DRAFT SUPPLEMENTAL ENVIRONMENTAL IMPACT REPORT

47 NOTRE DAME RESIDENTIAL PROJECT

City of San Jose
May 2005

CITY OF
SAN JOSE
CAPITAL OF SILICON VALLEY

Department of Planning, Building and Code Enforcement
STEPHEN M. HAASE, AICP, DIRECTOR

May 27, 2005

Ladies and Gentlemen:

SUBJECT: DRAFT SUPPLEMENTAL ENVIRONMENTAL IMPACT REPORT, FILE NO. H04-050, 47 NOTRE DAME RESIDENTIAL PROJECT, SCH NO. 2004112025.

The Planning Commission of the City of San Jose will hold a Public Hearing to consider the Draft Supplemental Environmental Impact Report (DSEIR) prepared for the project described below. A copy of the DEIR is attached for your review.

Your comments regarding the significant environmental effects of this project and the adequacy of the DEIR are welcome. Written comments, submitted to the Department of Planning, Building and Code Enforcement by 5:00 p.m., June 27, 2005, will be included in the SEIR and be considered by the Planning Commission at this public hearing. If we receive no comments (nor a request for an extension of time) from you by the specified date, we will assume you have none to make.

Project Description and Location: The project proposes the construction of a 22-story, 350-unit residential condominium (Phase 1) and a six-story 60,000 square foot mixed-use commercial/residential building with 35 residential units and approximately 8,000 square feet of ground floor retail/commercial uses (Phase 2) on the southwest corner of the site, adjacent to the De Anza Hotel. The project will remove the existing buildings on site, including the Palomar Ballroom (Tropicana Club). Council District 3

Tentative Hearing Date: July 27, 2005

Contact Person:

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Sincerely,

Akoni Danielsen

Akoni Danielsen, Principal Planner

PREFACE

The document has been prepared by the City of San José as the Lead Agency, in conformance with the California Environmental Quality Act (CEQA). This Supplemental Environmental Impact Report (SEIR) provides environmental review appropriate for the adoption of a Conditional Use Permit that would allow the development of a 22-story condominium tower and a six-story mixed use building.

In 1992, the City of San José approved the Downtown Strategy Plan, which is a long-range program for the redevelopment and preservation of the central core of San José. The plan includes development of office and retail space, hotel rooms, theater space, and up to 3,600 dwelling units within the study area. The original Downtown Strategy Plan EIR was a broad range environmental document and did not analyze specific development projects under the Downtown Strategy Plan. All subsequent development that has occurred as part of the Downtown Strategy Plan has had project specific supplemental environmental review. This SEIR has been prepared as part of the supplemental environmental review process needed to evaluate the proposed project in terms of the overall development envisioned in the Downtown Strategy Plan.

Purpose of the SEIR

In accordance with CEQA, this SEIR provides objective information regarding the environmental consequences of the proposed project to the decision makers who will be considering and reviewing 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 decision makers, and the public of the significant environmental effects 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 that 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 decision-makers with information that enables them to make a decision that intelligently considers 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.
>
> **§15152. Tiering.** (a) "Tiering" refers to using the analysis of general matters contained in a broader EIR (such as one prepared for a general plan or policy statement) with later EIRs and negative declarations on narrower projects; incorporating by reference the general discussions from the broader EIR; and concentrating the later EIR or negative declaration solely on the issues specific to the later projects.

(b) Agencies are encouraged to tier the environmental analyses which they prepare for separate but related projects including general plans, zoning changes, and development projects. This approach can eliminate repetitive discussions of the same issues and focus the later EIR or negative declaration on the actual issues ripe for decision at each level of environmental review. Tiering is appropriate when the sequences of analysis is from an EIR prepared for a general plan, policy or program to an EIR or negative declaration for another plan, policy, or program of lesser scope, or to a site-specific EIR or negative declaration. Tiering does not excuse the lead agency from adequately analyzing reasonably foreseeable significant environmental effects of the project and does not justify deferring such analysis to a later tier EIR or negative declaration. However, the level of detail contained in a first tier EIR need not be greater than that of the program, plan, policy, or ordinance being analyzed.

Focusing the SEIR

The City of San José prepared an Initial Study (see Appendix A) that determined that preparation of an SEIR was needed for the proposed 47 Notre Dame Residential Project. The Initial Study concluded that the SEIR should focus on land use compatibility, cultural resources, traffic circulation and access, and noise. The issues of aesthetics, air quality, biological resources, geology and soils, hazardous materials, hydrology and water quality, population and housing public services, and utilities were analyzed in the Initial Study. The project's impacts in these study areas were determined to be less than significant, with the City's standard mitigation measures that will be made conditions of approval of the project, and/or it was determined that the project would not result in any new or more significant impacts in these resource areas than those addressed in the Downtown Specific Plan EIR.

As stated above, the analysis in the Initial Study determined that the only environmental resources affected by the proposed project would be land use, cultural resources, transportation, and noise. All other impacts from the proposed project would be less than significant and are not addressed any further in this SEIR.

All documents referenced in this SEIR are available for public review in the office of the Department of Planning, Building, and Code Enforcement, 801 North First Street, Room 400, San José, California, on weekdays during normal business hours.

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SUMMARY

The project proposes to remove existing buildings on the project site and construct an approximately 22-story, 350-unit residential condominium on the northwest corner of the property (referred to as Phase I). A five-level parking garage (three levels below ground and two levels above ground) will be built adjacent to the residential building on the northeast corner of the lot. The southwest corner, adjacent to the historic De Anza Hotel, will be developed with a six-story residential/retail building (referred to as Phase II) with three levels of belowground parking that are open to and accessed through the other underground parking area. The Phase II building will be comprised of approximately 35 condominium units and 8,000 square feet of retail space.

The following is a brief summary of significant impacts and mitigation measures addressed within the body of this EIR. The complete project description and discusion of impacts and mitigation measures can be found in the Section II of this EIR.

SIGNIFICANT IMPACTS	MITIGATION MEASURES
Cultural Resources Impacts	
Implementation of the proposed project will result in a significant, unavoidable impact to the historic Palomar Ballroom. **(Significant Unavoidable)**	Prior to demolition of the Palomar Ballroom building, documentation of the building will be completed by a qualified consultant (meeting the professional qualification standards of the Secretary of the Interior's Standards and Guidelines for Archaeology and Historic Preservation) in conformance with the Secretary of the Interior's Standards for Architectural and Engineering Documentation, Historic American Building Survey (HABS). The documentation will consist of selected large format, black and white views of the building, to the Historical American Building Survey Standards. At a minimum, the views shall include: building views, exterior facades, interiors, auxiliary structures, related equipment, setting and selected details. One original and two copies of the photo documentation will be submitted to the Historic Preservation Officer for the City of San José to be distributed to the archives at the California Room for the Martin Luther King Jr. Library, History San José, and the Northwest Information Center at Sonoma State University. . Prior to demolition of the Palomar Ballroom, the building shall be advertised for relocation. A dollar amount equal to the estimated cost of demolition, as certified by a licensed contractor, shall be offered to the recipient of the building to offset the cost of moving the building. The project applicant shall provide evidence to the Historic Preservation Officer that an

SIGNIFICANT IMPACTS	MITIGATION MEASURES
Cultural Resources Impacts *Continued*	
See Previous Page	advertisement has been placed in a newspaper of general circulation, posted on a website, and posted at the site for a period of no less than 30 days. If no person or organization relocates the Palomar Ballroom, the project applicant shall arrange a tour of the building with History San José, Preservation Action Council of San José, and representatives of the Historic Landmarks Commission to identify elements of the building that warrant salvage for public information or for reuse in other locations. It will be the applicant's responsibility to facilitate removal and transfer of the identified building elements to the above entities. Any building elements not identified for salvage through this effort shall be made available to salvage companies facilitating the reuse of historic building materials. The tour and salvage opportunities will occur prior to the issuance of a demolition permit for the former Palomar Ballroom. **Significant Unavoidable Impact**
Implementation of the proposed project would have a significant impact on the integrity of the setting of the De Anza Hotel. **(Significant Impact)**	There is no mitigation proposed that would reduce the impact to the setting of the De Anza Hotel. **Significant Unavoidable Impact**
Transportation Impacts	
The Supplemental Downtown Strategy Plan SEIR concluded that the development of 3,600 dwelling units in the downtown area would result in a significant unavoidable regional freeway impact. As such, the construction of the proposed residential project, which is counted as part of the 3,600 dwelling units, would result in a significant regional freeway impact. **(Significant Impact)**	There is no mitigation available that would reduce the regional freeway impact to less than significant. This is a significant unavoidable impact. **Significant Unavoidable Impact**

SIGNIFICANT IMPACTS	MITIGATION MEASURES
Noise Impacts	
Implementation of the proposed project will result in temporary noise impacts to the De Anza Hotel. **(Significant Impact)**	The following measures have been included in the project to reduce potential construction-related noise impacts: (1) Construction activities would be limited to the period between 7:00 AM and 6:00 PM Monday through Friday; (2) The contractor would be required to use available noise suppression devices and properly maintain and muffle internal combustion engine-driven construction equipment; (3) The contractor would be required to use noise barriers or noise control blankets to shield stationary equipment from nearby noise-sensitive receptors; (4) The contractor would designate a disturbance coordinator and post the name and phone number of this person at easy reference points for the surrounding land uses. The disturbance coordinator would respond to all complaints about noise and take the necessary steps to mitigate the problem. **Less Than Significant Impact with Mitigation**

Cumulative Impacts

Cumulative Transportation Impacts

The Supplemental Downtown Strategy Plan EIR concluded that the development of 3,600 dwelling units in the downtown area would result in a significant unavoidable regional freeway impact. Because many of the freeway segments the Bay Area are at or beyond capacity, any additional development that adds one percent of the total daily trips to the impacted freeway segments is cumulatively considerable. Therefore, implementation of the proposed project, which is counted as part of the 3,600 dwelling units in the approved Downtown Strategy Plan, would result in a significant unavoidable regional freeway impact. This impact, however, was addressed in the Supplemental Downtown Strategy Plan EIR and was overridden in that Plan's adoption; it is not a new impact resulting from the proposed project.

Cumulative Noise Impacts

The proposed project, by itself, will not generate enough traffic to audibly increase the overall noise level of the project area. For humans, an audible increase in noise is three decibels, which is equivalent to traffic volumes doubling in the project area. However, the proposed project, combined with other nearby projects (including build out of the Downtown Strategy Plan, KB Home Monte Vista Residential Project [Del Monte], and Fountain Alley), will likely increase the overall ambient noise level of the Downtown area by three decibels or more. As a result, the proposed project will contribute to the cumulative noise in the downtown area, which is a significant unavoidable impact. This impact, however, was addressed in the Downtown Strategy Plan EIR and was overridden in that Plan's adoption; it is not a new impact resulting from the proposed project.

Cumulative Cultural Resources Impacts

Archaeological Resources

The entire San José area has a potential for subsurface prehistoric and historic archaeological resources, particularly near the channels of the Guadalupe River, Coyote Creek, and their tributaries. While much of San José has already undergone some type of development, impacts to subsurface cultural resources could still occur during ground disturbing and excavation for future development of vacant sites as well as during redevelopment of urban sites.

The project site is known to contain archaeological resources from the Notre Dame school. Implementation of the proposed project would require excavation of the entire project site for construction of the underground parking structure. As a result, all buried resources on the project site would be impacted. The project, however, proposed mitigation to recover and preserve all artifacts of significance found on the project site.

In light of the mitigation proposed by the project for archaeological resource impacts, it is concluded that implementation of the proposed project will not result in a cumulatively significant impact to archaeological resources.

Historic Resources

The Palomar Ballroom (circa 1946) is the only extant building in the City of San José from the Big Band Era that was constructed solely for use as a ballroom. Due to the building's unique status, the loss of the building, in relation to the Big Band Era in San José would be significant and unavoidable, but would not be a cumulative impact.

From a local perspective, however, the loss of the building would be considered a significant cumulative impact in relation to other historic buildings in the City, regardless of their historic use.

