street, approximately 2,500 feet northwest of the proposed Park View Towers project site. The pueblo site was subjected to severe winter flooding and the pueblo was moved one mile south to higher ground during the 1790s.

The Plaza, which extended along present-day Market Street, between approximately St. John Street and San Carlos Street (approximately two blocks from the project site), was the center of the pueblo. The major transportation route during this period was El Camino de Real, which entered the pueblo from the south and exited to the west where present-day Santa Clara Street is located. With independence from Spain in 1822 and the secularization of the missions, Mexico encouraged settlement of vacant lands. The project site lies outside the center of the early pueblo in an area formerly used for slaughtering cattle.

During the war with Mexico, Thomas Fallon raised the United States flag on the Plaza on July 14, 1846. In 1848, Mexico ceded California to the United States. The discovery of gold in the Sierra foothills precipitated a sudden influx of population quickly followed by statehood in 1850. San José served as the first State Capital and the Capital building was located on the east side of the Plaza near today's Fairmont Hotel.

In 1848, Chester Lyman surveyed the city and developed the grid plan that includes many of the features seen in downtown San José today. Santa Clara Street became the main east-west thoroughfare, as it is today. Urban development in downtown San José moved at a swift pace in the 1860s. Natural gas service, piped fresh water, and sewers spurred development. A railroad line between San Francisco and San José and the transcontinental railroad connection with the Central Pacific opened new markets for the agricultural production of the valley. Commercial construction was concentrated in the heart of the city. While most of the buildings constructed in this era are no longer extant, many physical remainders of 1860s brick structures remain hidden behind contemporary facades. San José's oldest surviving bank building, the McLaughlin and Ryland Bank, exists at 32 East Santa Clara Street. The agricultural potential of the Santa Clara Valley was recognized early and orchard products dominated agricultural production by the end of the 19th century. Fruit production peaked in the 1920s and the canning and packing industry quickly grew.

During the 1870s, business in downtown San José flowed eastward on Santa Clara Street and onto Second Street. The Bassler & Haynes Building is the city's oldest surviving three-story brick building. In the 1880s through the early years of the twentieth century, the business district moved southward along First Street and in both directions on Santa Clara Street. Chinatown, located adjacent to the Plaza, burned in 1887, and a new city hall was erected in the middle of the Plaza by 1889, spurring further development in the downtown area. Large bank buildings were built on the corners of First and Santa Clara Streets in the 1880s. Several pioneer automobile factories were established in San José after 1900. Clarence Letcher opened the first garage in the West in 1900 and the first service station in 1902. George Osen and A. E. Hunter started one of the earliest auto manufactories and sales firm. Letcher's Garage/Osen Auto Sales, was located adjacent to St. James Park at 200 North First Street, and lies within the proposed project boundary, at the northeast corner of East St. James Street and North First Street.

The downtown suffered severe damage in the 1906 earthquake, particularly to brick buildings. Brick continued to be used after the earthquake due to the pressure of bricklayer unions but steel and reinforced concrete were also used. The William Binder-designed Montgomery Hotel and YMCA building are two remaining examples of this pre-war introduction of concrete in commercial buildings. Three additional buildings over ten stories were constructed during the next 25 years. Both were constructed circa 1926, the tallest is the City Landmark Bank of Italy Building, designed by Henry A. Minton, at the southeast corner of East Santa Clara Street and South First Street. The other is the City Landmark Commercial Building at 22 North First Street, designed by William Binder and Earnest Curtis.

After World War I, San José entered a period of great prosperity. Population growth led to expanded urban boundaries and the automobile spurred development beyond the original city limits. During the Depression, as commercial businesses strived to stay afloat, owners modernized the appearance of their buildings by removing Victorian-era ornaments. While the Art Deco style appeared briefly in San José during the early 1930s, most remodeled facades by the late 1930s and into the 1950s were in the more abstract, modernist style. Downtown remained vibrant after World War II. However, Macy's decision in the early 1950s to build a store in the new Valley Fair Shopping Center signaled the beginning of the commercial flow out of the downtown core. Many downtown building facades were modernized in a futile attempt to compete with the suburban malls. A number of electronic

and defense industries established plants in San José after the war and they became the economic base for the region. The population of the valley experienced phenomenal growth, increasing from 95,000 to over 500,000 between 1950 and 1975. The area of the city went from 17 square miles in 1950 to over 120 square miles in 1970.

The origin of St. James Park dates to 1848 when Charles S. Lyman surveyed the future city of San José. Lyman reserved a large open area for public open space by combining two adjacent rectangular blocks within the standard grid plan for the city. This area was called St. James Square. Twenty years later diagonal and peripheral walkways were added and St. James Square became officially known as St. James Park. St. James Park has been the favored site of many of the city's distinguished churches and public buildings, beginning with the construction of the Trinity Episcopal Church in 1863. The park has been spared the periodic renovations and upheavals of the City's main street and it remains one of the few areas in San José that reflects an earlier era. The park and its surroundings were placed on the National Register of Historic Places in 1979. The boundary of the District is shown in Figure 13. Nine buildings that surround St. James Park are designated contributors to the National Register and San José City Landmark Districts: Trinity Episcopal Church, Santa Clara County Courthouse, First Unitarian Church, Sainte Claire Club, Eagles Hall, First Church of Christ Scientist, Scottish Rite Temple, Letcher's Garage, and San José Post Office. The park itself is a major contributor to the District.

On-Site Historic Resources

In October 2005, Richard Brandi and Hisashi Sugaya from Carey & Company conducted a site visit to confirm the inventory of resources in San José's St. James Square, an historic district listed on the National Register of Historic Places and a San José City Landmark District.² Both the interior and exterior of Letcher's Garage were also inspected.

The nine buildings that are officially listed as contributing to the district are Trinity Episcopal Church, Santa Clara County Courthouse, First Unitarian Church, Sainte Claire Club, First Church of Christ Scientist, Letcher's Garage/Osen Motor Sales, Scottish Rite Temple, Eagles Hall, and the San José Post Office. Two of the contributing structures, the First Church of Christ Scientist and Letcher's Garage, are within the project boundaries. Carey & Company confirmed the existence of the nine buildings surrounding St. James Square. The following discussion includes information from their report.

There are two buildings on the corner of North First Street and East St. James Street: 200 North First Street, Letcher's Garage/Osen Motor Sales (formerly Four Wheel Brake); and 218-220 North First Street, Letcher Garage.³ Appendix B of this EIR includes a copy of the DPR rating forms prepared for the 200 North First Street building and the nomination forms for its addition to the National Register and its designation as a City landmark.

² Both the National Register and the California Register and the criteria used for both are described in the next subsection, Historical Resource Impacts.

³ The form "Letcher Garage" is correct in this context. Historic photos show the sign over the structure at 218-220 North First Street said "Letcher Garage", without the apostrophe s.

200 North First Street Letcher's Garage/Osen Motor Sales (Formerly Four Wheel Brake

Only 200 North First Street is listed on the State of California Directories of Properties Historic Data files. It is called "200 North 1st Street, Four Wheel Brake," 1906, and is listed as both a 1D (listed in the NR as an individual contributor to a district or multiple resource property) and 5S (individually eligible for local listing only). Its Assessor Parcel Number is APN 467-01-008. The building at 200 North First Street has been found eligible as a contributor to the National Register as part of the St. James Square Historic District and the City of San José's St. James Square Historic District. The building is not eligible as an individual landmark.

In the CCEIR prepared by the City of San José, differing opinions are offered as to the status of the Letcher's Garage building and whether the low level of integrity of the existing façade made the "continued status of [the Letcher's Garage building] designation as a contributor" subject to question.

A DPR form⁴ was completed on 200 North First Street in January, 2002, by the Dill Design Group and incorporated into Appendix IV-Historic Property Summaries, in the Draft EIR for the Mixed Use Project and Century Center Plan Amendments, dated March 2002. Carey & Company's site visit confirms the physical description as stated in that report.

The Dill report says:

The primary facade and front of the building, however, is not original to the building and has been modified a number of times and no longer has integrity with its historical association. Given the low level of integrity of the existing façade of the building with the original period of significance...the continued status of (historic designation) may be subject to questions.

(As noted below, however, current research indicates that the modifications were made subsequent to rather than prior to the District designations.)

The EIR concludes that it cannot determine whether or not Letcher's Garage and six other buildings are historic resources. Therefore, "in order to ensure that impacts to historical resources are fully disclosed" the EIR determines to treat them as historic resources.⁵

For the purposes of the EIR for this project, an historic resources consultant different than the two firms whose opinions are represented in the CCEIR was retained to evaluate the historic significance of the Letcher's Garage building.⁶ The consultant firm, Carey & Company, was given copies of all previously prepared documents and access to the building, and completed original research, all of which is reflected in their report in Appendix B of this EIR.

However, according to the National Register:

⁴DPR form refers to the standardized state Department of Parks and Recreation form used to evaluate historic structures.

⁵ CCEIR, page 4.10-20.

⁶ The CCEIR included analyses by the Dill Design Group and Page & Turnbull. The historic resources analysis for this EIR was prepared by Carey & Company

A district can comprise both features that lack individual distinction and individually distinctive features that serve as focal points. It may even be considered eligible if all of the components lack individual distinction, provided that the grouping achieves significance as a whole within its historic context. In either case, the majority of the components that add to the district's historic character, even if they are individually undistinguished, must possess integrity, as must the district as a whole.

The National Register Nomination form addressed the character of the building in 1978:

“...the Clarence Letcher garage occupied this one-story masonry building beginning in 1906. The eastern side of this structure exhibits a brick, mortar, and tie rod construction typical to early twentieth century San Jose. When viewed from the park, the aged appearance of this section gives the viewer an important sense of time that contributes to the distinctiveness of the district.”

Because the Letcher's Garage structure is a contributing structure in a National Register District, it is eligible to be listed on the California Register and is, therefore, considered by the City of San José to be an historical resource [CEQA § 21084.1].

In addition, the Four Wheel Brake building was listed as a contributor to the City Landmark Historic District in 1984. The City Landmark Designation addresses the significance of the building as “part of one of the first automobile showroom-garages in San Jose.” The CCEIR (see Appendix) provided more history about that association, noting that Letcher opened his early automobile dealership and garage at this location in 1907, moved to 214 North First Street shortly thereafter, and then moved back to this location from 1928-1937. At the same time rival automobile dealership, Osen & Hunter Auto Company moved into this building after fire damaged their building on West St. John Street in June 1907. George Osen was a co-owner of what was said to be the first automobile sales company in the county. Osen operated in this building between 1907 and 1924, and then again between 1938 and 1944.