Alternatives to the Proposed Project

A. NO PROJECT ALTERNATIVE

The CEQA Guidelines [§15126(d)4] require that an SEIR specifically discuss a "no project" alternative, which should address both "the existing conditions, as well as what would be reasonably expected to occur in the foreseeable future if the project is not approved, based on current plans and consistent with available infrastructure and community services." The proposed project is the demolition of an existing historic structure (the former Palomar Ballroom) and the construction of a high-rise residential building, therefore, an alternative to the currently proposed project would be to retain the site as it currently exists, with the historic structure in its current location.

The No Project Alternative would have no impact on the Palomar Ballroom, because the building would remain intact in its current location. There is, however, no mechanism in place to require rehabilitation of the building by the owner under the No Project Alternative. City codes (and code enforcement) only require that the building be secured (i.e. boarded up) and not pose a safety hazard. In 2002, the Tropicana Club (formerly the Palomar Ballroom) was closed in part due to requests and concerns of the City due to several public disturbance instances by the patrons. The building has been vacant since the closure. As a result, the building may remain vacant and eventually begin to deteriorate until such time as a significant interest in reuse of the building is generated.

The No Project Alternative would also avoid the visual impact to the De Anza Hotel and the significant noise impacts of the proposed project.

The no project alternative avoids all the significant impacts identified in the SEIR, however, it does not meet any of the objectives of the proposed project.

B. SITE DESIGN ALTERNATIVE 1

Alternative B would allow the same amount of development as proposed by the project, a maximum of 343 dwelling units, in a 22-story residential tower and 35 units in a six-story mixed use building for a total of 378 dwelling units[1]. A site plan and building mass diagram for

[1] This analysis assumes Alternative B would include the West Santa Clara Street frontage building at the southwest corner of the project site exactly as it is proposed for the project. As a result, no new analysis of the Phase II building is presented in this Alternatives discussion.

Alternative B is shown on Figure 8. However, the location of the tower would be flipped (i.e., positioned so that the inside corner of the L-shaped tower would be facing the northwest corner of the project site) to allow for the preservation of the historic building. The footprint of the residential building would be the same as the proposed project. Under this alternative, the West Santa Clara Street frontage building (Phase 2) would be included with no change in design or content from the proposed project. Five levels of parking would be provided under Alternative B (two above ground and three below ground) under the residential tower, for a total of 270 parking spaces[2]. Due to the construction and excavation constraints posed by maintaining the historic building in its current location, no below grade parking would be constructed under the historic building. The 218 spaces would provide approximately 0.79 parking spaces per unit, which falls well below the City's parking requirement of 1.0 parking space per unit (a total of 343 spaces would be needed to meet the City's parking requirement). In order to meet the City's parking requirement of 1.0 parking spaces per unit, Alternative B would require a minimum of two additional levels of above grade parking, which would also reduce the overall unit count.

Conclusion: Implementation of Alternative B would avoid the direct impact to the historic Palomar Ballroom building located on the project site and is a potentially feasible alternative. However, greater indirect impacts to the De Anza Hotel would result due to the closer location of the proposed residential tower. In addition, this alternative does not propose reuse of the historic building, so the preservation of the historic building under this alternative does not guarantee the long term viability of the building. Furthermore, preservation of the historic building would not allow private communal outdoor open space to be provided to residents of the tower and would not allow sufficient parking that is considered necessary to make the project viable. For these reasons, Alternative B does not meet objectives 1, 4, 6, 7, and 8 of the proposed project, as stated in Section I.D. of this SEIR.

C. REDUCED DENSITY ALTERNATIVE

Under Alternative C, the project would maintain the same site layout as in Alternative B and would include the Phase II building proposed on the West Santa Clara Street frontage[3]. Alternative C is reduced density development comprised of the maximum number of units that can be parked on-site at the applicants desired ratio (1.49 spaces/dwelling unit)[4], without subterranean parking below the Palomar Ballroom building. This results in a building which would be 12 stories tall with a total of 146 dwelling units. A site plan and building mass diagram for Alternative C is shown on Figure 8. The parking garage would be the same as described in Alternative B, with a total of 218 parking spaces, which would be 1.49 spaces per unit. This alternative would provide the same amount of parking per unit as the proposed project. The 218 spaces would exceed the City's parking requirement of 1.0 parking spaces per unit.

Conclusion: Implementation of Reduced Density Alternative C would avoid the impact to the historic building located on the project site. However, greater visual impacts to the De Anza

[2] In order to meet the applicant's desired parking ratio of 1.49 spaces per unit, a total of 511 spaces would be needed. The 270 spaces provided by Alternative B represent only 53 percent of the applicant's desired spaces.

[3] This analysis assumes Alternative B would include the West Santa Clara Street frontage building at the southwest corner of the project site exactly as it is proposed for the project. As a result, no new analysis of the Phase II building is presented in this Alternatives discussion.

[4] As noted previously, the applicant desires a minimum of 1.49 parking spaces per unit for marketing the development as "luxury apartments".

Hotel would result due to the location of the proposed residential tower. In addition, this alternative does not propose reuse of the historic building and preservation of the historic building under this alternative does not guarantee the long term viability of the building. Furthermore, preservation of the historic building would not allow private communal outdoor open space to be provided to residents of the tower. This alternative would, however, allow sufficient parking to meet the project objectives, but it includes less than one-half (49 percent) of the proposed units in the Phase I tower and, therefore, may not be economically viable. Alternative C does not meet objectives 1, 2, 3, 4, 5, 7, and 8 of the proposed project, as stated in Section I.D. of this SEIR

D. SITE DESIGN ALTERNATIVE WITH RELOCATED PALOMAR BALLROOM BUILDING I

Under Alternative D, the project would maintain the same site layout as the proposed project. This alternative would construct a 15-story, 211 unit residential tower and the proposed Phase II building on the West Santa Clara Street frontage for a total of 246 units[5]. The historic former Palomar Ballroom building would be relocated to the middle of the Notre Dame street frontage where the vacant warehouse currently stands. A site plan and building mass diagram for Alternative B is shown on Figure 8. Five levels of parking would be provided (two above ground and three below ground) under the residential tower and the historic building, with a total of 314 parking spaces. Combined with the parking under the Phase II buildings, the project would have a total of 389 parking spaces. Moving the historic building to a new location on the project site removes the constraints of constructing under an existing building and enables the construction of below-grade parking across the project site. The 314 spaces would provide approximately 1.49 parking spaces per unit for the 211 tower residential units. This alternative would, therefore, provide the same amount of parking per unit as the proposed project. This alternative proposes a 15-story, 211 unit residential tower because it is the largest possible project that can be adequately parked (at 1.49 parking spaces per unit) while retaining the Palomar Ballroom on site. The 314 spaces would also meet the City's parking requirement of 1.0 parking spaces per unit.

Conclusion: Implementation of Alternative D would avoid the impact to the historic building located on the project site. However, this alternative does not propose reuse of the historic building and preservation of the historic building under this alternative does not guarantee the long term viability of the building. Furthermore, preservation of the historic building would not allow private communal outdoor open space to be provided to residents of the tower. This alternative would provide sufficient parking to meet the project objectives but it includes only about two-thirds (68 percent) of the proposed number of tower residential units and, therefore, may not be economically viable. Alternative D does not meet objectives 1 and 5 of the proposed project, as stated in Section I.D. of this SEIR.

E. SITE DESIGN ALTERNATIVE II

[5] This analysis assumes Alternative B would include the West Santa Clara Street frontage building at the southwest corner of the project site exactly as it is proposed for the project. As a result, no new analysis of the Phase II building is presented in this Alternatives discussion.

Alternative E would allow a maximum of 229 dwelling units, in a 22-story residential tower and 35 units in a six-story mixed use building for a total of 264 dwelling units[6]. A site plan and building mass diagram for Alternative E is shown on Figure 8. Under this alternative, the proposed 22-story tower would not be "L-shaped", but would be a single tower located along the western boundary of the project site. As a result, the footprint of the residential building would be different than that of the proposed project and Alternatives B-D. Under this alternative, the West Santa Clara Street frontage building (Phase 2) would be included with no change in design or content from the proposed project. Five levels of parking would be provided under Alternative E (two above ground and three below ground), for a total of 270 parking spaces[7]. The parking garage would be located between the former Palomar Ballroom and the De Anza Hotel. Due to the construction and excavation constraints posed by maintaining the historic building in its current location, no below grade parking would be constructed under the historic building. The 270 spaces would provide approximately 1.18 parking spaces per unit, which is greater than the City's parking requirement of 1.0 parking space per unit (a total of 229 spaces would be needed to meet the City's parking requirement).

Conclusion: Implementation of Alternative E would avoid the direct impact to the historic Palomar Ballroom building located on the project site and is a potentially feasible alternative. This alternative, however, does not propose reuse of the historic building, so the preservation of the historic building under this alternative does not guarantee the long term viability of the building. Lastly, this alternative does not meet the parking requirement determined necessary by the project proponent for luxury units. For these reasons, Alternative E does not meet objectives 1 and 6 of the proposed project, as stated in Section I.D. of this SEIR.

F. SITE DESIGN ALTERNATIVE WITH RELOCATED PALOMAR BALLROOM BUILDING II

Under Alternative F, the project would maintain the same site layout as the proposed project except that the east/west wing of the tower would be placed in the center of the site adjacent to the De Anza Hotel (see Figure 7). This alternative would construct a multi-story, 393 unit residential tower on the northwest corner of the project site. The Phase II would not be included in this alternative as it is proposed by the project, but the north/south wing of the tower would extend to Santa Clara Street. Five levels of parking would be provided (two above ground and three below ground) as in the proposed project with a total of 590 parking spaces. The historic former Palomar Ballroom building would remain in its current location on the Notre Dame Street frontage. The 590 spaces would provide approximately 1.50 parking spaces per unit for the 393 tower residential units. This alternative would, therefore, provide the same amount of parking per unit as the proposed project. The 590 spaces would exceed the City's parking requirement of 1.0 parking spaces per unit.

Conclusion: Implementation of Alternative F would avoid the impact to the historic building located on the project site. However, this alternative does not propose reuse of the historic

[6] This analysis assumes Alternative B would include the West Santa Clara Street frontage building at the southwest corner of the project site exactly as it is proposed for the project. As a result, no new analysis of the Phase II building is presented in this Alternatives discussion.

[7] In order to meet the applicant's desired parking ratio of 1.49 spaces per unit, a total of 341 spaces would be needed. The 229 spaces provided by Alternative E represent 80 percent of the applicant's desired spaces.

building and preservation of the historic building under this alternative does not guarantee the long term viability of the building. Furthermore, preservation of the historic building would not allow private communal outdoor open space to be provided to residents of the tower. This alternative would provide sufficient parking to meet the project objectives and includes more tower residential units than the proposed project. It does, however, remove the Phase II building for a loss of 8,000 square feet of retail space. Alternative F meets the objectives of the proposed project, as stated in Section I.D. of this SEIR.

G. SITE DESIGN ALTERNATIVE WITH RELOCATED PALOMAR BALLROOM BUILDING III

Under Alternative G, the project would maintain the same site layout as the proposed project. This alternative would construct a multi-story, 400 unit residential tower on the northwest corner of the project site (see Figure 7). The Phase II would not be included in this alternative as it is proposed by the project, but the north/south wing of the tower would extend to Santa Clara Street. Five levels of parking would be provided (two above ground and three below ground) as in the proposed project with a total of 600 parking spaces. The historic former Palomar Ballroom building would be relocated to the middle of the Notre Dame Street frontage where the vacant warehouse currently stands. Moving the historic building to a new location on the project site removes the constraints of constructing under an existing building and enables the construction of below-grade parking across the project site if required. The 600 spaces would provide approximately 1.50 parking spaces per unit for the 400 tower residential units. This alternative would, therefore, provide the same amount of parking per unit as the proposed project. The 600 spaces would exceed the City's parking requirement of 1.0 parking spaces per unit.

Conclusion: Implementation of Alternative G would avoid the impact to the historic building located on the project site. However, this alternative does not propose reuse of the historic building and preservation of the historic building under this alternative does not guarantee the long term viability of the building. Furthermore, preservation of the historic building would not allow private communal outdoor open space to be provided to residents of the tower. This alternative would provide sufficient parking to meet the project objectives and includes more tower residential units than the proposed project. It does, however, remove the Phase II building for a loss of 8,000 square feet of retail space. Alternative G meets the objectives of the proposed project, as stated in Section I.D. of this SEIR.

H. PALOMAR RELOCATION ALTERNATIVE

Under Alternative H, the project would maintain the same site layout as the proposed project (see Figure 7). This alternative would construct a 22-story, 327 unit "L-shaped" residential tower on the northwest corner of the project site. The Phase II building would not be included in this alternative. In place of the Phase II building, the Palomar Building would be relocated to the West Santa Clara Street frontage. Five levels of parking would be provided (two above ground and three below ground) as in the proposed project with a total of 490 parking spaces. Moving the historic building to a new location on the project site removes the constraints of constructing under an existing building and enables the construction of below-grade parking across the project site if required. The 490 spaces would provide approximately 1.50 parking spaces per unit for the 327 tower residential units. This alternative would, therefore, provide the same amount of parking per unit as the proposed project. The 490 spaces would exceed the City's parking requirement of 1.0 parking spaces per unit.

Conclusion: Implementation of Alternative H would avoid the impact to the historic building located on the project site. However, this alternative does not propose reuse of the historic building and preservation of the historic building under this alternative does not guarantee the long term viability of the building. This alternative would provide sufficient parking to meet the project objectives but it includes only about 85 percent of the total proposed residential units. Alternative H does not meet objective one of the proposed project, as stated in Section I.D. of this SEIR. Since it meets most of the project objectives and would avoid the project's significant historic impact, it is considered the environmentally superior alternative.

Areas of Known Controversy

Known areas of controversy related to the proposed project include the demolition of the former Palomar Ballroom. Development of the proposed residential tower would result in the demolition of the Palomar building, which has been determined to be historic by the City of San José due to its architecture and its operation as a ballroom during the Big Band era.

I. DESCRIPTION OF THE PROJECT

A. OVERVIEW

In 1992, the City of San José approved the Downtown Strategy Plan (Plan), which is a long-range program for the redevelopment and preservation of the central core of San José. The plan provided for development of 3.9 million square feet of office space, 400,000 square feet of retail space, 850 hotel rooms, 3,800 seats of new or renovated theater space, a new main library (168,000 square feet), and up to 3,600 dwelling units within the Plan area. At this time, the majority of the commercial and office uses envisioned in the Plan have been developed or are already in process. To date, 2042 dwelling units have been built and 341 dwelling units are pending under the Downtown Strategy Plan. The proposed residential project is intended to further implement the residential development objectives of the Downtown Strategy Plan. The project site was not originally addressed as a residential development site in the 1992 Downtown Strategy Plan EIR (SCH No. 91093009)[1]. This focused SEIR has been prepared as part of the supplemental environmental review process needed to evaluate the proposed project in terms of the overall development envisioned in the Downtown Strategy Plan; that is, it tiers off of the earlier SEIR.

B. PROJECT LOCATION

The project site is located within the Downtown Core area in the City of San José. The proposed project site is located at 25-47 Notre Dame Avenue and 220 Carlysle Street in Downtown San José. The 1.4 acre property is bounded by Almaden Boulevard to the west, Carlysle Street to the north, Notre Dame Street to the east, and West Santa Clara Street to the south. The project site comprises a portion of the West Santa Clara Street frontage; the remainder of the block's frontage (not a part of the site) is developed with the historic De Anza Hotel. See Figures 1 (regional) and 2 (vicinity) for the location of the project site.

The site is currently developed with paved parking lots and two single-story buildings; a warehouse and the Tropicana Club (formerly Palomar Ballroom, a circa 1946 dance hall). Both of the buildings on the site are currently vacant.

C. DETAILED DESCRIPTION OF THE PROPOSED PROJECT

The project proposes to remove the existing buildings on the site and construct a 22-story (approximately 228 feet above grade), L-shaped, 350-unit residential condominium on the northwest corner of the property (referred to as Phase I)[2]. The 22-story building will include 15 live/work units on the first (ground level) floor. The live/work units will be located along the Almaden Boulevard and Carlysle Street frontages and the northern

[1] The 1992 Downtown Strategy Plan EIR and subsequent 1998 Supplemental EIR are hereby incorporated by reference and are available for review at the San José Department of Planning, Building and Code Enforcement, located at 801 N. 1st Street, Room 400, San José, CA, during normal business hours.

[2] For ease of discussion within this EIR, the L-shaped Phase I building may be referred to collectively as the Phase I building or by the individual wings of the building. The wing located on Carlysle Street will be referred to as the east/west wing and the wing located on Almaden Boulevard will be referred to as the north/south wing.

Link to Figure 1 – Regional

Link to Figure 2 – Vicinity

portion of the Notre Dame Street Frontage. A five-level parking garage (three levels below grade and two levels above ground) will be built immediately adjacent to the residential building near the northeast corner of the lot.

The southwest corner of the site, adjacent to the De Anza Hotel, will be developed with a six-story residential/retail building (referred to as Phase II) with two levels of below grade parking that are open to and accessed through the Phase I underground parking area. The Phase II building will be comprised of approximately 35 condominium units and 8,000 square feet of retail. A site plan of the proposed project is shown on Figure 3.

The five-story Phase I parking structure will provide a total of 540 parking spaces and the three-story Phase II parking structure will provide 75 parking spaces. The parking structures will be used by the residents of the two buildings only. No retail or employee parking will be provided. The parking structures will be contiguous, as previously mentioned, and will be accessed by two gated driveways. One left in/left out driveway will be located on Notre Dame Street and one will be located on Almaden Boulevard.

Because the project proposes to demolish the Palomar Ballroom building, the project proposes to incorporate various visual and interpretive displays to commemorate the history of the ballroom. The current Palomar Ballroom building runs approximately 150 feet along Carlysle Street, and 100 feet along Notre Dame Street. Using these approximate dimensions, the project proposes to screen the parking garage where it is visible along the Notre Dame Street frontage with a vinyl coated mesh fabric that has historical images of the Palomar Ballroom. These images are intended to evoke the musical legacy of the building. The screens will be located on the second floor of the garage along the current Notre Dame Street frontage of the Palomar. The screens will provide an attractive facade to the parking garage as well as a public remembrance of the once significant use of the site.

At a pedestrian level along Notre Dame, the project also proposes to install an interpretive display at the approximate location of the current Palomar Ballroom building main entry and marquee. The actual materials displayed would be developed with input from the Historic Landmarks Commission, Preservation Action Council and public input, including information to be obtained from conducting oral histories with members of the Chicano community. At this location the project also proposes to replicate an awning/marquee similar to the existing marquee on the Palomar Ballroom building. This would serve as homage to the Palomar, as well as to better define the pedestrian scale, signify the former location of the entry, and mark the location of the proposed interpretive display.

The project also proposes a phased data recovery mitigation program to record and recover known and unknown buried artifacts pertaining to the Notre Dame School that was previously located on the project site. An outline of what will be included in the data recovery program is included in Section II.B, *Cultural Resources*. The complete data recovery program will be prepared by a qualified archaeologist and approved by the Director of Planning, Building, and Code Enforcement prior to issuance of demolition permits.

Link to Figure3–SitePlan

D. PROJECT OBJECTIVES

The objectives of the project proponent are to:

1. Provide up to 385 units of high-density, luxury high-rise housing in the Downtown Core accessible to Downtown jobs, Downtown retail and entertainment and various modes of public transit, thereby implementing the objectives of the San José 2020 General Plan and Downtown Strategy Plan which include locating higher density development on infill sites along transit corridors to foster transit use and the efficiency of urban services and other objectives.

2. Support the City policy of increasing the housing base in the Downtown Core in order to reduce commutes by placing housing in proximity to jobs.

3. Advance the principle of "Smart Growth" by replacing vacant and underutilized low-rise commercial structures and a surface parking lot with new structures that will provide badly needed housing units in the Downtown Core.

4. Create one of the first high-quality, well designed high density, luxury high-rise residential development projects in the Downtown Core to further the San José 2020 General Plan's goal of creating a central identity for San José as well as adding a sense of permanency and stature to the Downtown skyline.

5. Develop a high density, luxury, high-rise residential project in excess of 200 units per acre and with at least one tower in excess of 20 stories.

6. Efficiently provide adequate on-site parking[3] and loading to meet the needs of the project.

7. Construct a high-quality, high density, luxury high-rise residential development that is marketable and produces a reasonable return on investment for the Project Sponsor and its investors and is able to attract investment capital and construction financing.

8. Develop a high-quality, high-density, luxury high-rise residential project that is compatible with the Historic De Anza Hotel.

9. Provide a mixed-use development that is complementary in size and scale with the historic De Anza Hotel and provides a pedestrian-oriented use that enlivens the streetscape on West Santa Clara Street.

The objectives of the City of San José are:

The proposed project would create a mixed use project containing ground-floor retail and up to 353 condominium units in a high-rise tower, in furtherance of the San José 2020 General Plan Major Strategies regarding Growth Management, Downtown Revitalization, Urban

[3] Adequate parking is defined by the number of parking spaces per unit necessary as determined by the project proponent for luxury units. The ratio for this project is one parking space for one and two bedroom units and two parking spaces for any units over two bedrooms, which average out to 1.49 spaces per unit. The average ratio of 1.49 spaces per unit is the ratio used in the analysis of this project.

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 area, preservation of specific structures, and provide housing opportunities in a stable environment that has adequate municipal services. The objectives of the City of San José are:

1. Provide a catalyst for creating a prominent and attractive Downtown by encouraging new investment, residents, and visitors to the Downtown.

2. Preserve structures of historic significance that contribute visual evidence to a sense of community that grows out the historical roots of San José's past.

3. Provide housing opportunities to meet the needs of all economic segments of the community in neighborhoods which are stable, attractive, and have adequate municipal services.

E. USES OF THE SEIR

This Supplemental Environmental Impact Report (SEIR) is intended to provide the City of San José, 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 may need to rely upon this SEIR:

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

F. CONSISTENCY WITH ADOPTED PLANS AND POLICIES

In conformance with Section 15125(b) of the CEQA Guidelines, the following section discusses the consistency of the proposed project with relevant adopted plans and policies.

1. Regional Plans and Policies

Bay Area 2000 Clean Air Plan

The 1982 Bay Area Air Quality Plan and 2000 Clean Air Plan ('00 CAP) establish regional policies and guidelines to meet the requirements of the Clean Air Act, as amended through 1990. The Bay Area is a non-attainment area for ozone and PM_{10}, since federal standards are exceeded for these pollutants.

The Bay Area 2000 Clean Air Plan outlines measures and improvements to help the Bay Area comply with the State's ozone standard, and is the current regional strategy for improving air quality. The Plan proposes the adoption of transportation, mobile source and stationary source controls on a variety of pollutant sources to offset population growth and provide improvement in air quality. The consistency of the proposed project with this regional plan is primarily a

question of the consistency with population/employment assumptions utilized in developing the Plan. The '00 CAP was based on the City's General Plan in effect at the time the CAP was approved and the Association of Bay Area Governments (ABAG) *Projections '98*.

Consistency: The proposed project will develop approximately 385 dwelling units that were approved for the downtown as part of the 1990 Downtown Strategy Plan. Therefore, the population growth and the vehicular traffic associated with that growth have already been included in the City's growth projections. The project will replace the existing commercial land use with high density residential development and will generate a substantial increase in traffic compared to the current land use. This increase in traffic would be a source of increased air pollutant emissions, which will contribute to exceedances of regional air quality standards. Construction activities associated with future development would also generate minor temporary air pollution impacts. The development of high density residential uses in Downtown, in close proximity to jobs and transit is consistent with policies of the Clean Air Plan. Additionally, the proposed dwelling units and associated population growth were approved under the San José General Plan prior to the 2000 CAP; so, the proposed dwelling units were included in the 1998 ABAG projections and implementation of the proposed project will not impact the CAP. For these reasons, the project is consistent with the Clean Air Plan.