Work performed to alter the building in 1986 (subsequent to the National and City Historic District designations) for reuse as a Restaurant, Nightclub and Health Facility, was governed by the provisions of the City's Historic Preservation Ordinance (13.48) that required issuance of a Historic Preservation Permit (HP86-04-66). While storefronts were replaced with glass block, the then existing storefront openings and stucco finish were retained on the south and west facades, and the historic masonry east wall was retained in full. The Historic Landmarks Commission reviewed the project and found that “the architectural design of the exterior improvements are in keeping with the historic elements of the existing building and with the adjacent buildings.” The Director of Planning also found that “The project will also save the significant features within the historical structure and therefore the potential historical impacts are reduced to an acceptable level.”

218-220 First North Street: Appendix IV-Historic Property Summaries which is attached to Appendix E in the CCEIR, also contains an evaluation of 218-220 First North Street (on page IV-82). It states that the building was added as a Structure of Merit by the San José Historic landmarks Commission in 2001 but “...does not appear to have the integrity necessary to qualify for the National Register or California Register.” The CCEIR includes information that in 1907, Clarence H. Letcher opened an automobile showroom and garage in this building, which was designed in the Mission revival style by Frank Wolfe and Charles

McKenzie, at 214-224 North First Street (now 218-220). It was at 214 North First Street that Clarence Letcher's wife murdered him in 1926. The building's association with Clarence H. Letcher is significant. The current façade, however, is not associated with Letcher's period of use of the building. The façade contained five bays and the existing structure now only has four, indicating that the front of the building has been replaced.

Integrity

Integrity is important in determining historic significance. According to the State Office of Historic Preservation Technical Assistance Series #6:

To be listed in the National Register of Historic Places, a property must not only be shown to be significant under the National Register criteria, but it also must have integrity. The evaluation of integrity is sometimes a subjective judgment, but it must always be grounded in an understanding of a property's physical features and how they relate to its significance.

Historic properties either retain integrity (that is, convey their significance) or they do not. Within the concept of integrity, the National Register criterion recognizes seven aspects or qualities that, in various combinations, define integrity. To retain historic integrity a property will always possess several, and usually most, of the aspects. The retention of specific aspects of integrity is paramount for a property to convey its significance. Determining which of these aspects are most important to a particular property requires knowing why, where, and when the property is significant.

The seven aspects of integrity listed by the National Register are Location, Design, Setting, Materials, Workmanship Feeling, and Association. For reasons described in Appendix B, Carey & Company concluded that Letcher's garage fails to meet five of the aspects of integrity required by the National Register.

The City of San José has, however, determined that the building at 200 North First Street was already determined to be an historic resource when it was designated as part of the St. James Square Historic District and it therefore qualifies as a historical resource as such a resource is defined by CEQA. The question of the integrity of the existing structure is immaterial, since the determination that the building is an historic resource has already been made. The building at 218-220 North First Street was not previously designated as an historic structure and is not an historic resource as defined by CEQA.

It is the City's determination that while photographic evidence exists that the building has been significantly altered from its historic appearance, the building had already been altered at the time of its designation(s) as Four Wheel Brake. It is the City's determination that the strong historical significance as one of the oldest and last remaining buildings associated with the introduction of the automobile industry to twentieth century San José, as well as the retention of the building's location within the intact historic district and adjacent to the First Church of Christ Scientist, as well as massing, and feeling from the Historic District's period of significance (1860-1920), could be found to uphold its current listing as a contributor to the National Register (1979) and City Landmark (1984) Historic Districts.

First Church of Christ Scientist

A detailed evaluation of the current physical condition of the church building is contained in Appendix C, the Historic Structure Report. While there is substantial damage to the building, it has not been substantially altered and retains the exterior appearance and many of the interior features from its period of significance.

2. Historic Resource Impacts

Thresholds of Significance

For the purposes of this EIR and consistent with the analysis in the Downtown EIR, an historical resource 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. A resource as defined in Section 15064.5 is:
 - A resource listed in, or determined to be eligible by the State Historical Resources Commission for listing in the California Register of Historical Resources (CRHR);
 - A resource included in a local register of historical resources or identified as significant by the California Office of Historic Preservation in an historical resource survey meeting the requirements of Section 5024.1 (g) of the Public Resources Code (PRC), unless the preponderance of evidence demonstrates that it is not historically or culturally significant;
 - A resource identified as significant in a historical resource survey, unless the preponderance of evidence demonstrates that it is not historically or culturally significant;
 - Any object, building, structure, site, area, place, record, or manuscript which a lead agency determines to be historically significant or significant in the architectural, engineering, scientific, economic, agricultural, educational, social, political, military, or cultural annals of California, provided the determination is supported by substantial evidence in light of the whole record (generally, a resource shall be considered to be historically significant if the resource meets the criteria for listing on the CRHR); and/or
 - A resource that is determined by a lead agency to be historically or culturally significant even though it does not meet the other four criteria listed above.

For purposes of CEQA, the St. James Square Historic District and the nine listed contributing resources are considered historic resources.

The following discussion of impacts takes into account relevant adopted policies and guidelines in evaluating whether or not the effects of the project could cause a “substantial adverse change” in the significance of these resources. The San José General Plan states that: “Because historically or archaeologically significant sites, structures and districts are irreplaceable resources, their preservation should be a key consideration in the development review process”. Further, the St. James Square Historic District Design Guidelines specifically list Rehabilitation Guidelines for Existing Structures (St. James Rehabilitation Guidelines) and New Building Guidelines (St. James New Building Guidelines). The rehabilitation guidelines “specif[y] design elements which should be considered in the rehabilitation or modification of existing structures or when additions are proposed.” The guidelines for new buildings provide “direction and design considerations for New Buildings

within the St. James Square Area of Historic Sensitivity.” The significance of the resources is evaluated in light of the national, state, and local criteria identified previously. For the purposes of this analysis, the adopted design guidelines for this National Register District are given the same weight as the Secretary of Interior’s Standards.

Impacts to the historic resources in the St. James Square Historic District were identified as likely to result from four elements of the proposed project: (1) demolition of the Letcher’s Garage structure(s); (2) rehabilitation of the First Church of Christ Scientist building; (3) construction of the underground parking structures; and (4) construction of the two new residential towers. The impacts from each of these project elements is addressed separately below.

Impact to Letcher’s Garage

The project proposes to demolish Letcher’s Garage. Letcher’s Garage is identified as an historical resource because it is a contributing structure to the St. James Square Historic District.

- **The demolition of Letcher’s Garage would be a significant historic impact. (Significant Impact)**

Impacts from Rehabilitation of the First Church of Christ Scientist

Figures 14, 15, 16, and 17 are the exterior plans of the church submitted as part of the Historic Preservation Permit application. The plans include details on the existing exterior, and what work is proposed to the exterior. The interior plans contain the following note: “No alterations or modifications are proposed to the floor plans at this time. Interior restoration will be done at the tenant improvement phase.” The City’s Historic Preservation Ordinance states that the design standards and guidelines only apply to the exterior of a structure “unless the structure cannot be preserved without preserving the interior”. The description of the First Church of Christ Scientist in the St. James Square Historic District Design Guidelines notes that its interior has character defining features:

“The central [auditorium] space is topped by a great 45 foot high dome and surrounded by clerestory windows rising 16 feet from the ground. The beauty of the interior is enhanced by 58 Corinthian pilasters.”

At least this interior space and its architectural features appear to be a significant part of this National Register building. The City of San José does not, however, have discretionary authority over interior alterations. Building permits are all that are required to remodel the interior, and building permits are ministerial (i.e., non-discretionary). CEQA only applies to discretionary actions. The City has therefore determined that interior alterations are exempt from CEQA review and the specific interior modifications that are proposed or necessary for future uses are not evaluated further in this EIR.

Exterior Alterations

An initial evaluation based on a set of undated drawings submitted for an historic preservation permit and entitled *First Church of Christ Scientist, Structural Retrofit and*

Facade Restoration/Repairs, Historic Preservation Permit was done and is reflected in the report in Appendix B prepared by Carey & Company. Subsequently, structural drawings were completed and a full *Historical Structure Report* was prepared by Urban Programmers and MBA Architects. A complete copy of the draft *Historical Structure Report* (HSR) is attached to this EIR as Appendix C.

According to the ‘Secretary of the Interior’s Standards for the Treatment of Historic Properties.’ (California Office of Historic Preservation, Historic Structure Report Format) HSRs “provide a valuable foundation for the rehabilitation, restoration, stabilization or reconstruction of an historic building... This document provides a project architect with the information necessary for making appropriate decisions on restoring or removing fabric, and on period of restoration.” The HSR should generally follow the outline prepared by the California Office of Historic Preservation (described in Appendix B).

The HSR submitted to the City of San José for its review and approval includes drawings that show what of the church structure currently exists, what would be removed, what would remain and what is new. It also evaluates the existing condition of the building, including, but not limited to, the condition of the exterior cladding and the condition of windows through a window survey. All damage and deterioration is mapped on elevation drawings. Details and specifications are identified for proposed repair, rehabilitation and replacement treatments, as well as protection of historic fabric during construction.

Because the rehabilitation will require removal of stairs, flooring and other building elements that could cause part of the structure to be unstable during construction, the HSR recommends that structural engineers recommend adequate shoring based on an inspection prior to beginning construction activity in the foyer or other areas of severe deterioration. This is an impact avoidance measure that is included in the proposed project.

The proposed rehabilitation of the First Church of Christ Scientist will comply with the Secretary of the Interior’s Standards for the Treatment of Historic Properties and the Rehabilitation Guidelines for Existing Structures in the St. James Square Historic District Design Guidelines.

- **Rehabilitation of the exterior of the First Church of Christ Scientist will be consistent with the Secretary of Interior’s Standards. (Less Than Significant Impact)**

Impacts from Construction of Underground Parking

The proposed project would place a three level underground parking garage at the north, east and west sides of the First Church of Christ Scientist. The garage would sit under Towers One and Two and under the driveway and parking that is proposed on three sides the church building. The Sainte Clare Club, another historic resource, is located directly east of the proposed garage across North Second Street.

Construction activities associated with the construction of the garage could have significant adverse effects on the historic resources. Excavation adjacent to the church structure could undermine the foundations of the building. Construction of shoring and the garage itself are

likely to generate vibrations and to require dewatering and operation of machinery that could cause damage to the church building and to the nearby Sainte Clare Club.

- **Excavation and construction of the proposed underground parking garage could cause significant damage to the church building and/or to the nearby Sainte Clare Club building. (Significant Impact)**

Impacts from Construction of Residential Towers

The Park View Towers project proposes construction of two new residential structures. One at 18 stories tall (Tower One) is proposed north of the First Church of Christ Scientist and the second at 12 stories (Tower Two) will be west of the church, on the current site of Letcher's Garage, which would be demolished to make way for Tower Two.

The two towers would be set perpendicular to each other in an "L" when looking at the site plan. The existing church building would therefore be located "between" the two towers. The primary entry to the residential portion of the site is shown at the northwest corner of the block (facing the corner of North First and Devine Streets), although Tower Two also includes a front entrance on West St. James Street (See Figure 4).

The towers are both separated from the church structure by an L-shaped driveway. The identified activities and uses along this driveway include access to the underground parking garage, passenger drop off, and limited guest parking. Two driveway entries to the site are proposed directly from West St. James Street; one on either side of the church. Tower Two is set back from West St. James Street approximately the same distance as the columns on the front of the church building, which would create a much wider sidewalk along the entire block face than currently exists.

The exterior materials of Towers 1 and 2 appear visually to be a mixture of concrete (actually GFRC), aluminum and glass. The design of the south elevation of Tower One, which will be the backdrop for the church building and faces St. James Park, is composed of heavier concrete elements with smaller punched openings at the east and west sides and more lacy, aluminum and glass curtain wall at the center. Its overall composition has a base, middle and top.

The north tower, Tower One, is not proposed within the boundaries of the St. James Square Historic District. It would be located immediately adjacent to the north boundary of the historic district, however. Given its close relationship to the Historic District and to the First Church of Christ Scientist, it is necessary to evaluate its impact on these historic resources. Tower Two is within the boundaries of the Historic District.

Analysis of Impacts

The St. James Square Historic District Design Guidelines include a series of directions and design considerations for new construction in the Historic District. These guidelines can be considered an extension of the Secretary's Standards. The New Building Guidelines range from those that are very specific to others that require more interpretation and discretion. The proposed project's residential towers would not be in strict compliance with some of the New

Building Guidelines for surface treatment. The following is an evaluation of those guidelines with which the proposed project is not in total compliance, including first the language in the specific guideline being evaluated and its location in the guidelines document, followed by a discussion of project consistency with that guideline. The total impact of Tower Two is mitigated by meeting the Building Form and Scale Guidelines and the Surface Treatment Guidelines for the building base, including each and all of the factors evaluated individually below.

Allowable building heights for a one lot depth (137 feet) on blocks fronting directly on St. James Park and on diagonal corners defined by St. James and First, St. James and Third, St. John and First, and St. John and Third should not deviate by more than one story from the heights of immediately adjacent historic buildings and in no case should exceed 70 feet (p.23).

Where new buildings are to be constructed adjacent to historic buildings, the mass of the new buildings should be sensitive to, and harmonious with, the scale of the older buildings (p.23).

The height guideline is intended to preserve the scale of the District. While most of the buildings are substantial “civic” scale structures, the contributing structures are still only two to four story buildings in the historic district. For example, the top of the First Church of Christ Scientist’s dome is approximately 60 feet above the ground. The functional “one-lot depth” at the Letcher’s Garage location is approximately 70 feet from West St. James Street because the building is on a corner lot whose original “frontage” is on North First Street. The average height of Tower Two proposed within the one-lot, 70-foot depth is 65.7 feet.

Tower Two is designed to step up from the street, with the first element at 45 feet high within 43 feet of the property line, and the next element at 100 feet, before the full 150 foot height is reached at a distance of 70 feet from the street property line, outside the Historic District. The first tier is less than the 70 foot maximum height stipulated in the guidelines and is also less than the 60 foot height of the dome on the adjacent church. The height of the first tier is established to correlate with the datum established by the roof level of the adjacent church. The tiered design meets the intent of the overall height guidelines by stepping up to its maximum height, allows for greater visibility of the church, and provides a visual transition for Tower One, to the north. While outside the District boundary, Tower One is immediately adjacent, and will form the background for the church building. Figure 8 demonstrates the comparative height of the proposed towers next to the church building. Figures 9 and 10 show a cross section of the proposed structures, including the underground parking, relative to the church building.

Tower One, although immediately adjacent to the church building and the District, is not within the District and is not, therefore, subject to the design guidelines. Although the guidelines address adjacent buildings, they do not stipulate that they apply to buildings outside the district itself, so it is assumed that the degree of impact is by definition less important from buildings that are not located within the District and framing the park.

For an impact to be considered significant, the CEQA Guidelines advise that the proposed project must have an effect that “demolishes or materially alters in an adverse manner those physical characteristics of an historical resource that convey its historical significance and that justify its inclusion in, or eligibility for, inclusion in the California Register of Historical

Resources;” in the National Register of Historic Places, or in a local register of historical resources.⁷

While the St. James Square Historic District Design Guidelines suggest little, if any, differentiation between new structures in the District and the historic ones, the Secretary of the Interior’s Standards call for distinction between the new and old. Standard 9 states that “New additions, exterior alterations, or related new construction shall not destroy historic materials that characterize the property. The new work shall be differentiated from the old and shall be compatible with the massing, size, scale, and architectural features to protect the historic integrity of the property and its environment.”

The City has determined that the proposed design of Tower Two is essentially in conformance with the intent of the District Guidelines, will not significantly impact the District or the First Church of Christ Scientist building, and the stepped design will also serve to provide a transition to Tower One. This determination is based on a number of factors. In conformance with the Historic District Design Guidelines, the front wall of Tower Two is set back the same distance as that of the First Church of Christ Scientist, thereby providing greater visibility to the church structure. Further, the massing of the proposed Tower Two is sensitive to the scale of the adjacent church: (1) The height of the first tier of the proposed Tower Two correlates with the roof plane established with the adjacent church; (2) The proposed height of Tower Two between 45 and 69 feet from the St. James Street property line is 100 feet, which is stepped down from the maximum height of 150 feet, thereby physically reducing the massing fronting towards the park and visually softening the interface of the proposed structure with its surroundings; (3) the proposed design of Tower Two steps up to its maximum height of 150 feet at approximately 69 feet from the St. James Street property line. This third height level provides a better transition to the taller, 200-foot Tower One behind the church. While the taller tower is outside the Saint James Square Historic District, it is highly visible from the District, and the proposed design offers a good transition, where Tower Two steps up toward Tower One, thereby softening the appearance of the 200-foot tall Tower Two structure immediately adjacent to the District.

As detailed above, the proposed massing and height of Tower Two are essentially in conformance with the St. James Square Historic District Design Guidelines. Further, the proposed design is compatible with the adjacent First Church of Christ Scientist. The massing, height, and compatibility with adjacent historic structures are the fundamental elements for conformance with the St. James Square Historic District Design Guidelines.

Buildings should be frontally symmetrical (p.22).

Tower Two presents symmetry in both its south and east elevations, the elevations that face both the church and park. The south elevation of Tower Two faces St. James Park and is frontally symmetrical (Figure 6).

There should be a greater proportion of wall than window (p.23).

Individual windows should be rectangular in shape and oriented vertically and be recessed from the wall (p.23).

Delineate openings with surrounds and frames (p.24).

Utilize strong cornice lines (p.24).

⁷ Guidelines Section 15064.5(b)(2).

This set of guidelines addresses surface treatment and fenestration. Figure 15, entitled Historic Vocabulary, contains information prepared by the project architect and presents five design elements from an older building that are then used in the design of the towers. These elements are identified as recessed door, stone base, bay window, punched window and accent band.

Looking at buildings in the historic district, the following design elements characterize the Historic District:

1. Facade composition with a base, middle and top.
2. Strong cornice.
3. High ratio of wall surface to window openings.
4. Vertically oriented windows that are recessed from the facade.
5. Framed openings.
6. Buildings set on platforms above street grade.

Tower Two's design complies with the design guidelines in the following ways:

1. The proposed facade design is broken into an identifiable base, middle and top.
2. Although roof-top features present the semblance of a cornice, this design treatment does not sufficiently address the need for a strong cornice line. The project architect relates the articulated top to the San José Athletic Club, which is a contributing structure within the Historic District, located across Second Street to the east of the project site.
3. The ratio of wall surface to window openings is not met by the proposed design. Only a single vertical row of punched windows appear on both towers, while those at the middle of the facade are presented as "bay windows." Bay windows are not characteristic of the historic district. This particular treatment uses glass and thin horizontal muntins extending out from the facade.
4. The top of the facade is more successful in achieving consistency with the design guidelines. The windows are recessed and combining two floors gives the openings a vertical effect.
5. The punched window openings are rendered with what appear to be a thin framework around the opening, but those at the top of the facade do not appear to have a similar framework.
6. The historic buildings in the historic district are built on what is characterized as a platform. This platform is essentially the base of the building. The proposed design of the two residential towers has an identifiable base.

The proposed design treatments of the towers' facades are not in strict compliance with the guidelines, however, as noted above, the fundamental elements for compatibility with the St. James Square Historic District Design Guidelines are related to height, massing, and compatibility with the adjacent church. While not strictly adhering to the fenestration and surface treatment criteria of the St. James Square Historic District Design Guidelines is less than ideal, Tower Two fundamentally conforms with the Guidelines. Therefore, the deviations from the fenestration and surface treatments called for in the Guidelines does not represent a significant adverse impact.

Off-street parking should always be located away from the street, either under buildings, behind buildings, or in inside courts (p.22).

Parking lots or parking structures should not have frontage onto St. James Park, nor should they be accessed from the streets edging the park except where single-lot property ownership prevents access from said or rear streets (p.22).

Parking lots should not be visible from the street frontages of St. James Park (p.22).

Most of the parking for the proposed development will be underground. However, the proposed site plan shows a surface parking lot located east of the existing church building at the southeast corner of West St. James Street and North Second Street, at the same location as an existing surface parking lot. Access to this parking lot is proposed via a driveway directly onto West St. James Street, essentially at the location of an existing driveway. The parking lot itself fronts onto St. James Park and would be visible from the park. In addition, another driveway is located on West St. James Street immediately west of the church building, with two or three guest parking spaces proposed parallel to the driveway north of the church. The guest spaces are not visible from the street. The project does not propose to significantly increase parking in the vicinity of the church or to increase parking visible from the streets adjacent to the park.