San Francisco Bay Regional Water Quality Control Plan

The Regional Water Quality Control Board (RWQCB) has developed and adopted a Water Quality Control Plan (Basin Plan) for the San Francisco Bay region. The Plan is a master policy document that contains descriptions of the legal, technical, and programmatic bases of water quality regulation in the San Francisco Bay region. The Regional Board first adopted a water quality control plan in 1975 and the last major revision was adopted in 1995.

The Plan provides a program of actions designed to preserve and enhance water quality and to protect beneficial uses. It meets the requirements of the U.S. Environmental Protection Agency (EPA) and establishes conditions related to discharges that must be met at all times.

The implementation portion of the Basin Plan includes descriptions of specific actions to be taken by local public entities and industries to comply with the policies and objectives of the Plan. These include measures for urban runoff management and wetland protection.

Consistency: The proposed development would not increase storm water runoff and development on the site will conform to the requirements of the City of San José and the countywide National Pollutant Discharge Elimination System (NPDES) permit regarding erosion and sedimentation control during construction and post-construction. The project would be consistent with the Basin Plan.

Santa Clara Valley Urban Runoff Pollution Prevention Program

The Santa Clara Valley Urban Runoff Pollution Prevention Program (SCVURPPP) was developed in accordance with the requirements of the 1986 San Francisco Bay Basin Water Quality Control Plan, for the purpose of reducing water pollution associated with urban storm water runoff. This program was also designed to fulfill the requirements of Section 304(1) of the Federal Clean Water Act, which mandated that the Environmental Protection Agency develop National Pollutant Discharge Elimination System Permit application requirements for storm

water runoff. The Program's Municipal NPDES storm water permit includes provisions requiring regulation of storm water discharges associated with new development and construction and development of an area-wide watershed management strategy. The permit also identifies recommended actions for the preservation, restoration, and enhancement of the San Francisco Bay Delta Estuary.

The State Water Resources Control Board implemented an NPDES general construction permit for the Santa Clara Valley. For properties of five acres or greater, a Notice of Intent (NOI) and Storm Water Pollution Prevention Plan (SWPPP) must be prepared prior to commencement of construction. Subsequent to implementation of the general construction permit, the San Francisco Bay RWQCB issued a Municipal Storm Water NPDES Permit to the municipalities in Santa Clara Valley, the County of Santa Clara, and the Santa Clara Valley Water District (SCVWD) as co-permittees. The Urban Runoff Prevention Program assists the co-permittees in implementing the provisions of this permit.

In October 2001, the RWQCB approved an amendment to the NPDES Permit Number CAS 029718, Provision C.3. The amendment to Provision C.3. will be effective October 15, 2003, and calls for more stringent standards for the management of stormwater runoff. The revised Provision C.3. will require all new and redevelopment projects that result in the addition or replacement of impervious surfaces totaling 43,560 square feet (one acre) or more, to be designed with Best Management Practices (BMPs) that reduce stormwater pollution to the maximum extent practicable through source control measures and stormwater treatment measures. In April 2005, the size threshold will be reduced from 43,562 square feet to 10,000 square feet.

Consistency: Construction of the proposed project will decrease the amount of impermeable surfaces on the project site and follow all applicable Best Management Practices to ensure that there is no increase in runoff, erosion or sedimentation that could impact local waterways. The implementation of erosion control and storm water management practices during project construction would be in accordance with the SCVURPPP and NPDES permit requirements. The proposed project would not result in an impact upon the conservation and restoration of streams and riparian zones or areas of special or unique ecological significance. For these reasons, the proposed project would be consistent with the SCVURPPP and NPDES permit process.

Santa Clara County Congestion Management Program

The Santa Clara Valley Transportation Authority (SCVTA) oversees the Santa Clara County *Congestion Management Program* (CMP), last updated in July 1995. The relevant State legislation requires that all urbanized counties in California prepare a CMP in order to obtain each county's share of increased gas tax revenues. The CMP legislation requires that each CMP contain five mandatory elements: 1) a system definition and traffic level of service (LOS) standard element; 2) a transit service and standards element; 3) a transportation demand management and trip reduction element; 4) a land use impact analysis element; and 5) a capital improvement element. Santa Clara County's CMP includes the five mandated elements and three additional elements, including: a county-wide transportation model and database element, an annual monitoring and conformance element, and a deficiency plan element.

Consistency: The project proposes 385 dwelling units that are part of the 3,600 dwelling units included in the Downtown Strategy Plan. The traffic impacts of all the downtown development were analyzed in the 1992 Downtown Strategy Plan EIR and the 1998 Supplemental EIR,

including the impact to CMP intersections. The Downtown Strategy Plan EIR concluded that the development of 3,600 dwelling units would have a less than significant impact on the local roadway network, including CMP intersections, with implementation of the proposed mitigation.

2. 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.

Community Development Element

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 endure 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 11: Residential developments should be designed to include adequate open spaces in either private yards or common areas to partially provide for residents' open space and recreation needs.

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.

Transportation

Policy 47: Development in the vicinity of airports should be regulated in accordance with Federal Aviation Administration guidelines to:

- Maintain the airspace required for the safe operation of these facilities.
- Avoid reflective surfaces, flashing lights and other potential hazards to air navigation.

Policy 49: As a condition of approval of development in the vicinity of airports, the City shall require aviation easement dedications.

Consistency: Implementation of the proposed project will result in the construction of up to 385 market rate units within the Downtown Core Area of San José. This project will place housing close to a major job center and near multiple public transportation facilities. In addition, the proposed project will provide common open space areas for the residents of the project and street level retail on West Santa Clara Street and Almaden Boulevard to promote pedestrian usage of the site and to support the residential development. In addition, the project will comply with the requirements of the FAA's Determination of No Hazard and dedicate an avigation easement to the City (see Section II.A., *Land Use* for a complete discussion) and acknowledging the acceptance of aircraft noise impacts. The project would be consistent with the Community Development Element policies of the San José 2020 General Plan.

Historic, Archaeological and Cultural Resources Element

The goal of the Historic, Archaeological and Cultural Resources Element of the San José 2020 General Plan is 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 goal is achieved through the following policies:

Policy 1: Because historically or archaeologically significant site, 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 Historic 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; alterative 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 11: The City should encourage the continuation and appropriate expansion of Federal and State programs which provide tax and other incentives for the rehabilitation of historically or architecturally significant structures.

Consistency: Implementation of the proposed project will result in the demolition of a structure (the former Palomar Ballroom) that has been identified by the City as a historic resource, because it is considered eligible for the National Register, the California Register of Historic Resources and as a candidate city landmark. Due to the proposed demolition of a historic building, the project would not be consistent with the historic preservation plans and policies of the San José 2020 General Plan with regard to the Palomar Ballroom.

The site design and placement of structures on the project site was carefully selected to minimize the projects impact on the historic De Anza Hotel. Due to the placement of the residential tower at the farthest possible point from the De Anza Hotel and the stepped back design of the mixed use building on the West Santa Clara Street frontage, the project would be consistent with the historic preservation plans and policies of the San José 2020 General Plan with regard to the De Anza Hotel.

City Council Policy on Preservation of Historic Landmarks

Since historically and architecturally significant buildings provide an irreplaceable link to the City's past and enrich the present and future with their rich tradition and diversity, 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.

Applicability

This policy affects any designated City Landmark structure, Contributing Structure in a City Landmark Historic District, a structure designated on the State of California Register of Historic Places, the National Register of Historic Places, a Contributing Structure in a National Register Historic District, or a structure that qualifies for any of the above, based on the applicable City, State, or National qualification criteria. (hereafter "'landmark structure”). This policy does not apply to single family residential structures.

Requirements

1. Early Public Notification of proposals to alter or demolish a landmark structure. In order to allow greater public input into decisions affecting historic landmarks, early public notification should be initiated in response to either of the following: 1) receipt by either the City or Redevelopment Agency of a development application for a project proposing to alter the original character of a landmark structure, or 2) prior to action by the City Council or Redevelopment Agency Board of Directors to commit public funding or other assistance to such a project or for acquisition of property containing a landmark structure. Such notification shall be provided to the City Council, Historic Landmarks Commission and representatives of the historic preservation community.

2. **Public Input and City Council Review.** As soon after the public notification as possible, public meetings on the proposed project shall be scheduled, as follows. In the case of a private development project with no City or Redevelopment Agency funding involved, the Historic Landmarks Commission shall hold a public meeting on the proposed project, to receive public comment and provide recommendations regarding information to be included in the analysis of the proposed project. In the case of a project incorporating City or Redevelopment Agency funding or other assistance, or acquisition of property containing a landmark structure, the City Council shall agendize discussion of the project to receive Public comment and provide early direction to the appropriate staff that either-. 1) the project should continue forward through **the** appropriate review process or 2) the Council does not support the proposed project and further staff work shall be discontinued.

3. **Preparation of Complete information regarding Opportunities for Preservation of the Landmark Structure.** The analysis of a proposed project which will alter the original character of a landmark structure shall include complete historic and architectural documentation of the significance of the building, a comprehensive evaluation of the economic and structural feasibility of preservation and/or adaptive reuse of the structure, and an analysis of potential funding sources for preservation. This information shall be given strong consideration in the decision-making process for a project proposing to alter a landmark structure. Every effort should be made to preserve and incorporate existing landmark structures into the future plans for a site and the surrounding area.

4. **Findings Justifying Alteration or Demolition of a Landmark Structure.** Final decisions to alter or demolish a landmark structure must be accompanied by findings which document that it is not feasible to retain the building or which record the overriding considerations which warrant the loss of the landmark structure.

5. Financial Resources for Preservation. The City and Redevelopment Agency should identify funding resources to support and encourage the preservation and adaptive reuse of landmark structures

Consistency: As described in Section II, B, *Cultural Resources*, of this EIR, the proposed project will demolish the historic Palomar Ballroom. The property at 47 Notre Dame, which includes the former Palomar Ballroom building, has been determined eligible for the National Register. National Register properties are also automatically eligible for the California Register. In addition, the building has also been determined to be candidate City landmark. There is no

mitigation available that would reduce the impact to the Palomar building to less than significant. The Director is required by the zoning code to refer any development within 100-feet of the De Anza Hotel to the Historic Landmarks Commission for recommendation. Through this measure, the new construction will be consistent with the City Council policy.

II. ENVIRONMENTAL SETTING, IMPACTS, & MITIGATION MEASURES

A. LAND USE

1. Existing Setting

The proposed project site is located on the block bounded by West Santa Clara Street, Almaden Boulevard, Carlysle Street and Notre Dame Street in downtown San Jose. The only portion of the block not included in the project site is the southeast corner which is currently developed with the historic nine-story De Anza Hotel. The project site is surrounded by a mix of commercial, office, and hotel land uses. Directly south of the site, on the south side of West Santa Clara Street, are two modern office buildings that are 12-stories and 15-stories in height, respectively. Directly east of the site, on the east side of Notre Dame Street, are the recently built 13-story Opus Center office building and a two-story parking structure. Directly north of the project site, on the north side of Carlysle Street, is a vacant older single-story building that was formerly an office furniture supply store and two surface parking lots. Directly west of the site, across Almaden Boulevard, is a three-story parking structure. Just west of this parking structure is the elevated Highway 87 alignment. The project site is directly under the flight path of the Norman Y. Mineta San José International Airport.

The project site is designated *Core Area* by the City of San José's General Plan and is zoned *DC-Downtown Commercial Zoning District*.

Strategy 2000: The Greater Downtown San José Strategy for Development

Strategy 2000, the Downtown Strategy Plan, is an unadopted, draft plan that was created for the Redevelopment Agency of San José to serve as a guide for development activities in the Greater Downtown planned for 2000-2010. The project site is located within the Almaden Boulevard Area of the plan, which is generally bound by Highway 87 to the west, Market Street to the east, Carlysle Street to the north, and Highway 280 to the south. The plan encourages high and mid-rise office and housing development with ground floor commercial and entertainment uses. The plan also calls for development of linear parks along Los Gatos Creek and the Guadalupe River. An action item of the plan is to develop the project site with high-density residential.