The degree to which the proposed parking could create a significant CEQA impact must be determined based on existing conditions. Since the parking lot at the corner of St. James and Second Streets presently exists at the proposed location, its presence as part of the proposed project cannot create a significant adverse impact compared to existing conditions. The relatively inconspicuous guest parking spaces proposed along the driveway will not create a substantial impact by themselves.

To summarize the potential impacts to the historic resources of the District that would result from construction of the two residential towers and adjacent parking lot as proposed:

1. Tower Two is designed to step down to a height of 45 feet immediately adjacent to the park, less than the 70 feet required and less than the height of the dome of the church adjacent. Within the functional one-lot depth of St. James Street, the proposed building would exceed the recommended height of 70 feet for a distance of approximately 25 feet and meets the average height guideline of 70 feet. Tower Two's tiered design will provide a transition to the taller Tower One building, which is not within the District.
2. Although the designs of both of the tower structures are not strictly symmetrical, the designs achieve an asymmetrical balance that provides an equivalent effect, and does not result in an adverse aesthetic impact on the church building or the District. Tower Two is symmetrical and fronts directly on the street, facing the park.
3. The fenestration and curtain wall glazing treatment in the middle of Tower Two is somewhat inconsistent with the Design Guidelines and with patterns of existing building fenestration in the District. As noted previously, the fenestration and surface treatment of the tower is not the most critical aspect of conformance with the St. James Square Historic District Design Guidelines, and deviations from this Guidelines would not represent a significant impact under CEQA.

4. The presence of surface parking spaces on both sides of the church structure in combination with a surface parking lot on the St. James Street frontage facing St. James Park would not result in a significant change compared to existing conditions on the ground.

The design of Tower Two which is within the District is in compliance with the design guidelines in the following aspects:

- 1) The proposed façade design is broken into an identifiable base, middle and top.
 - 2) The roof-top features present the semblance of a cornice. The project architect relates the articulated top to the San José Athletic Club, which is a contributing structure within the Historic District located across Second Street, east of the project site.
 - 3) The proposed design of Tower Two has an identifiable stone base that is harmonious with the scale and materials of the older buildings, and includes well defined storefronts that are recessed from the wall at the pedestrian level with clear glass.
- **The overall design includes minor deviations from the historic district design guidelines, but the design would not result in significant adverse impacts on the historic integrity of the First Church of Christ Scientist building or on the general character and historic integrity of the St. James Square Historic District. (Less Than Significant Impact)**

3. Mitigation and Avoidance Measures

CEQA requires that an EIR shall distinguish between mitigation measures that are proposed by project proponents to be included in the project and other measures which a lead agency determines could reasonably be expected to reduce adverse impacts if required as conditions of approving the project.⁸ The discussion below therefore distinguishes between those mitigation measures that are included in the project and other mitigation measures that might be considered by the City of San José.

Mitigation and Avoidance Measures Included in the Project

Avoidance of Impacts from Rehabilitation Of the First Church of Christ Scientist

- In order to avoid safety impacts to construction workers, the project proponent will ensure that structural engineers inspect the building in order to recommend adequate shoring of the building prior to beginning any construction activity in the foyer or other areas of severe deterioration that pose a threat to workers. The shoring will be implemented as proposed.

With the inclusion of this avoidance measure, possible safety impacts to workers from rehabilitating the structure will be reduced to less than significant. (Less Than Significant Impact with Mitigation Proposed)

⁸ Guidelines Section 15126.4(a)(1)(A).

Avoidance of Impacts from Construction Of Underground Parking Garage

In order to avoid possible significant impacts to the proximate historic structures on and adjacent to the site, the following measures will be implemented to the satisfaction of the Director of Planning, Building, and Code Enforcement:

- One or more geotechnical investigations will be prepared by a California-licensed geotechnical engineer. The project contractors will follow the recommendations of the final geotechnical report(s) regarding any excavation and construction for the project. The construction contractor will conduct a pre-construction survey of existing conditions and monitor the adjacent buildings for damage during construction, if recommended by the geotechnical engineer.
- If dewatering is necessary during or after construction, the final soils report will address the potential settlement and subsidence impacts of this dewatering. Based on this discussion, the soils report will determine whether or not a lateral movement and settlement survey should be done to monitor any movement or settlement of surrounding buildings and adjacent streets. If a monitoring survey is recommended, such monitoring will follow City of San José procedures. Instruments will be used to monitor potential settlement and subsidence. If unacceptable movement occurs during construction, groundwater recharge would be used to halt this settlement. The project sponsor would delay construction if necessary. Costs for the survey and any necessary repairs to service lines under the street would be born by the project sponsor.
- If dewatering is necessary, the project contractor will follow the geotechnical engineers' recommendations regarding dewatering to avoid settlement of adjacent streets, utilities, and buildings that could potentially occur as a result of dewatering. The project contractor will follow the geotechnical engineers' recommendations regarding installation of settlement markers around the perimeter of shoring to monitor any ground movements outside of the shoring itself. Shoring systems would be modified as necessary in the event that substantial movements are detected.
- Groundwater pumped during and after construction to maintain the underground parking structure will be filtered and/or treated prior to discharge to the City's sanitary sewer, to the degree necessary to meet City of San José standards.

With the inclusion of the measures identified above, the impacts to nearby historic structures from construction of the proposed underground parking garage will be avoided or reduced to less than significant levels. (Less Than Significant Impact with Mitigation Proposed)

Mitigation for Impact from Demolition Of the Letcher's Garage Structure

While the demolition of Letcher's cannot be mitigated to a less than significant level, the City will require the following as a condition of project approval to lessen the impact of the demolition:

- The property owner, project developer, or successors shall create a downtown San José interpretive exhibit on the history of the Letcher’s building and the early automotive industry of San José. This exhibit shall include material from the historic report, original drawings, copies of the HABS level photography and building materials, in addition to associated auto history collections, and shall be located and designed so that it is accessible to the public and of durable design. Design and implementation of the exhibit shall include the following to the satisfaction of the Director of Planning and in consultation with the City’s Historic Preservation Officer:
 - A. Prepare a Request for Proposals and select a qualified consultant team to design the interpretative exhibit. This team shall consist of at least a preservation architect or materials conservator, an architectural historian or historian, and an exhibit designer.
 - B. Submit a plan for the interpretative exhibit that includes:
 1. Identification by the architect/conservator of materials to be salvaged from the building for the exhibit and any protective measures necessary to ensure that these elements/materials are preserved; and
 2. Outline of the interpretative text and materials to be incorporated into the exhibit; and
 3. Conceptual design for the exhibit, including its location, orientation, and the organization of building elements, text, photographs, and drawings.
 - C. Coordinate with the City’s Historic Preservation Officer to develop the design and location of the interpretative exhibit.
 - D. Prior to occupancy of any building on the site, the property owner, project developer, or successors shall complete construction of the exhibit in conformance with the approved plans, to the satisfaction of the Director of Planning.
 - E. The property owner, project developer, or successors shall provide on-going maintenance of the facility (*i.e.*, the exhibit) as necessary to keep it in good condition and publicly accessible.

Conclusion: The project design includes mitigation and avoidance measures sufficient to reduce all historic and cultural impacts other than the loss of the Letcher’s Garage structure to a less than significant level. (Less Than Significant Impacts With Mitigation Proposed)

The demolition of the Letcher’s Garage building would result in the loss of a designated historic structure. Although an alternative to the project as proposed that retains the Letcher’s Garage building has been identified and is described in Section IV of this EIR, implementation of the project as proposed would result in a significant unavoidable historic impact from the loss of the designated historic structure. (Significant Unavoidable Impact)

B. VISUAL AND AESTHETIC

The Initial Study which was prepared for this project and which is included in Appendix A of this EIR, concluded that most of the land use impacts from building the project as it is proposed were addressed in the Downtown EIR. The Initial Study identified possibly significant visual and aesthetic impacts resulting from demolishing the Letcher's Garage building, from constructing a new building within the Historic District that is inconsistent with the District's adopted Design Guidelines, and from building a 198-foot tall building immediately adjacent to the District boundary and the First Church of Christ Scientist. This section addresses the visual and aesthetic impacts of the proposed project.

1. Existing Setting

Visual Setting

The project site is within the highly urbanized Downtown Core Area of the City of San José. Two of the existing buildings on the site are 102 and 99 years old.⁹ The site itself is a city block that currently contains an unused church building, two attached commercial structures that are used occasionally, but most of the block is occupied by two surface parking lots. The block is bordered on three sides by LRT tracks adjacent to public streets. The fourth (southerly) side of the site is also a public street that separates the site from the historic St. James Park (see Photos 1 and 2). Within the east half of the park, partially screened by trees and other vegetation, is a cluster of small buildings used for a senior center.

East of the site across North Second Street is the Saint Claire Club, a multi-story private men's club built in 1893 and a contributing structure to the Historic District (Photo 3); and the two-story National Guard Armory built in 1933 and a designated City Landmark (Photo 4). To the north, across Devine Street, is a two-and-one-half story wood frame Germania Hall, a City-designated local landmark (Photo 5) and the one-story commercial building occupied by the Workingmen's Store on the northeast corner of South First and Devine Streets (Photo 6). West of the site, directly across North First Street, is an undesignated three-story commercial structure (Photo 7) and a surface parking lot.

Northwest of the project site, across North First Street, is the Beatrice Building (Photo 8) and Tognozzi Building, designated City landmarks built in 1891 and 1892, respectively. Like the structure directly across North First Street from the site, these are three-story commercial masonry buildings. Southwest of the project site are the formally landscaped grounds of the County Courthouse (Photo 9), also a contributing structure in the St. James Square Historic District.

Section 4.8 of the CCEIR describes the visual setting and character of the Downtown Core Area and particularly the St. James Park area and the St. James Square Historic District (pages 4.8-1 through 4.8-3). It describes the "urban park" appearance, the presence of mature trees, and the surrounding structures. The structures are described as both modern and historical, and range in height from one to over 20 stories. The primary changes in visual character since the CCEIR was prepared include the completion of City Hall at Fourth and Santa Clara Streets, the Fourth Street Parking Garage, and the ongoing construction of other

⁹ Only the back wall remains of the original Letcher's Garage building.

mid- and high-rise structures in the Downtown Core Area. No significant changes have occurred in the visual character of the park or the Historic District since the CCEIR was certified.

The CCEIR states that “...views into the downtown are transforming as mid and high-rise buildings are erected.” Buildings in the St. James Square Historic Districts are identified in the FEIR as visible from streets in the area, including First, Second, and Santa Clara Streets, and Fountain Alley.