2. Land Use Impacts

Thresholds of Significance

For the purposes of this SEIR, a land use impact is considered significant if the project would:

- Physically divide an established community;
- Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the amendment (including, but not limited to the General Plan, specific plan, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect; or

- Conflict with any applicable habitat conservation plan or natural community plan.

Land Use Compatibility Impacts

Land use conflicts can arise from two basic causes: 1) a new development or land use may cause impacts to persons or the physical environment in the vicinity of the amendment site or elsewhere; or 2) conditions on or near the amendment site may have impacts on the persons or development introduced onto the site by the new amendment. Both of these circumstances are aspects of land use compatibility. Potential incompatibility may arise from placing a particular development or land use at an inappropriate location, or from some aspect of the project's design or scope. Depending on the nature of the impact and its severity, land use compatibility conflicts can range from minor irritations and nuisance to potentially significant effects on human health and safety. The discussion below distinguishes between potential impacts *from* the proposed project *upon* persons and the physical environment, and potential impacts *from* project's surroundings *upon* the project itself.

Changes in land use are not adverse environmental impacts in and of themselves, but they may create conditions that adversely affect existing uses in the immediate vicinity. The proposed project is a residential/commercial mixed use project located in the downtown core area. This area is characterized by office buildings, restaurants, small commercial establishments (such as bookstores, dry cleaners, and hair salons), and the De Anza Hotel. Based on the analysis prepared for the Downtown Strategy Plan EIR, the proposed project will not conflict with the adjacent or nearby land uses because it is a complementary land use. Future residents could potentially utilize the existing commercial businesses and restaurants that are located within walking distance of the site. In addition, future residents could work in the downtown area, thus enabling them to walk or use alternative modes of transportation to go to and from work. Therefore, placing housing in a highly urban area near complementary land uses would result in a less than significant land use compatibility impact.

The proposed project would construct a 22-story residential building and a 6-story mixed use building, which is consistent with the current zoning of the site.

Shade and Shadow

Based on the Supplemental EIR prepared for the Downtown Strategy Plan, downtown San José has numerous buildings of considerable height that cast shadows on outdoor public areas. The proposed project is not located adjacent to or within close proximity to any major open space area identified in the Supplemental EIR, including St. James Park, Guadalupe River Park, Plaza de Caesar Chavez, Corona Plaza, Paseo de San Antonio, and McEnery Park. Because of the project site's location in relation to the major downtown open space areas, the proposed 22-story building will not shade any existing open space areas. As a result, implementation of the proposed project will have a less than significant shade and shadow impact.

Airport Safety

Implementation of the proposed project would result in 22-story building which is located within the flight path of the Norman Y. Mineta San José International Airport. Due to the project's proximity to the flight paths, development on the site is subject to height limits under Federal Aviation Regulations, Part 77, which is administered by the Federal Aviation Administration (FAA) and incorporated into Santa Clara County Airport Land Use Commission policy. Under these regulations, any proposed structure that would exceed an FAA imaginary surface restriction, or which stands at least 200 feet above ground level, is required to be reviewed by the FAA for an airspace safety evaluation. The proposed residential tower exceeds the FAA imaginary surface restriction, thereby constituting a potentially significant impact.

A submittal was made to the FAA pursuant to federal regulations with an initial proposed maximum building height of 259 feet above ground level and 340 feet above mean sea level (the ground elevation of the project site is approximately 81 feet above sea level). Based on this submittal, the FAA issued a Determination of Presumed Hazard. The findings of this determination concluded that any height over 228 feet above ground level and 309 feet above sea level would result in a Determination of Hazard to Air Navigation. As a result, the project was modified and resubmitted with a maximum height of 309 feet above sea level to the FAA. The revised submittal meets the requirements established by the FAA for this project site in the Determination of Presumed Hazard and, as a result, the currently proposed structure is assumed to be in compliance with federal aviation standards. A Determination of No Hazard is pending from the FAA and must be received prior to approval of the proposed project. To comply with federal regulations and General Plan Policy No. 38, the project proponent must obtain FAA airspace review and issuance of a "Determination of No Hazard" prior to certification of the Final EIR. The elevation limits specifically determined to be acceptable by the FAA, as well as any specific marking/lighting or building material requirements, will be incorporated into the Final EIR as part of the proposed project.

In addition to the FAA's requirements, the project proponent must dedicate an avigation easement to the City (as airport operator) consistent with General Plan Policy No. 49[4], as a condition of approval. The avigation easement would impose elevation restrictions consistent with the FAA's determination, as well as provide for acceptance of aircraft overflights and associated noise impacts.

By requiring development to comply with the FAA's height restrictions and to dedicate an avigation easement to the City, airport safety impacts will be reduced to a less than significant level.

Visual Impacts

Implementation of the proposed project would place a 22-story residential structure adjacent to the historic De Anza Hotel. The De Anza Hotel was built in 1931 and was designed as a civic improvement project. The location of the hotel on West Santa Clara

[4] Transportation Policy Number 49 states that "as a condition of approval of development in the vicinity of airports, the city should require avigation easement dedications."

Street was intended to anchor a major hotel and business district and upon its completion, it was the tallest hotel in the central business district. Since its construction, the area around the De Anza Hotel has been redeveloped with high-rise structures replacing smaller two and three story structures. As a result, the visual character of West Santa Clara Street and the surrounding area has changed substantially since the De Anza was first constructed. In particular, construction of the 13-story Opus Building (located on the east side of Notre Dame Street at the northeast corner of Notre Dame and West Santa Clara Street) and the elevated Highway 87 has considerably altered the historic views of the hotel. In addition, Almaden Boulevard has been realigned and redeveloped with high-rise structures south of West Santa Clara Street, which limits the view of the De Anza Hotel along this historic transportation route.

Development of the proposed 22-story residential tower will further alter the skyline of West Santa Clara Street and will alter what is left of the historic view of the De Anza Hotel from Almaden Boulevard. The design of the proposed residential tower is somewhat similar to that of the Opus Building and, looking northward up Almaden Boulevard, will frame the De Anza Hotel in the same manner as the Opus Building, mimicking the existing view of the De Anza looking eastward down West Santa Clara Street. To minimize the overall visual impact of the residential tower on the De Anza Hotel, the tower is proposed to be located with the greatest possible setback from the hotel on the project site at the northwest corner of the block.

The Phase II building will be located on the west side of the De Anza Hotel on the West Santa Clara Street Frontage. Along the west side of the De Anza Hotel at approximately the height of the fourth floor windows, there is painted an image of a diving lady in a white bathing suit and cap. This painting was originally placed on the building in the 1950's to advertise the hotel swimming pool. At the time that the De Anza was listed as a historic building, the painting was not included as a defining feature because of its relatively new age in comparison to the rest of the building. However, the painting has become a local icon and is widely recognized by San José residents. In order to avoid blocking the painting from view as people travel east on West Santa Clara Street, the Phase II building will provide a sufficient setback and a stepped design on the east side of the building to ensure an unobstructed view of the painting. In addition, the construction materials and design of the Phase II building are proposed to be compatible with the De Anza Hotel and create the look of a contiguous pedestrian corridor along West Santa Clara Street. Furthermore, the project would conform to the City of San José Design Guidelines.

Due to the ever-changing urban environment of the Downtown Core area and the fact that the historic south, east, and west views of the De Anza have already been altered, development of the proposed project is considered to have a less than significant visual impact on the De Anza Hotel.

While the proposed project will have a less than significant visual impact on the De Anza Hotel, the historic setting of the hotel will be impacted. Please see Section II.B., *Cultural Resources*, for a complete discussion of this issue.

Conclusion: **Implementation of the proposed project will not result in any land use compatibility impacts with adjacent or nearby land uses. Airport safety impacts will be less than significant due to the project's compliance with FAA determination conditions including required avigation easements, height restrictions, roof-top markings, and construction notification. (Less Than Significant Impact)**

B. CULTURAL RESOURCES

The following information is based on a historic report prepared by *Suzanne Guerra* in November 2004 and a subsurface reconnaissance survey conducted by *Holman & Associates* in October 2004. The historic report can be found in Appendix B of this report. Because the subsurface reconnaissance report discusses the location of known historic resources it is not circulated with this SEIR, but is on file in the Department of Planning, Building, and Code Enforcement.

1. Existing Setting

Prehistoric Resources

Archaeological research of shellmounds in southern San Francisco Bay since 1935 has documented occupation of the area from at least BC 400. To a large extent, data from these sites still forms the basis for extant regional models of prehistoric adaptation and cultural change. Recently, however, the discovery of less visible archaeological remains, often buried under floodplain sediments, has revealed a more complex archaeological record for the Bay Area, particularly for the northern Santa Clara Valley.

Prior to mission settlements, the Bay Area was occupied by Native Americans referred to as Ohlones or Costanoans. Artifacts pertaining to the Ohlone occupation of San José have been found throughout the downtown area, particularly near the Guadalupe River. Based on a literature review of the project area, no prehistoric era archaeological sites have been recorded within the project area.

Historic Resources

Modern Settlement (1777) to 1930s

The Spanish established the Pueblo of San José in November 1777 as the first civil settlement in California. Due to frequent flooding at the original pueblo site near Taylor Street, the pueblo was relocated about one mile south in the later 1790s. The pueblo developed on the east side of the Guadalupe River around what was later known as Market Plaza. The proposed project site is located on the western boundary of the pueblo. The project site was occupied and farmed by Mexican settlers and their kin from 1783 to 1847, at which time the land was sold to Englishman Peter Davidson. In 1850 Mr. Davidson subdivided his property along West Santa Clara Street into 36 lots, with lots 24-36 being located on and adjacent to the project site. In 1851 the Sisters on Notre Dame (a catholic order) began purchasing lots from Mr. Davidson and eventually owned the entire project site. The property owned by the Sisters of Notre Dame was purchased for the purpose of establishing a local catholic school.

The first structures to be placed on this property by the nuns were a house originally located on the west side of Almaden Boulevard referred to as the “1851 House”, and a barn. The 1851 House (mistakenly identified as an adobe in studies conducted in the 1940s) was a prefabricated house from the 1840s that was used as housing for the nuns and for the school. The barn was converted into a kitchen and dining room.

By 1910, the Notre Dame School was comprised of the main convent and numerous out buildings, eight of which were located on the project site. These buildings included the steam laundry, the boy's classroom building, the "poor school", two sheds, the music academy, and the novitiates dining room, kitchen, and dormitories. Several of the buildings constructed for the Notre Dame School were designed by locally significant architects including Theodore Lenzen.

In 1923, the nuns decided to move the school and convent to Belmont and eventually the entire property was sold to developers Albert E. Kern and Samuel Kamburger. By 1928 the last of the buildings still operated by the nuns was relocated to another site, thus ending 77 years of occupation of the property by the Sisters of Notre Dame. The last of the Notre Dame School buildings, the Music Academy, was demolished in 1930.

After the clearing of the site in the early 1930s, new streets were constructed (Carlysle and Notre Dame) and the current city block configuration was established. In 1931, the De Anza Hotel was constructed on the southeast corner of the block and a small gas station was constructed on the southwest corner. The gas station was demolished by the mid 1950s. The De Anza Hotel still exists in its original local and in 1981 was placed on the National Register of Historic Places for it architectural style (one of San José's few zig-zag modern or art deco structure), for its elaborate Spanish Colonial Revival interior motifs, and for its historical association to the City since its construction was funded by the local business community. The historic De Anza Hotel is located adjacent to the project site.

1940s to Present

The Palomar Ballroom (most recently called the Tropicana Ballroom) was built on the northeast corner of the project site in 1946 as the first major postwar building project in the City of San José. The ballroom was constructed during the "Big Band" era, approximately 1935 through 1958. The building was named after the Palomar Ballroom in Los Angeles, considered the birthplace of swing music, which burned down in 1939. The design of the building, in particular the entryway, is said to be similar to the Hollywood Palladium (circa 1940). The Palomar Ballroom opened in March 1947 and, according to the historic resources report in Appendix B, was the only facility that allowed integrated audiences. Because of the close proximity of the Mexican barrio (neighborhood)[5] to downtown San José, the Palomar Ballroom became a popular spot for dances and social events for the residents that lived within the barrio.