Similar to the discussion in the Century Center EIR, the Downtown EIR also identifies the existing conditions that still exist in and around St. James Park and the adjacent Historic District. Figure 5 is an aerial photograph that illustrates the location of the project site relative to St. James Park and surrounding land uses.

The National Register Historic District includes buildings on all four sides of the park and the park itself. The original St. James Square and the structures that surrounded it were intended to serve important civic functions. Except for Letcher’s Garage, the buildings are generally large substantial structures, not small or modest, but reflecting their importance in the community at the time of their construction. The contributing structures to the district include:

- Trinity Episcopal Cathedral originally built in 1863
- Santa Clara County Courthouse, originally built in 1866
- First Unitarian Church originally built in 1891
- Sainte Claire Club originally built in 1893
- Eagles Hall originally built in 1893. (Most of Eagles Hall has been replaced with a multi-story office building. The older façade remains at street level.)
- First Church of Christ Scientist originally built in 1904
- Scottish Rite Temple originally built in 1924
- Letcher’s Garage originally built in 1907
- San José Post Office originally built in 1934.

Newer structures in the immediate vicinity of the Historic District include the multi-story office building attached to the Eagles Hall façade and the multi-story office structure built at the southeast corner of the park (southeast corner of South Third and St. John Streets).

Letcher’s garage and the building next to it were part of San José’s “Auto Row” in their heyday.¹⁰ All of the rest of Auto Row is gone. Most of the block that the buildings now occupy is vacant – used as a parking lot. While this property is in the heart of highly urbanized Downtown San José, most of the site is non urban in appearance and contributes nothing to the character of the St. James Square Historic District.

¹⁰ The St. James Square Historic District Design Guidelines describe Letcher’s as the “nucleus of San José’s first automobile row.”

2. Visual and Aesthetic Impacts

Thresholds of Significance

For the purposes of this EIR and consistent with the analysis in the Downtown EIR, a visual or aesthetic impact is considered significant if the project would:

- have a substantial adverse effect on a scenic vista;
- substantially damage a scenic resource, including but not limited to trees and historic buildings;
- substantially degrade the existing visual character or quality of an area or result in the substantial disruption or blocking of existing views or public opportunities to view scenic resources;
- introduce new development that will substantially detract from the integrity, character, and/or aesthetic environment of a neighborhood;
- result in visual resource conditions that would conflict with applicable City of San José policies and regulations relating to aesthetics;
- create a new source of substantial light or glare which would adversely affect day or nighttime views in the area; or
- produce substantial light or glare such that it poses a hazard or nuisance.

The Downtown EIR identified a number of *Urban Design Concepts, Strategies and Actions*, and *Guidelines to Preserve and Enhance the Visual Character and Quality* that were included in the *Strategy 2000* plan to avoid or mitigate aesthetic and visual impacts from implementation of the plan. Specific guidelines that are relevant to this project include:

Public Realm

1. Encourage compatible development around parks, including Plaza de Cesar Chavez, St. James Park, and the green space along Guadalupe River Park and Gardens. Ensure that building designs orient toward open spaces. Allow and encourage higher densities at park edges to accentuate the space, increase the number of users, and maximize the return on public investment in amenities.

Historic Assets

1. Respect historic resources by ensuring preservation of established historic districts, such as the San José Downtown Commercial National Register Historic District along 1st and 2nd Streets, and the St. James Square National Register Historic District. Encourage the preservation, restoration or rehabilitation of identified historic resources. Conduct surveys of those areas of the city not yet surveyed, in order to identify potential historical and architectural resources, and assess impacts of development on those resources.
2. It is the policy of the City of San José to strongly encourage preservation and adaptive reuse of designated landmark structures. Proposals to alter such structures must include a thorough and comprehensive evaluation of the historic and architectural significance of the structure and the economic and structural feasibility of preservation and/or adaptive reuse. Every effort should be made to incorporate existing landmark structures into the future plans for their site and the surrounding area.

St. James Park

2. Frame the park on available sites with tall, high-density, mixed income residential development consistent with the St. James Square Historic District Design Guidelines. New development should be compatible with – while not directly imitating – the historic character of the district. At least 20 percent of the new residential development should be affordable.
3. Orient new development to create a strong pedestrian presence at the street: include primary entrances that face the park, avoid blank walls, and minimize the size and number of vehicular entrances. Where appropriate, include some residential-serving retail or restaurant uses at the street level, with the south side of the Park as the preferred location.
4. Preserve the historic buildings that front the park, including preservation, restoration or rehabilitation of underused or deteriorating historic resources through adaptive use.
8. Preserve and restore Frederick Law Olmsted-inspired historic landscape.

Visual and Aesthetic Impacts

Many elements of the proposed project are explicitly consistent with these concepts and directions. The project proposes new high density residential development around a public park, orienting the new buildings toward the park.¹¹ The project proposes to preserve and rehabilitate the First Church of Christ Scientist, a substantial and visually significant element of the Historic District and the existing neighborhood. The project also proposes to contribute to the direction in the *Strategy 2000* plan to “frame the park” with tall, high-density residential development. Those areas in which the project is not consistent with the concepts and strategies adopted in the *Strategy 2000* plan include the proposed demolition of a Contributing Structure to the Historic District and a number of deviations from the adopted Historic District’s Design Guidelines. These inconsistent elements are discussed below.

Visual and Aesthetic Impacts from Demolition of Letcher’s Garage

The building commonly called the Letcher’s Garage structure is actually two separate buildings. The structure at 218-220 North First Street is not listed on the state directory and is not within the boundary of the Historic District. It is identified in the City’s historic inventory as a San José Structure of Merit. The building at 200 North First Street is listed as a contributor to the National Register as part of the St. James Square Historic District and the City of San José’s St James Square Historic Landmark District. Neither building is considered eligible as an individual contributor. Both buildings are proposed for demolition as part of the Park View Towers project.

The proposed project that was the subject of the Downtown EIR was the *Strategy 2000* plan, which was approved by the City Council to guide development in Downtown San José. *Strategy 2000* does not preclude the development of high rise buildings on the perimeter of St. James Park; rather, it encourages their placement “consistent with the St. James Square Historic District Design Guidelines”. The plan also stipulates that the future development should preserve the historic buildings that front on the park, including adaptive reuse of deteriorating structures. The preservation of historic buildings would, therefore, create a

¹¹ The front lobby of the two buildings would face the corner of North First and Devine Streets. The expanse of the buildings appear oriented toward the park, however.

context for development of new high rise buildings – a set of design elements that ties together the Historic District visually and creates a context for the future high rise residential land uses planned for the park area. Unfortunately, the Design Guidelines do not allow buildings over 70 feet high along the street frontages which surround the park; this is explicitly inconsistent with *Strategy 2000*.

The demolition of the Letcher’s Garage structure is inconsistent with the stated assumption that new high rise buildings would frame the park “consistent with the St. James Square Historic District Design Guidelines” (which assumes that all of the buildings identified as contributing structures will be retained). An action that is different than the actions specified in the Downtown EIR does not necessarily mean a new or previously unidentified significant environmental impact will occur. It is assumed that the policy direction to “preserve historic buildings that front the park” is intended to preserve buildings that both retain their historic fabric within the meaning of relevant city, state and federal guidelines, and which *appear to be historic*. If only physical appearance was of concern, replicas could be constructed. But the design guidelines specifically state that new buildings should be compatible with the historic character of the district, not imitative. Preserving structures that retain neither their historic fabric nor their historic character would not appear to be required to achieve conformance with either the *Urban Design Concepts, Strategies and Actions* or with the *Guidelines to Preserve and Enhance the Visual Character and Quality* of the area, as they are cited above.

The building at 200 North First is immediately adjacent to the Park and does not look like an historic structure from its period of historic significance (Photos 10 and 11). To a lay person, the structure, viewed from the street, is relatively undistinguished and modern looking (albeit, 200 North First is rather quirky looking with the glass block walls). It does not present a visually consistent appearance with either other nearby buildings in the Historic District (Photos 3, 4, and 9) or with the historic commercial structures across North First Street (Photos 6, 7, and 8). Other than the glass block walls, however, the building at 200 North First Street is believed to look similar to its appearance when it was designated an historic resource in 1979.

The policies in the *Strategy 2000* plan notwithstanding, the project is not consistent with the threshold of significance identified at the beginning of this subsection and in the Downtown EIR, that a project not “... substantially damage a scenic resource, including but not limited to trees and historic buildings”, in order to avoid a significant visual or aesthetic impact.

While the building does not appear as it did during its period of historic significance, it is a designated historic structure and its removal would therefore constitute a significant visual and aesthetic impact.

- **The demolition of the building called “Letcher’s Garage” at 200 North First Street would result in removal of a designated historic structure, which is a significant adverse visual and aesthetic impacts (Significant Impact)**

***Visual and Aesthetic Impacts
from Development of the Proposed Construction***

As stated above, the design concepts and guidelines that were included in *Strategy 2000* not only do not preclude development of high rise buildings around St. James Park or in the

Historic District, they encourage them. It is not clear, however, how to reconcile the two-pronged direction that such high rise buildings should both “frame” the park and also be “consistent with” the adopted design guidelines for the District, which specify a maximum height of 70 feet for new buildings within a one lot depth of the block frontages that face the Park. Given the conflicting policies, it is assumed for the purposes of this EIR that explicit conformity with both policies cannot be achieved. This discussion therefore focuses on the substance of the impacts themselves; in this case, the question is whether or not the proposed project would have a substantive visual and aesthetic impact on the District and the neighborhood.

As discussed in the previous section, the buildings as currently proposed were determined to be generally consistent with the Historic District’s Design Guidelines. The project proposes to redevelop most of a city block that is now predominantly parking lots with new urban buildings, and to restore an important contributing structure in the Historic District.

Neither the existing Letcher’s Garage and its large adjacent parking lot, nor the proposed new residential towers are visually consistent with the historic period when St. James Park and the historic buildings that surround it were developed and formed a vital part of Downtown San José life. The proposed rehabilitation of the First Church of Christ Scientist building will, however, restore that building to something very close to what it looked like when it was a vital, functioning piece of the urban fabric. Other than the loss of the Letcher’s Garage building, whose impact is addressed in the previous discussion, the proposed project is consistent with the visual and aesthetic goals established in the *Strategy 2000* plan. It will restore the city block as an integral part of the urban Downtown, and in doing so, will showcase the church building as an important element in the Historic District that frames the park. The proposed construction will not, therefore, have significant adverse visual or aesthetic impacts on the Historic District, the First Church of Christ Scientist, or the surrounding neighborhoods.