During the Big Band era, the Palomar was managed by Charles Silvia, who was locally known as a music promoter for the San José Municipal Auditorium and other local music venues. During Mr. Silvia's management, the Palomar hosted such performers as Les Brown, Harry James, Louis Armstrong, Ray Charles, Tito Puente, Fats Domino and Desi Arnaz. Another local entrepreneur, Frank Davilla, booked musicians and sponsored Latin and Spanish American dances at the Palomar.

[5] In the 1930's, the barrios of San José were located near the downtown just past the city limits. In the 1940's, new barrios were formed in Mayfair and Gardner neighborhoods. After World War II, another large Mexican neighborhood developed west of Market Street and, as a result, the area was named "Mexican Town". In the 1960's, more new barrios formed in the Tropicana, Olinder, and College Park districts.

After World War II, Mexican Americans and other minorities who had fought during the war organized a veterans group called the American G.I. Forum. This group was established to help minority veterans receive the same rights and opportunities as other American veterans. Though mostly used as a ballroom, the Palomar was also used to host local community events such as canned food drives sponsored by the G.I. Forum.

In 1958, the Palomar was sold to Warren Holmes who owned the extant warehouse adjacent to the Palomar on Notre Dame Avenue. During this time the dance floor was removed, windows were covered up and the interior of the building was renovated into a warehouse. The facility was used as a warehouse for eight years. The Palomar, renamed the Starlight Ballroom, reopened in 1966 as a franchise of the Fred Astaire Dance Studios and offered public dances in a small ballroom and dance lessons in two studios. By this time, the Big Band era was over and the popularity of big ballrooms was in decline, as swing music was replaced with rock and roll and live entertainment was replaced with more cost effective recordings. By 1968 only two ballrooms, one of which was the Palomar, were listed in the San José City Directory.

The ballroom has operated continuously as a dance hall and studio since it reopened in 1966. From 1979 to 1980 it was known as Disco Odyssey, and from 1981 to 2002 it housed both the Studio 47 Disco and the Tropicana Ballroom. The ballroom was closed in 2002, in part due to requests and concerns of the City due to several public disturbance instances by the patrons. The building has been vacant since its closure in 2002.

The last structure to be constructed on the project site was the extant warehouse, built in 1955, that is located between the Palomar Ballroom and the De Anza Hotel.

Definitions of Historic Resources

California Register of Historic Resources

In September 1992, Assembly Bill 2881 was signed which created more specific guidelines for identifying historic resources during the project review process under CEQA. Consequently, under CEQA Section 21084.1, a historic resource eligible for the California Register would, by definition, be a historic resource under CEQA. A historic resource listed in or determined to be eligible for the National Register is, by definition, also eligible for the California Register.

In order for a resource to be eligible for the California Register, it must satisfy all of the following three criteria (A, B, & C).

Criteria A. A property must be significant at the local, state, or national level, under one or more of the following four "Criteria of Significance":

1. The resource is associated with events or patterns of events that have made a significant contribution to the broad patterns of local or regional history and cultural heritage of California or the United States.

2. The resource is associated with the lives of persons important to the nation or to California's past.

3. The resource 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.

4. The resource has the potential to yield information important to the prehistory or history of the state or the nation.

Criteria B. The resource retains historic integrity. Integrity is defined as the authenticity of a property's physical identity, evidenced by the survival of characteristics that existed during the property's period of significance.

Criteria C. The resource is 50 years old or older (except in rare cases of structures of exceptional significance).

National Register of Historic Places

A resource is considered eligible for the National Register if the quality of significance in American history, architecture, archaeology, engineering, and culture is present in districts, sites, buildings, structures, and objects that possess integrity of location, design, setting, materials, workmanship, feeling, and association and

(a) that are associated with events that have made a significant contribution to the broad pattern of our history; or

(b) that are associated with the lives of persons significant to 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.

Historic Resources Status of On-Site Structures

Palomar Ballroom, 47 Notre Dame Avenue: As part of the Downtown San José Historic Survey 2000, the Dill Design Group prepared a historic evaluation of the Palomar Ballroom in August 2000 (please see Appendix B). The evaluation was prepared using the State of California Department of Parks and Recreation (DPR) evaluation form. The Dill Design Group found the Palomar Ballroom eligible for the National Register of Historic Places under Criteria A, because it retains a fair level of historic integrity with its original design and construction and is considered an important social gathering place for the Chicano/Latino population of San José and the surrounding areas. Eligibility for the National Register means the building is eligible for the California Register of Historic Resources. Dill Design Group also employed the City's

Historic Evaluation Tally and determined that the building is eligible for designation as a City Landmark with a score of 73.42[6].

In 2004, historic preservation consultant Suzanne Guerra developed a historic context for the Palomar Ballroom and further evaluated its historic significance. The Guerra Historic Resources Report confirms the building's eligibility for the National and California Registers under Criteria A1 as the only remaining representation of the Big Band Era in San José; for the building's role as an integrated public venue during a period in which both public and private facilities were segregated; and for the building's role in the preservation of the diverse social and cultural traditions of the Latino community in Santa Clara Valley for approximately 50 years[7].

Historic Resources Status of Off-Site Structures

De Anza Hotel, 233 West Santa Clara Street: The De Anza Hotel was listed in the National Register in 1980 and as a City Landmark (HL81-17) in 1981. Because the hotel is listed in the National Register, it is automatically listed in the California Register. The De Anza Hotel is significant for its architecture[8] and for its association with the development of trade and commerce in the region and with the development of the City.

2. Cultural Resources Impacts

The project proposes to demolish the former Palomar Ballroom and adjacent warehouse and construct a 22-story condominium project across the northern two-thirds of the site and an above ground/subsurface parking garage. As a second phase of development, the project will construct a six-story mixed use building along the West Santa Clara Street frontage, adjacent to the De Anza Hotel. The cultural resource impacts of these proposed actions are described below.

Thresholds of Significance

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

1. cause a substantial adverse change in the significance of a historical resource (as defined in Section 15064.5);
2. cause a substantial adverse change in the significance of an archaeological resource (as defined in Section 15064.5);
3. directly or indirectly destroy a unique paleontological resource or site unique geological feature as defined in Section 15064.5); or
4. disturb any human remains, including those interred outside of formal cemeteries.

[6] A score of 0-32 is considered a non-significant structure or a non-contributing structure, 33-66 is a contributing structure or a structure of merit, and 67-134 is a candidate city landmark.
[7] The former Palomar Ballroom building has stood for 58 years, but was operated as a warehouse for eight years. Those eight years do not contribute to its significance as a representation of cultural traditions in San José.
[8] The buildings architecture is one of the few examples of Zig Zag Moderne (Art Deco) in the City of San José.

Impacts to Prehistoric Resources

Archaeological study of the project site included archival research and systematic subsurface mechanical testing. No prehistoric cultural resources were previously recorded within the project area. Numerous prehistoric resources (including burials) have, however, been recorded along the Guadalupe River floodplain. Because the cultural sensitivity of the project area for prehistoric archaeological resources was considered high, a subsurface mechanical testing program was implemented in September 2004.

The subsurface testing failed to yield any evidence of prehistoric archaeological deposits. Therefore, it was concluded that the potential for discovery of significant prehistoric archaeological materials within the project site is relatively low, and no further archaeological testing is warranted.

- **The proposed project will have a less than significant impact on prehistoric archaeological resources.**

Impacts to Historic Resources

Impacts to Subsurface Resources Pertaining to the Notre Dame School

Based on the initial trench work that was done for the project site, it is known that artifacts pertaining to the Notre Dame School are present on-site. Testing and archival research has shown that two types of historic archaeological resources are present on the project site that retain integrity of location and setting, and are likely to be eligible for the California Register of Historic Resources under Criterion 4. These resources include primary deposits (sheet refuse and the remains of walls and/or building foundations) and secondary deposits (hollow/filled refuse pits and privies). As a result, excavation of the project site for the proposed underground parking structure could harm or destroy known and unknown cultural artifacts.

The CEQA Guidelines provide detailed direction on the requirements for avoiding or mitigating significant impacts to historical and archaeological resources. Section 15064.5(b)(4) of the Guidelines states that a lead agency shall identify mitigation measures and ensure that the adopted measures are fully enforceable through permit conditions, agreements, or other measures. In addition, CEQA Guidelines Section 15126.4(b)(3) states that public agencies should, whenever feasible, seek to avoid damaging effects on any historical resources of an archaeological nature. Preservation in place is the preferred manner of avoiding impacts to archaeological sites, although data recovery through excavation is acceptable if preservation is not feasible. If data recovery through excavation is the only feasible mitigation, a data recovery plan, which makes provisions for adequately recovering the scientifically consequential information from and about the historic resource, needs to be prepared and adopted prior to any excavation being undertaken.

As part of the proposed project, the project proponent will prepare a phased data recovery mitigation program for the project site that will be implemented prior to construction.

The treatment plan will utilize data recovery methods to reduce impacts on subsurface resources. A summary of what will be included in the treatment plan is provided below.

Phase 1 of the data recovery program includes exposing, recording, and recovery of data from the structural remains and features identified during the test trenching prior to demolition of the buildings currently located on-site. The combined data from Phase 1 of the program will be analyzed and a preliminary statement of eligibility for the California Register of Historic Places will be prepared to assist in the interpretation and evaluation of similar features that may be uncovered during project demolition and construction. Phase 2 of the program will include archaeological monitoring of the demolition and subsurface construction activities on the project site. If additional intact historic structural remains or features are encountered during the monitoring process, construction in the immediate area will be halted and the find will be evaluated with regard to the database acquired during Phase 1 of the program. If the find is significant or unique, the feature will be recorded and recovered as appropriate. However, if the find is redundant or if better examples were acquired during Phase 1, construction will be allowed to proceed after minimal mapping and recording.

After completion of the construction monitoring and archaeological data recovery program, all artifacts will be cataloged and the appropriate forms will be completed and filed with the Northwest Information Center of the California Archaeological Inventory at Sonoma State University.

- **With implementation of the proposed data recovery program, the proposed project will have a less than significant impact on known and unknown buried historic artifacts located on the project site.**

Impacts to the Palomar Ballroom

As proposed, the project would demolish the former Palomar Ballroom and construct a 22-story condominium tower and parking garage. As previously discussed, the ballroom is considered eligible for the California and National Registers and is a candidate city landmark based on its association with events that have made a significant contribution to local history. In addition, the Downtown San José 2000 Historic Resources Survey concluded that the building retains its historic integrity. Specifically, exterior architectural features associated with its period of significance (1947-1958) are still intact or can be easily restored. Furthermore, CEQA states that any building which a lead agency determines to be historically significant may be considered as a historic resource (Section 15064.5(3)). Because San José, as the Lead Agency, has determined that the building is a candidate city landmark and that the structure is considered eligible for the California Register, it must be analyzed as a historic resource.

There is no mitigation available that would reduce the impact of demolition to a less than significant level. The project, however, does propose documentation of the history of the Palomar Ballroom and will provide an interpretive display of this documentation on the project site. The design of the interpretive display will be established in consultation with local Latino organizations and the local historic preservation community and will be developed by a historian meeting the Secretary of the Interior's Professional

Qualification Standards. In addition, the project proposes to incorporate large exterior visual displays into the design of the building to celebrate the history of the Palomar Ballroom and the musicians that performed there. A graphic representation of the proposed exterior displays is shown on Figures 4 and 5.

Written and photographic documentation of the history of the Palomar Ballroom will ensure that important information pertaining to the history of San José and the Latino community will not be lost. However, documentation will not reduce the impact of demolition of the historic resource to a less than significant level. Demolition of the ballroom is a significant unavoidable impact. Alternative to the proposed project, including adaptive reuse of the former Palomar Ballroom and relocation of the building are discussed and evaluated in Section V of this SEIR.

It should be noted, that the unadopted *Strategy 2000: The Greater Downtown San José Strategy for Development* identifies the proposed project site as an area of future high-density residential development. In addition, one strategy of the plan is to "consider a distinctive building to terminate the vista north up Almaden Boulevard ending near Santa Clara Street, framing the historic De Anza Hotel". The strategy plan does call for preservation of historic landmarks to the extent feasible, but does not make any provisions for preservation of specific historic resources.

- **Implementation of the proposed project will result in a significant, unavoidable impact to the historic Palomar Ballroom.**

Impacts to the De Anza Hotel

The setting of the De Anza Hotel is significant in establishing the image of the building as emblematic of the City of San José, with a prominent location on a major gateway entrance. Upon completion, the De Anza Hotel was the tallest structure on Santa Clara Street and was integral in defining the boundary of the downtown area. The integrity of this setting was somewhat impaired when Highway 87 was constructed and by the construction of the larger buildings on West Santa Clara Street that altered the view. As proposed, the residential tower would be set back from the hotel approximately 250 feet. The historic report prepared for the project concluded that the proposed residential tower would dominate the De Anza Hotel's primary view corridor, looking up Almaden Avenue from the south, and that it would impact the integrity of the setting and historical skyline.

Setting, one of seven qualities of integrity as defined by the National Park Service, is defined as the physical environment or context of a historic property, the "character" of the place, not just where the property is situated. Implementation of the proposed project would replace two existing buildings on the project block with new high-rise residential development. However, as stated in the historic report, the Palomar Ballroom and the adjacent warehouse have no historical association with the De Anza Hotel and are not relevant to its historic significance or its historical context on the project block. In addition, the De Anza is located in the ever-changing urban environment of the Downtown Core area where the historic south, east, and west views of the De Anza and the land uses surrounding it have already been altered. The proposed parking structure

Link to *Figure 4 – Graphic displays*

Link to *Figure 5 – Graphic displays*

will be the closest building to the north face of the De Anza Hotel and will have, at a minimum, the same setback as the existing warehouse. The six-story, Phase II building on the west side of the De Anza will also be set back from the hotel and have a stepped design that visually separates it from the hotel. Figures 6 and 7 show a graphic representation of the relationship between the De Anza Hotel and the proposed residential tower.

The residential tower will be visible from Almaden Boulevard and will frame the De Anza Hotel. The east/west wing of the tower, in particular, will be located directly behind the De Anza Hotel (as viewed from Almaden Boulevard), which will alter the historic skyline. As stated in the Land Use discussion, the area around the De Anza Hotel has been redeveloped with high-rise structures replacing smaller two and three story structures. As a result, the visual character of West Santa Clara Street and the surrounding area has changed substantially since the De Anza was first constructed. In particular, construction of the 13-story Opus Building (located on the east side of Notre Dame Street at the northeast corner of Notre Dame and West Santa Clara Street) and the elevated Highway 87[9] has considerably altered the historic views of the hotel. In addition, Almaden Boulevard has been realigned and redeveloped with high-rise structures south of West Santa Clara Street, which limits the view of the De Anza Hotel along this historic transportation route. It should also be noted that it was the conscious decision of the project proponent to site the proposed residential tower on the northwest corner of the block to ensure the greatest setback from the De Anza Hotel, thus minimizing the tower's effect on the De Anza Hotel. The above notwithstanding, the De Anza was intended to be a visible landmark and has historically been the tallest building on the block since it was constructed. Its primary view corridor at present is from the south on Almaden Boulevard. According to the historic consultant, the addition of a tower taller than the roof of the De Anza, or its roof sign, significantly impacts the historic character of the property by reducing its position of prominence. This impact is site-specific and is specific to the De Anza Hotel since its stature played a role in its importance.

While the historic consultant found that implementation of the proposed project would have a significant impact on the integrity of the setting of the De Anza Hotel, it is important to note that significant changes to the project area (i.e., redevelopment of West Santa Clara Street, particularly all four corners of the West Santa Clara Street/Notre Dame-Almaden Boulevard intersection, and the construction of Highway 87) have occurred since the construction of the Palomar Ballroom. The historic evaluation also states that the proposed development will not impede on the historically defined boundaries of the De Anza Hotel site and that the Palomar Ballroom and the adjacent warehouse have no historical connection to the De Anza Hotel.

- **Implementation of the proposed project would have a significant impact on the integrity of the setting of the De Anza Hotel.**

[9] Implementation of the proposed project would obscure the view of the De Anza Hotel from Highway 87 in the southbound direction. However, this is not a historic view and, as a result, it is not considered a significant impact.

Link to Figure 6 – Relationship between De Anza and tower.

Link to Figure 7 – Same as above

3. Mitigation and Avoidance Measures for Cultural Resources

In addition to the mitigation discussed above, the following mitigation measures are included in the proposed project to reduce buried cultural resources impacts to a less than significant level.

- In the event that significant prehistoric and/or historic materials[10] are found, all construction within a 50-foot radius will halt, the Director of Planning, Building and Code Enforcement will be notified, and the archaeologist will examine the find and make appropriate recommendations regarding the significance of the find and any necessary mitigation measures.

- In the event that human skeletal remains are encountered, all construction will stop within a 50-foot radius of the find and the Santa Clara County Coroner will immediately be notified. The County Coroner shall make a determination as to whether the remains are of Native American origin or whether an investigation into the cause of death is required. Upon determination by the County Coroner that the remains are Native American, the coroner shall contact the California Native American Heritage Commission, pursuant to subdivision "c" of section 7050.5 of the Health and Safety Code and the County Coordinator of Indian Affairs. No further disturbance of the site may be made except as authorized by the County Coordinator of Indian Affairs in accordance with the provisions of State law and the Health and Safety Code. Once NAHC identifies the most likely descendants, the descendants will make recommendations regarding proper burial.

- A final report will be prepared by the project archaeologist when a find is determined to be a significant archaeological resource, and/or when Native American remains are found on the site. The final report will include background information on the completed work, a description and list of identified resources, the disposition and curation of these resources, any testing, other recovered information, and conclusions. A copy of the final report will be provided to the Director of Planning, Building and Code Enforcement.

In addition to the mitigation discussed above, the following mitigation measures are included in the proposed project to reduce impacts to the former Palomar Ballroom.

- Prior to demolition of the Palomar Ballroom building, documentation of the building will be completed by a qualified consultant (meeting the professional qualification standards of the Secretary of the Interior's Standards and Guidelines for Archaeology and Historic Preservation) in conformance with the Secretary of the Interior's Standards for Architectural and Engineering Documentation, Historic American Building Survey (HABS). The documentation will consist of selected large format, black and white views of the building, to the Historical American Building Survey Standards. At a minimum, the views shall include: building views, exterior facades, interiors, auxiliary structures, related equipment, setting and selected details. One

[10] Significant prehistoric and/or historic materials include but are not limited to: aboriginal human remains, chipped stone, groundstone, shell and bone artifacts, concentrations of fire-cracked rock, ash and charcoal, shell, bone, and historic features such as privies or building foundations.

original and two copies of the photo documentation will be submitted to the Historic Preservation Officer for the City of San José to be distributed to the archives at the California Room for the Martin Luther King Jr. Library, History San José, and the Northwest Information Center at Sonoma State University.

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- Prior to demolition of the Palomar Ballroom, the building shall be advertised for relocation. A dollar amount equal to the estimated cost of demolition, as certified by a licensed contractor, shall be offered to the recipient of the building to offset the cost of moving the building. The project applicant shall provide evidence to the Historic Preservation Officer that an advertisement has been placed in a newspaper of general circulation, posted on a website, and posted at the site for a period of no less than 30 days.

- If no person or organization relocates the Palomar Ballroom, the project applicant shall arrange a tour of the building with History San José, Preservation Action Council of San José, and representatives of the Historic Landmarks Commission to identify elements of the building that warrant salvage for public information or for reuse in other locations. It will be the applicant's responsibility to facilitate removal and transfer of the identified building elements to the above entities. Any building elements not identified for salvage through this effort shall be made available to salvage companies facilitating the reuse of historic building materials. The tour and salvage opportunities will occur prior to the issuance of a demolition permit for the former Palomar Ballroom.

The following measures have been incorporated into the project design to reduce impacts to the former Palomar Ballroom:

- The project proposes to incorporate various visual and interpretive displays to commemorate the history of the ballroom. The project will screen the parking garage where it is visible along the Notre Dame Street frontage with a vinyl coated mesh fabric that has historical images of the Palomar Ballroom. These images are intended to evoke the musical legacy of the building. The screens will be located on the second floor of the garage along the current Notre Dame Street frontage of the Palomar. The screens will provide an attractive facade to the parking garage as well as a public remembrance of the once significant use of the site.

- At a pedestrian level along Notre Dame, the project will install an interpretive display at the approximate location of the current Palomar Ballroom building main entry and marquee. The actual materials displayed would be developed with input from the Historic Landmarks Commission, Preservation Action Council and public input, including information to be obtained from conducting oral histories with members of the Chicano community. At this location the project also proposes to replicate an awning/marquee similar to the existing marquee on the Palomar Ballroom building. This would serve as homage to the Palomar, as well as to better define the pedestrian scale, signify the former location of the entry, and mark the location of the proposed interpretive display.

Mitigation Not Currently Proposed

- Prior to issuance of a demolition permit for the former Palomar Ballroom, the project applicant shall contribute funds to the City that will be used to conduct historic building surveys within the City. The surveys would identify previously undocumented and/or unidentified historic structures for protection, identify adaptive reuse of potentially threatened historic structures, and encourage awareness of the contribution of historic resources to the vitality of the City.

- The project applicant shall contract with a qualified architectural historian to update the Department of Parks and Recreation (DPR) historic evaluation forms prepared for the De Anza Hotel in 1981 based on current preservation standards. The DPR forms could be completed before or after demolition of the buildings on the project site, but are required to be completed prior to construction of the proposed project.

- Once or more of the following architectural treatments, identified in the historic report, would be incorporated into the proposed project: 1) design features that use vertical lines, 2) stepping back the upper stories of the proposed residential tower, 3) using colors, materials, and building proportions that are more compatible with the De Anza, and 4) develop several smaller buildings instead of one large building.

Conclusion: **Implementation of the proposed mitigation measures will reduce impacts to known and unknown buried cultural artifacts to a less than significant level. (Less Than Significant Impact with Mitigation)**

While there are several mitigation measures proposed that would document and commemorate the Palomar Ballroom, these measures alone will not reduce the impact of demolition to a less than significant level. There is no mitigation available that will reduce the impact of demolition of the former Palomar Ballroom. (Significant Unavoidable Impact)

There is no mitigation available that would reduce the impact of the proposed residential tower to the setting of the De Anza Hotel. (Significant Unavoidable Impact)

C. TRANSPORTATION AND CIRCULATION

As noted in the Initial Study prepared for the project (and contained in Appendix A), the volume of traffic generated by implementation of the entire Downtown Strategy Plan and the traffic impacts generated by that traffic were evaluated in the previously certified Downtown Strategy Plan EIR. Impacts to freeway segments were evaluated in a supplemental EIR for the Downtown Strategy Plan. The results of these traffic analyses are summarized in the Initial Study. The purpose of this analysis is to evaluate the project specific effects on access and circulation in the immediate project area. The information provided in this section is based on a site access analysis prepared by *Hexagon Transportation Consultants* in March 2005. The complete report is provided in Appendix C.

1. Existing Setting

The project site is located on the block bounded by West Santa Clara Street, Notre Dame Street, Almaden Boulevard, and Carlysle Street in downtown San José. West Santa Clara Street is a key east/west roadway in the Core area of downtown and, as a result, carries high volumes of traffic during the AM and PM peak hours.

Notre Dame Street is a three-lane northbound roadway, Carlysle Street is a two-lane, two-way (east/west) roadway, and Almaden Boulevard is a three-lane southbound roadway (north of West Santa Clara Street).

Existing Traffic Volumes

Existing and background[11] peak-hour volumes were obtained from the City of San José TRAFFIX database. Existing and background Level of Service (LOS) for the signalized and unsignalized intersections around the project site are shown in Table 1.