- **The proposed Park View Towers project will not have significant visual or aesthetic impacts on the St. James Square Historic District, the First Church of Christ Scientist, or the immediate neighborhood. (Less Than Significant Impact)**

3. Mitigation and Avoidance Measures

By incorporating mitigation and avoidance measures (related to massing, tiering, height, and compatibility with the church) into the project design that reduces the impacts from the project on the Historic District, the project has also reduced its visual and aesthetic impacts on the District and the neighborhood to less than significant. (Less Than Significant Impact with Mitigation Proposed)

The demolition of the Letcher’s Garage building would result in the loss of a designated historic structure. Although an alternative to the project as proposed that retains the Letcher’s Garage building has been identified and is described in Section IV of this EIR, implementation of the project as proposed would result in a significant unavoidable visual and aesthetic impact from the loss of the designated historic structure. (Significant Unavoidable Impact)

III. CUMULATIVE IMPACTS

Cumulative impacts, as defined by CEQA, refer to two or more individual effects, which when combined, are considerable or which compound or increase other environmental impacts. Cumulative impacts may result from individually minor, but collectively significant projects taking place over a period of time. The CEQA Guidelines state (§15130) 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 potential impacts which might result from approval of past, present and reasonably foreseeable future projects, in conjunction with the proposed project addressed in this EIR.

The proposed project site is within the City’s Downtown Core Area, as defined by the City of San José 2020 General Plan, (which was modified by the General Plan amendments evaluated in the Downtown EIR). The project is within the area and the development parameters addressed in the *San José Downtown Strategy 2000* Final EIR, which was certified by the City Council in June 2006. This property was also a component of the 12 block, 54-acre area addressed in a combined program level and project level Environmental Impact Report (*Mixed-Use Project and Century Center Plan Amendment*) that was certified by the City Council in 2002. Both of these EIRs addressed the cumulative impacts of developing this site in combination with past, present and reasonably foreseeable future development.

The CEQA Guidelines contain extensive advice on preparing a cumulative analysis for a project subject to tiering [§15152(f)]. This SEIR is tiered from two previously prepared and certified Program FEIRs which included cumulative impacts analyses. As discussed in the Initial Study in Appendix A, the City concluded that the visual and aesthetic impacts from the (then) proposed project, and its impacts on the National Register Historic District warranted a Supplemental EIR to address those impacts and appropriate mitigation, consistent with Guidelines §15162(a)(3)(A).

The only impacts found to be substantially different and/or greater than those discussed in the previously prepared Program FEIRs, including their Cumulative Impacts analyses, were visual and aesthetic impacts and the impacts to historic resources. This means that the discussion of cumulative impacts in those EIRs is also inadequate for the purpose of analyzing this project’s contribution to any cumulatively significant impacts on visual and aesthetic resources and historic resources.

This section therefore evaluates the cumulative impacts on visual and aesthetic and historic resources that would occur if this proposed project were approved, in combination with the cumulative scenario evaluated in the previously prepared Program FEIRs and in combination with other currently proposed and reasonably foreseeable projects.

Cumulative Impacts Identified in the Previous FEIRs

Mixed-Use Project and Century Center Plan Amendment FEIR

The Mixed-Use Project and Century Center Plan Amendment Final EIR concluded that the proposed level of development addressed in that EIR, in conjunction with other pending and likely projects in

the Downtown area and throughout the City, would contribute to cumulatively significant adverse impacts to historic buildings. Specific language about cumulative impacts on the St. James Square Historic District included:

“...cumulative changes to the specific properties located within the Project Area may result in the de-listing of the ...St. James Square Historic District from the National Register. Actions that may trigger de-listing include but are not limited to the alteration of existing buildings in a manner that is inconsistent with the Secretary of the Interior’s Standards for the Treatment of Historic Properties, infill construction that is not compatible with the historic character of the district, and the demolition of contributing structures.”

The EIR concluded that the development evaluated in the MUPCCPA FEIR would contribute to cumulatively significant impacts on visual and aesthetic resources.¹²

Downtown FEIR

The Downtown FEIR was certified three years after the MUPCCPA FEIR was certified, and evaluated a different group of cumulative projects. The Downtown FEIR found that some individual projects in its cumulative list would have impacts on individual resources resulting in a cumulatively significant loss of historic resources. Additionally, the FEIR concludes that implementation of *Strategy 2000* would contribute to that cumulatively significant impact.

The Downtown FEIR also concludes that the pending and reasonably foreseeable future development would result in cumulatively significant visual and aesthetic impacts associated with loss of visual open space and reduction in the unobstructed view of the hills and mountains that form the perimeter of Santa Clara Valley. The FEIR states that implementation of the *Strategy 2000* plan would contribute to this cumulatively significant impact.

Other Cumulative Projects

No other projects proposed or recently approved in San José that, in combination with the currently proposed Park View Towers project, could result in new, different or substantially greater cumulative impacts to historic resources and visual and aesthetic impacts than those identified in the Mixed-Use Project and Century Center Plan Amendment and Downtown FEIRs.

Project Contribution to Cumulative Impacts

The proposed project would result in significant historic and visual impacts resulting from the removal of a designated historic structure. These impacts are explicitly consistent with the cumulatively significant impacts anticipated in the Mixed-Use Project and Century Center Plan Amendment, which included “infill construction that is not compatible with the historic character of the [St. James Square Historic] district, and the demolition of contributing structures”. These cumulatively significant impacts were acknowledged in the CCEIR.

Conclusion: The project as proposed would not result in cumulatively considerable impacts to historic resources or visual and aesthetic conditions that are different than or more significant than those identified in the Mixed-Use Project and Century Center Plan Amendment and Downtown FEIRs.

¹² Page 5-11.

IV. ALTERNATIVES TO THE PROPOSED PROJECT

The CEQA Guidelines [§15126.6] give extensive direction on identifying and evaluating in an EIR alternatives to a proposed project, specifically:

- (a) An EIR shall describe a range of reasonable alternatives to the project, or to the location of the project, which would feasibly attain most of the basic objectives but would avoid or substantially lessen any of the significant effects.... There is no ironclad rule governing the nature or scope of the alternatives other than the rule of reason.
- (b) ...the discussion of alternatives shall focus on alternatives... which are capable of avoiding or substantially lessening any significant effects....
- (c) The range...shall include those [alternatives] that ... could avoid or substantially lessen one or more of the significant effects.
- (f) The range of alternatives required in an EIR is governed by a “rule of reason” that requires...only those alternatives necessary to permit a reasoned choice. The alternatives shall be limited to ones that would avoid or substantially lessen any of the significant effects of the project.

The Guidelines also advise that the alternatives should feasibly attain most of the project’s basic objectives, but are to be considered even if they impede “to some degree”, the attainment of project objectives, or could be more costly than the proposed project.

The discussion of alternatives should include enough information to allow a meaningful evaluation and comparison with the proposed project. The Guidelines state that if an alternative would cause one or more additional impacts, compared to the proposed project, the discussion should identify the additional impact, but in less detail than the significant effects of the project.

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 discussed below.

Significant Impacts

As mentioned above, the CEQA Guidelines advise that the alternatives analysis in an EIR should focus on 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 EIR, the project has significant cultural and visual/aesthetic impact resulting from the loss of a designated historic resource (Letcher’s Garage).

Objectives of the Project

While CEQA does not require that alternatives must be capable of meeting all of the project objectives, their ability to meet most of the objectives is considered relevant to their consideration.

The City of San José’s objectives for development of the site are that such development be consistent with the San José 2020 General Plan and that it further General Plan Major Strategies regarding Growth Management, Downtown Revitalization, Urban Conservation/Preservation, and Housing.

These strategies articulate the City's intention to encourage commercial and high-density residential development of the site to revitalize the Downtown Core area, preserve the St. James Square Historic District, and provide housing opportunities in a stable environment that has adequate municipal services. General Plan conformance would be achieved by new development which results in the following:

- High-density housing in the Downtown Core accessible to Downtown jobs, retail and entertainment and various modes of public transit.
- Commercially viable retail space on the transit line and within walking distance of a transit station.
- Preservation and enhancement of the St. James Square National Register Historic District.

The objectives of the project proponent are similar to those of the City, to produce a project that includes:

- High-density housing in the Downtown Core accessible to Downtown jobs, retail and entertainment, and various modes of public transit. Such a housing project must qualify for construction financing and provide units that will attract tenants/buyers. Attracting buyers requires the provision of at least one parking space for each one-bedroom unit and at least two parking spaces for each two-bedroom or larger unit.
- Commercially viable retail space on the North First Street frontage.
- Reuse of a physically stable and commercially viable First Church of Christ Scientist building that will attract and retain tenants.
- Significant elements that preserve and enhance the St. James Square National Register Historic District, in order to protect the viability of the project itself.
- A sufficient degree of economic viability that the entire project, including the rehabilitated First Church of Christ Scientist building, can be constructed, completed, and maintained over time.

Feasibility of Alternatives

CEQA, the CEQA Guidelines, and case law on the subject have found that feasibility can be based on a wide range of factors and influences. CEQA's general definition of feasibility is "capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, legal, social and technological factors." Among the factors that may be taken into account in considering the feasibility of an alternative are "...site suitability, economic viability, availability of infrastructure, general plan consistency, other plans or regulatory limitations, jurisdictional boundaries...and whether the proponent can reasonably acquire, control or otherwise have access to the alternative site..." [§15126.6 (f)(1)].

Selection of Alternatives

In addition to "No Project", the Guidelines advise that the range of alternatives discussed in the EIR should include those that "would avoid or substantially lessen any of the significant effects of the project". The impacts from this project include visual and aesthetic effects, and impacts to the historic resources. The source of both categories of impacts is the demolition of a designated historic structure.

As discussed above, the City is advised by the Guidelines to identify in an EIR alternatives that focus on reducing the significant unavoidable impacts and that meet as many of the project objectives as can reasonably be achieved. This does not mean that the City cannot approve variations on the project, alternatives other than those identified in the EIR. The City always has the option of requiring modifications to a proposed project, including modifications that support City policies, goals and objectives (such as those in the General Plan) that are unrelated to environmental impacts. If such modifications do not result in new or significantly greater environmental impacts, CEQA does not require that a new EIR be prepared.

The following discussion summarizes some of the possible alternatives that were considered in preparing the SEIR, and the process that was followed in evaluating the alternatives identified and selecting which to include in the DSEIR.

A specific alternative that would reduce the proposed project's significant impacts would be a design that preserves the outer walls of the Letcher's Garage building. Another possibility would be an alternative that preserved the entire Letcher's Garage building as a freestanding structure. Any new construction would be placed behind Letcher's.

A. NO PROJECT ALTERNATIVE

The CEQA Guidelines advise that "No Project" conditions are not a baseline for determining the significance of the project's impacts; the purpose for having this section is to "allow decisionmakers to compare the impacts of approving the proposed project with the impacts of not approving the proposed project" [§15126.6(e)(1)]. The No Project analysis should discuss the existing conditions at the time the notice of preparation is published, as well as what would be reasonably expected to occur in the foreseeable future if the project were not approved, "based on current plans and consistent with available infrastructure and community services" [§15126.6(e)(2)]. The Guidelines state that the discussion will usually proceed along one of two lines, depending on whether the project is a "plan, policy or ongoing operation", or if it is something else such as a development project on identifiable property.

The existing conditions on this project site include a commercial parking lot, a vacant and physically deteriorating historic structure, and a double commercial building (part of which is a designated historic structure) that is occasionally used for gatherings. Leaving the site as it is could eventually result in the significant loss of the First Church of Christ Scientist, which is susceptible to catastrophic loss from fire, earthquake, or continued incremental deterioration if it continues as it is. The Letcher's Garage building, which has been substantially modified, is less susceptible to physical deterioration or catastrophic loss.

If the currently proposed project is not approved and implemented, it is likely that another project will be proposed in the future, consistent with the City's General Plan. Since the approved *Strategy 2000* plan for Downtown San José explicitly encourages the development of residential high rise structures around St. James Park, any such future proposal is likely to be similar to the currently proposed Park View Towers project. The inconsistencies between the Historic District Design Guidelines and the adopted *Strategy 2000* plan will continue to be an issue for all future development on sites adjacent to the Park.

Variables would likely be the rehabilitation of the church versus its demolition, and rehabilitation of the Letcher's Garage structure versus its demolition. Since the church building is a visually significant historic resource and the garage building has been so altered that it does not look like an

historic structure and is less aesthetically attractive than the church, the same choices reflected in the Park View Towers project (demolition of the garage and rehabilitation of the church) are likely to be made in designing future projects. Another possibility might be the proposed demolition of both buildings.

Buildings proposed might be taller or shorter than the currently proposed towers, and alternative designs may be more or less explicitly compatible with the Historic District Design Guidelines. These choices would determine whether or not these alternative proposals would result in greater or lesser impacts than the current proposal.

Comparison of Environmental Impacts

Although a specific future proposal on this property cannot be accurately predicted, it is likely that any future development on this site would be similar to the current proposal and consistent with the adopted *Strategy 2000* plan for Downtown. Since the plan calls for tall residential buildings surrounding the park, tall residential and mixed use residential/commercial buildings are likely to be included in any proposal. Other projects may be more explicitly compatible with the adopted design guidelines for the Historic District, thereby reducing the number and/or degree of impacts. The longer the First Church of Christ Scientist remains in its current condition, the greater its physical deterioration and the more problematic its restoration will be.

Conclusion

Alternative proposals for developing the project site are unlikely to be substantially different than the currently proposed project. The land uses and building form proposed (high rise residential/mixed-use) are specifically compatible with the adopted plans for the area. Should future proposals more explicitly conform to the Historic District Design Guidelines and eliminate existing parking in the front setback, propose a building within the District that is no taller than 70 feet, and include design details more consistent with the Guidelines, the impacts of this alternative could be incrementally less than the already less-than-significant impacts of the proposed project. The significant unavoidable impact of demolishing an historic structure could only be reduced by a use that includes the Letcher's Garage building (Alternative B below, for example). Should delay result in a complete loss of the First Church of Christ Scientist due to catastrophe or non-reversible deterioration, the impact of this alternative would be greater than that of the proposed project.

B. PRESERVE LETCHER'S ALTERNATIVE

This alternative would preserve the outer walls of the Letcher's Garage building. Structural reinforcing would be built inside the existing walls to support residential floors above part of the footprint of the historic structure. The existing trusses and roof of the building would be removed. Because the trusses are themselves possibly of historic interest, they could be retained and used decoratively.

Subsurface parking beneath the Letcher's structure would be either Subalternative X or Subalternative Y as described below:

(X) Underground parking under the Letcher's structure would be avoided, just as no parking is proposed under the First Church of Christ Scientist building. The currently proposed project does not include parking under the church building because, during the early stages of design development, concerns were expressed by members of the public and others about the risks to the

historic building associated with excavation and construction of multi-level parking below the building.

(Y) Underground parking could be built under the footprint of a retained Letcher's building, with substantial modifications to the currently proposed design of the Tower Two building and to the underground parking structure. For Letchers to be incorporated into a new multi-story building above subsurface parking, the one-story historic structure would have to be heavily reinforced. Should the City determine in this Alternative scenario that the risks of constructing multiple levels of parking under the Letcher's building are acceptable, and should the costs of protecting the structure during such construction also be found acceptable, parking could be placed under the structure.

Even if parking is placed underneath the footprint of the Letcher's building, there would still be a substantive number of parking spaces lost from the proposed parking structure design due to a combination of (1) the structural modifications necessary to change the design of the new residential tower to accommodate the footprint of the Letcher's building, and (2) because of the changed location and design of structural walls.¹³

To offset the loss of parking in the underground structure, parking could be created within the footprint of the Letcher's Garage structure; the building was historically used as a car sales and repair facility and the City considers parking to be a use compatible with the building's historic purpose. Because the front 11.5 feet of the Letcher's structure is located within the area currently proposed as a setback, the sidewalk would have to remain at its current width for this alternative, which is narrower than would be provided by the proposed project. Within the 11.5-foot distance of the project's proposed front setback, the total building height would be 20 feet -- the height of the existing Letcher's building. For the next 30.5 feet, the maximum building height would be 45 feet or less, which would, according to the project architect, accommodate one floor of residential units above the existing Letcher's building (plus the structural modifications to support the weight).¹⁴

Within the remainder of the 69 foot "one lot depth" from St. James Street, the building height would be no higher than ~~400~~ 70 feet. ~~which could include~~ Above the Letcher's building itself, nothing would be built for 11.5 feet from the street property line, and beyond that setback, two floors of residential units above the Letcher's building to a maximum height of 45 feet could then be built. The existing walls of the Letcher's Garage building would "wrap" the visible east, south and west facades at street level. Most of the north wall would be retained but not visible from outside the structure. It is estimated that a maximum of 15 cars could be parked within the footprint of Letcher's, given the necessary structural support system to reinforce the walls and support a building above and to create a driveway entrance in the northeast corner.¹⁵ Beyond the 69 foot setback, the tower could be 150 feet, consistent with the proposed project.

~~Because of the reduction in floor area in Tower Two that would occur with this alternative, it is estimated that a maximum of ten dwelling units would be lost, as would 6,900 square feet of ground floor retail space on North First Street. Ten additional dwelling units would have to be downsized.~~

¹³ Changing the footings and structural design would reduce the space in the underground garage available for parking.

¹⁴ The project proponent has stated that only one additional habitable story could be accommodated due to the structural requirements of modifying the Letcher's building, utilities, and a roof structure.

¹⁵ It is assumed that auto "stackers" that allow cars to be stacked vertically would not be practical in this context for the same reasons that they are not proposed in the underground parking structure for this project—they are too expensive, according to the project proponent. If they are too expensive compared to adding another level of underground parking, they would also likely be too expensive within an aboveground structure. Since all units would not be allocated the same number of parking spaces, stackers also require valet parking to administer.

To offset the units that would be lost from reducing the building area within the St. James square Historic district, two additional floors would be constructed in Tower Two outside the District in this alternative to maintain a unit count of 61 units, or one less than the project. The tower design would require a more costly structural system design.

Subalternative X The most substantial secondary effect would result from the loss of all of the portion of the parking structure under Letcher's. The loss of all of the three levels of parking beneath Letcher's would reduce the number of parking spaces by 84 stalls. The addition of 15 spaces within the Letcher's footprint would reduce the net loss to 69 stalls. The specific number of units lost would depend on their size – up to 69 one-bedroom units would be the maximum number. Since the applicant's objectives include providing two parking spaces for each two-bedroom and larger units, the reduction in size could be 10 two-bedroom units and 49 one-bedroom units, for example.

This loss of parking would either totally eliminate Tower Two (which is proposed to contain a maximum of 58-72 units, or both of the towers could be downsized to include a smaller total number of units, including more smaller units.

Subalternative Y If the City chose to allow parking underground beneath the Letcher's building and also found the additional cost to modify the structure would be acceptable, the number of parking spaces lost (and the associated number of units) would be different than proposed. A preliminary estimate by the project architect was that over 25 parking spaces (and up to 25 units based on the applicant's parking objectives) would be eliminated due to structural modifications and reinforcing.

This alternative (whether Subalternative X or Y) would preserve the exterior façade of the Letcher's Garage structure and would incorporate it into ground floor parking and create a modern residential rooftop addition. If Tower Two is completely eliminated or substantially downsized due to inadequate parking in the underground structure, the Letcher's Garage structure would be a freestanding building and could conceivably be used for commercial purposes.

In addition to those described above, other differences between the proposed project and this alternative include:

- Because the front setback at the corner would be zero, the visibility and prominence of the restored First Church of Christ Scientist building would remain as it is and the church building would be less visible with this alternative than with the proposed project;
- The primary driveway onto West St. James Street would be eliminated because there would be no room between Letcher's and the church. Primary vehicular access for the project will be across the LRT tracks on South Second Street, with a secondary point of access through the small parking lot adjacent to the church building;
- If the glass blocks on the western façade are removed, the project might include vehicular access from South First Street. This access would also be across LRT tracks.
- Vehicular and pedestrian circulation through the site will be eliminated. All access would be from the east. The relationship of the residential towers to the park would be reduced, since the front of the site adjacent to the park will consist of a 20-foot tall parking structure (Letcher's Garage), the First Church of Christ Scientist, and a small parking lot;
- The lower profile of all of the buildings adjacent to the park will be more consistent with the Historic District Design Guidelines.

If this alternative were modified to include the currently proposed L-shaped driveway that would provide direct and primary access to St. James Street, several feet of the easterly end of the Letcher's Garage building would have to be removed. This would eliminate the only remaining completely original wall in the structure and is, therefore, not addressed further in this EIR.

Comparison of Environmental Impacts

This alternative would eliminate the historic and the visual and aesthetic impacts resulting from the removal of the Letcher's Garage structure.

The creation of an entire block face of low rise buildings and parking immediately adjacent to St. James Park would not be consistent with the goals and standards of the *Strategy 2000* plan that encourage high density development fronting the park. It would, however, be consistent with regard to the preservation of historic resources.

Consistency With Project Objectives

This alternative with 61 units in Tower Two could be consistent with all of the City's objectives for the project; because it would contain one fewer dwelling units, it would be incrementally less consistent with the objective of providing high density housing proximate to Downtown jobs and public transit. If Tower Two is eliminated in order to meet the project proponent's parking objectives, the project design would not be consistent with the relevant goal of the *Strategy 2000* plan which is specifically stated as: "Frame the park on available sites with tall, high-density, mixed-income residential development...with high-density housing developed on all available adjacent sites."¹⁶ The project would include only Tower One at a location approximately 200 feet from the park, which would not satisfy this goal.

The project proponent has stated that this alternative would be inconsistent with their objective to include "A sufficient degree of economic viability that the entire project, including the rehabilitated First Church of Christ Scientist building, can be constructed, completed, and maintained over time." The project proponent believes that the project described in this alternative may not qualify for construction financing, which would be inconsistent with the objective of developing a high density residential project that "must qualify for construction financing". It should be noted that these objectives are also reflective of the project's feasibility.

In order for the City to adopt findings to approve this project, factual evidence in support of the alternative's inconsistency with these objectives and any assertions of infeasibility would need to be provided prior to project approval.

Economic information concerning the increased construction costs and reduced revenues generated by this alternative has been provided by the project applicant (see Appendix E of this Final SEIR). This information has been reviewed by the City staff involved in preparing this SEIR, as well as by a third party economic consulting firm, independent of the project, with substantial expertise in the financial realities of private real estate development. A copy of the third party firm's analysis of the project's economic feasibility is included in the Appendix e of this Final SEIR. It is the opinion of the preparers of this SEIR, supported by the expert opinion of the third party economics firm, that this alternative would not be economically feasible. This opinion is based upon information in the

¹⁶ This goal suggests moving the First Church of Christ Scientist building if necessary in order to have the new high rise residential buildings "frame" the park.

record at the time of preparation of this First Amendment [to the DSEIR]. It is acknowledged that additional information may be introduced into the record following preparation of this First Amendment and prior to the adoption of findings by the decision makers required under CEQA Guidelines section 15091 concerning the feasibility of this alternative, and that the decision makers will reach their own conclusion as to the feasibility of this alternative taking into account information in the entire record.

Conclusion

This alternative would be environmentally superior to the proposed project because it would develop the site consistent with most of the goals of the *Strategy 2000* plan, would not demolish a designated historic structure, and would have a greater degree of consistency with the *St. James Square Historic District Design Guidelines*, compared to the proposed project. ~~Because it would result in an entire block face adjacent to the park containing a parking structure and a parking lot on either side of the existing church building,~~ It would not be consistent with the goal of framing the park with high rise residential development. Based upon information currently in the record, this alternative appears economically infeasible. The economic feasibility of this alternative will be determined by the City decision makers prior to taking action on the project, taking into account any additional information that may be present in the record at that time.

C. RETAIN LETCHER'S ALTERNATIVE AND PROHIBIT CONSTRUCTION WITHIN LETCHER'S FOOTPRINT

This alternative would keep Letcher's Garage intact in its entirety. No construction would be allowed above Letcher's Garage. All new construction would be moved beyond (northerly of) the footprint of Letcher's Garage. To retain the 62 proposed units in Tower Two within the smaller footprint, the new tower would need to be increased to 17 stories (from 12), and a new structural system would be required due to the reduced building footprint. As a result of the new structural system required, which incrementally increases the height of each floor, Tower Two would rise higher than the height of Tower One. (See Exhibit "O" in Appendix E of this FSEIR for a graphic comparison of this Alternative with the proposed project.) The number of parking spaces would be reduced from 299 to 225 spaces because no parking would be constructed beneath Letcher's Garage.

Comparison of Environmental Impacts

This alternative would eliminate the historic and the visual and aesthetic impacts resulting from the removal of the Letcher's Garage structure. Even with the new setback, this alternative would be consistent with the goals and standards of the *Strategy 2000* plan that encourage high density development fronting the park. It would also be consistent with regard to the preservation of historic resources.

Consistency With Project Objectives

This alternative could be consistent with all of the City's objectives for the project. It would be consistent with the objective of providing high density housing proximate to Downtown jobs and public transit.

The project proponent has stated that this alternative would be inconsistent with their objective to include "A sufficient degree of economic viability that the entire project, including the rehabilitated

First Church of Christ Scientist building, can be constructed, completed, and maintained over time.”
The project proponent believes that the project described in this alternative may not qualify for construction financing, which would be inconsistent with the objective of developing a high density residential project that “must qualify for construction financing”. It should be noted that these objectives are also reflective of the project’s feasibility.

Economic information concerning the increased construction costs and reduced revenues generated by this alternative has been provided by the project applicant (see Exhibits B, C, and D in Appendix E of this FSEIR). This information has been reviewed by the City staff involved in preparing this SEIR, as well as by a third party economic consulting firm, independent of the project, with substantial expertise in the financial realities of private real estate development. A copy of the third party firm’s analysis of the project’s economic feasibility is included in Exhibit P of Appendix E of this FSEIR. It is the opinion of the preparers of this SEIR, supported by the expert opinion of the third party economics firm, that this alternative would not be economically feasible.

Conclusion

This alternative would be environmentally superior to the proposed project because it would develop the site consistent with most of the goals of the *Strategy 2000* plan, would not demolish a designated historic structure, and would have a greater degree of consistency with the *St. James Square Historic District Design Guidelines*, compared to the proposed project.

This alternative would not, however, meet the project objective of providing a sufficient degree of economic viability for the overall project, nor would it meet the objective of qualifying for construction financing, and is therefore considered infeasible.

D. 70 FOOT HEIGHT ALTERNATIVE

With the development of the currently proposed design, the project was determined to be consistent with the Design Guidelines height requirement, and no significant CEQA impact would result from the proposed height. There is, therefore, no requirement under CEQA to include a 70-foot high alternative in the DSEIR to avoid less than significant impacts of the project. However, requests were made by commentors to evaluate such an alternative.

This alternative explores a new project with a maximum height of 70 feet within the St. James Square Historic District. The 70-foot height would be at the front property line along St. James Street and would extend back to a depth of 69 feet. Beyond the 69-foot lot depth, one additional story would need to be added atop the tower to accommodate the unit loss from the change in design, resulting in a maximum building height of approximately 160 feet outside the District. The unit count of Tower Two would remain constant, providing 62 units. A parking garage would be constructed under the Tower Two, as with the proposed project. This Alternative is depicted graphically in Exhibit “O” in Appendix E of this FSEIR.

While this option meets the project objectives regarding unit count and parking, the preparers of the SEIR believe that this design is not environmentally superior to the proposed project. In the opinion of the preparers of the SEIR, the substantial additional height and mass fronting St. James Street is less in keeping with the intent of the St. James Square Historic District Design Guidelines and is less compatible with the adjacent First Church of Christ Scientist.

Economic information concerning the increased construction costs and reduced revenues generated by this alternative has been provided by the project applicant (see Exhibits B, C, and D of Appendix E of this FSEIR). This information has been reviewed by the City staff involved in preparing this SEIR, as well as by a third party economic consulting firm, independent of the project, with substantial expertise in the financial realities of private real estate development. A copy of the third party firm's analysis of the project's economic feasibility is included in Exhibit P of Appendix E of this FSEIR. It is the opinion of the preparers of this SEIR, supported by the expert opinion of the third party economics firm, that this alternative would not be economically feasible.

Conclusion

This alternative would not be environmentally superior to the proposed project. Further, this alternative would not meet the project objective of providing a sufficient degree of economic viability for the overall project, nor would it meet the objective of qualifying for construction financing, and is therefore considered infeasible.

C.E. ENVIRONMENTALLY SUPERIOR ALTERNATIVE

The CEQA Guidelines state that an SEIR shall identify an environmentally superior alternative. Based on the above discussion, the environmentally superior alternative is the alternative that would retain most of the Letcher's Garage building, Alternative B.

V. SIGNIFICANT UNAVOIDABLE IMPACTS OF THE PROJECT

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.

The proposed project would have significant visual and aesthetic impacts and the loss of the Letcher’s Garage building would be a significant impact.

If Alternative B identified above were to be implemented, all significant impacts would be reduced to less than significant.

Should the project proponent provide supporting information to the Director of Planning, Building and Code Enforcement that the alternative discussed above was infeasible, the Director of Planning, Building and Code Enforcement might conclude that the visual and historic impacts from the proposed project were significant and unavoidable. The Director of Planning, Building and Code Enforcement would then need to adopt a Statement of Overriding Considerations in order to approve the project as it is proposed.

VI. REFERENCES AND PERSONS CONSULTED

City of San José, *Downtown San José Historic District Design Guidelines*, November 2003.

City of San José, *Final Environmental Impact Report for the Mixed-Use Project and Century Center Plan Amendment, 2002.*

City of San José, (Revisions), *San José 2020 General Plan.*

City of San José, *San José Downtown Historic Design Guidelines*, Draft May 2004,
http://www.sanJoseca.gov/planning/Historic/design_guidelines.html.

City of San José, *Zoning Ordinance.*

City of San José, Web Site, <http://www.sanJoseca.gov/>

Urban Programmers and MBA Architects, *First Church of Christ Scientist Historic Structure Report*, November 2006.

Personal Communications

Butler, Lee, Planner II; Project Coordinator, City of San José Department of Building, Planning and Code Enforcement.

Gibbons, Elizabeth, A.I.A.; Project Manager, Steinberg Architects.

Orman, Janna; Project Manager, Barry Swenson Builder.

Reynolds, Christy; Project Manager, Barry Swenson Builder.

Zarnowitz, Sally; Historic Preservation Officer, City of San José.

VII. EIR AUTHOR AND CONSULTANTS

Authors: **City of San José**
Joseph Horwedel, Director of Planning, Building, and Code Enforcement
Akoni Danielson, Principal Planner
Lee Butler, Senior Planner
Sally Notthoff Zarnowitz, Historic Preservation Officer

Consultants: **David J. Powers & Associates, Inc.**
Michelle Yesney, Principal
Stephanie Francis, Graphic Artist

Carey & Company
Hisashi Sugaya, Architectural Historian