TABLE 1
Existing and Background Conditions Intersection Level of Service

Intersection	Peak Hour	Existing		Background	
		Ave. Delay	LOS	Ave. Delay	LOS
Signalized Intersections					
West Santa Clara Street & SR 87	AM	17.5	B	23.8	C
	PM	14.8	B	17.0	B
Santa Clara St & Almaden Blvd West	AM	5.0	A	5.7	A
	PM	11.8	B	11.9	B
Santa Clara St & Almaden Blvd East	AM	24.5	C	28.3	C
	PM	22.0	C	25.4	C
SR 87 & Julian Street West	AM	14.6	B	13.4	B
	PM	15.0	B	18.6	B
SR 87 & Julian Street East	AM	42.4	D	47.9	D
	PM	40.0	D	40.2	D
Unsignalized Intersections					
Carlysle Street & Almaden Blvd	AM	12.2	B	12.9	B
	PM	12.2	B	12.4	B

[11] Background traffic is existing traffic plus assumed traffic from approved but not yet completed projects.

TABLE 1 *Continued* Existing and Background Conditions Intersection Level of Service					
Intersection	**Peak Hour**	**Existing**		**Background**	
		Ave. Delay	**LOS**	**Ave. Delay**	**LOS**
Carlysle Street & Notre Dame Street	AM	17.9	C	20.5	C
	PM	11.0	B	11.5	B
St. John Street & Notre Dame Street	AM	13.1	B	17.7	C
	PM	12.2	B	14.4	B

Existing Signal Warrants

A signal warrant analysis was conducted to evaluate the operation of unsignalized intersections surrounding the site during peak-hour traffic to determine if a traffic signal is required. Details of the signal warrant analysis are shown in Appendix C. The existing and background operation of three key unsignalized intersections are shown in Table 2.

TABLE 2 Existing and Background Conditions Signal Warrant Analysis			
Intersection	**Peak Hour**	**Existing**	**Background**
		Warrant Met?[12]	**Warrant Met?**
Almaden Blvd & Carlysle Street	Am	No	No
	PM	No	No
Notre Dame Street and Carlysle Street	AM	No	No
	PM	No	No
Notre Dame Street and St. John Street	AM	No	No
	PM	No	No

2. Traffic Impacts

Thresholds of Significance

For the purpose of this SEIR, a traffic impact is considered significant if the project would:

1. Cause an increase in traffic which is substantial in relation to the existing traffic load and capacity of the street system (i.e., result in a substantial increase in either the number of vehicle trips, the volume to capacity ratio on roads, or congestion at intersections);
2. Exceed, either individually or cumulatively, a level of service standard established by the county congestion management agency for designated roads or highways;
3. Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks;

[12] A no means that no signal is needed, a yes means that a signal must be installed for the intersection to operate properly.

4. Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment);
5. Result in inadequate emergency access;
6. Result in inadequate parking capacity; or
7. Conflict with adopted policies, plans, or programs supporting alternative transportation (e.g., bus turnouts, bicycle racks).

Intersections located within the downtown core are exempt from the City's level of service standard, and therefore allowed to operate at LOS E or F without a requirement for mitigation. The Downtown Core area is bounded by Julian Street to the north, 4th Street to the east, I-280 to the south, and SR 87 to the west.

Trip Generation

The magnitude of traffic generated by the proposed project was estimated by applying the applicable trip generation rates to the size of the project, as recommended by the City of San José *Interim Guidelines for Traffic Impact Analysis of Land Developments* (June1994). It is estimated that the project will generate 295 AM peak-hour trips (107 inbound trips and 188 outbound trips) and 318 PM peak-hour trips (202 inbound trips and 116 outbound trips). The project trip generation estimates are shown in Table 3.

TABLE 3
Project Trip Generation Estimates

Land Use	Daily	AM Peak Hour			PM Peak Hour		
	Trips	In	Out	Total	In	Out	Total
Residential	2,888	102	187	289	187	102	289
Commercial	320	5	1	6	15	14	29

Project Traffic Volumes

The level of service analysis conducted for project conditions (adding the project trips to background traffic volumes) concluded that all the signalized study intersections will operate at an acceptable level of service with the addition of the project traffic. The LOS of each study intersection, with development of the proposed project, is shown in Table 4.

TABLE 4
Project Condition Intersection Level of Service

Intersection	Peak Hour	Existing		Background		Project[13]	
		Ave. Delay	LOS	Ave. Delay	LOS	Ave. Delay	LOS
Signalized Intersections							
West Santa Clara Street & SR 87*[14]	AM	17.5	B	23.8	C	24.5	C
	PM	14.8	B	17.0	B	17.4	B
Santa Clara St & Almaden Blvd West	AM	5.0	A	5.7	A	6.4	A
	PM	11.8	B	11.9	B	12.2	B

[13] Project conditions includes existing, background and project traffic.
[14] Intersections marked with an * are designated CMP intersections.

TABLE 4 *Continued* Project Condition Intersection Level of Service							
Intersection	**Peak Hour**	**Existing**		**Background**		**Project[15]**	
		Ave. Delay	**LOS**	**Ave. Delay**	**LOS**	**Ave. Delay**	**LOS**
Santa Clara St & Almaden Blvd East	AM	24.5	C	28.3	C	28.7	C
	PM	22.0	C	25.4	C	25.2	C
SR 87 & Julian Street West*	AM	14.6	B	13.4	B	13.9	B
	PM	15.0	B	18.6	B	19.3	B
SR 87 & Julian Street East*	AM	42.4	D	47.9	D	49.4	D
	PM	40.0	D	40.2	D	40.9	D
Unsignalized Intersections							
Carlysle Street & Almaden Blvd	AM	12.2	B	12.9	B	13.2	B
	PM	12.2	B	12.4	B	13.9	B
Carlysle Street & Notre Dame Street	AM	17.9	C	20.5	C	24.6	C
	PM	11.0	B	11.5	B	12.4	B
St. John Street & Notre Dame Street	AM	13.1	B	17.7	C	21.3	C
	PM	12.2	B	14.4	B	17.6	C

Project Signal Warrants

The peak-hour signal warrant analysis concluded that none of the key unsignalized intersections, including the intersection of Notre Dame Street and Carlysle Street, would require installation of a traffic signal with the addition of the project traffic, as shown in Table 5.

TABLE 5 Project Signal Warrant Analysis				
Intersection	**Peak Hour**	**Existing**	**Background**	**Project**
		Warrant Met?[16]	**Warrant Met?**	**Warrant Met?**
Almaden Blvd & Carlysle Street	AM	No	No	No
	PM	No	No	No
Notre Dame Street and Carlysle Street	AM	No	No	No
	PM	No	No	No
Notre Dame Street and St. John Street	AM	No	No	No
	PM	No	No	No

Operation Impacts

An operational analysis was conducted that evaluated high-demand turning movements at intersections in the project area. This analysis was conducted to determine if the existing turn pockets would provide adequate storage to accommodate estimated maximum vehicle queues at signalized and unsignalized intersections. Vehicle queuing and storage

[15] Project conditions includes existing, background and project traffic.
[16] A no means that no signal is needed, a yes means that a signal must be installed for the intersection to operate properly.

capacity at the four study intersections is shown in Table 6. The analysis concluded that three of the four study intersections would have adequate existing storage capacity under project traffic conditions. There is inadequate storage capacity in the eastbound left-turn lane on West Santa Clara Street at Almaden Boulevard (East)/Notre Dame Street under both existing and background conditions. The 95th percentile (maximum) vehicle queue is 10 vehicles during the AM and 8 vehicles during the PM under background conditions, and would increase to 11 vehicles during the AM and 9 vehicles during the PM peak hour under project conditions. The project, therefore, adds only one vehicle to the projected queue, which is not considered to substantially exacerbate this existing traffic operations issue. Vehicles currently extend out of the turn pocket, but it is not physically possible to lengthen the turn-pocket due to the close proximity of the upstream intersection at West Santa Clara Street and Almaden Boulevard (West). Because this is an existing condition, the proposed project will contribute to but will not cause this operational impact. As a result, this impact is less than significant.

TABLE 6
Project Vehicle Queuing and Storage Capacity

Intersection	Peak Hour	Mvmt	No. Lanes [17]	Existing Storage [18]	Project Conditions		
					Vehicle Queue [19]	Required Storage	Add. Storage Needed
Santa Clara & Almaden Blvd West	AM	SB	1	unlimited	2	40	adequate
	PM	SB	1	unlimited	4	80	adequate
Santa Clara & Almaden Blvd East	**AM**	**EB**	**1**	**130**	**11**	**220**	**90**
	PM	**EB**	**1**	**130**	**9**	**180**	**50**
SR 87 & Julian Street[20]	AM	NB	2	unlimited	30	600	adequate
	PM	NB	2	unlimited	37	740	adequate

Site Access

The project site will be served by one left in/left out only driveway on Notre Dame Street and one left in/left out only driveway on Almaden Boulevard (because both Notre Dame Street and Almaden Boulevard is a one-way street north of West Santa Clara Street). Both driveways will provide access to the five-story (Phase 1) and three-story (Phase 2) parking facilities. The two parking structures will be gated to allow for residential use only. The gates will be set back approximately three feet from the exterior façade of the building. The volume of trips generated by the project would not meet any peak-hour signal warrants at the project driveways.

Driveway access and queuing at the parking garage card key gates was also evaluated in the traffic analysis (Appendix C). The analysis indicates that the PM peak hour inbound volume at the Notre Dame Street driveway would be 106 vehicles, which could easily be served with the one-lane driveway capacity of 325 vehicles per hour. Based on the assumed service rates and the inbound volumes, the total PM peak hour inbound volume

[17] The number of lanes is based on the existing lane configurations.
[18] Existing Storage and Required Storage are shown in feet.
[19] The number of vehicles is based on the 95th percentile maximum.
[20] Number of lanes is based on one left-turn lane and one shared through/left-turn lane.

at the Notre Dame Street driveway would be approximately 89 vehicles. These inbound vehicles would be served by one lane with a total capacity of 325 vehicles per hour. During the PM peak hour, it can be assumed that periodic spikes in the number of inbound cars would occur. For the purposes of this analysis, it is assumed that a reasonable spike in inbound vehicles would be 40 percent of the hourly arrivals occurring during a 15-minute period. The inbound traffic during this spike would be approximately 142 vehicles per hour. With an hourly demand of 142 vehicles and a capacity of 325 vehicles per hour, the estimated average queue would be 0.34 vehicles and the maximum queue would be one vehicle. Based on the stated assumptions of gate location, the off-street queue storage for the Notre Dame Street driveway is 20 feet, which would accommodate the one car.

At the Almaden Boulevard Driveway, there is a 140-foot driveway connecting the street to the building. The total PM peak hour inbound volume at this driveway is projected to be 113 vehicles. These could easily be served with the one-lane driveway capacity of 325 vehicles per hour. During the PM peak hour, it can be assumed that periodic spikes in the number of inbound cars would occur. For the purposes of this analysis, it is assumed that a reasonable spike in inbound vehicles would be 40 percent of the hourly arrivals occurring during a 15-minute period. The inbound traffic during this spike would be approximately 181 vehicles per hour. Based on the site plan of the project site, the Almaden Boulevard driveway has a queue length of 180 feet. Even with short-term spikes in arrival, there would be enough space on-site to accommodate the maximum vehicle queue.

Implementation of the proposed project will not result in any access impacts onto the project site.

Parking

The project will provide a total of 615 residential parking spaces. The City of San José parking code for the Downtown Core area specifies a multi-family residential development with open parking provide 1.0 parking space for each unit regardless of the number of bedrooms. With the project proposing a total of 385 units, the city code requires the project to provide a total of 385 residential parking spaces on site. The 615 proposed spaces will exceed the City's parking requirement.

***Conclusion*: As stated in the Initial Study (see Appendix A), the Downtown Strategy Plan FEIR concluded that the development of 3,600 dwelling units would have a less than significant impact on the local roadway network with implementation of the identified mitigation measures proposed in the Downtown Strategy Plan FEIR, Resolution No. 64273. Therefore, the specific development of 385 dwelling units under the Downtown Strategy Plan will not result in any roadway network (level of service, access, or circulation) impacts on the streets surrounding the project site. The proposed project will not result in any new impacts or impacts of greater severity than were already disclosed in the Downtown Strategy Plan FEIR.**

The Supplemental Downtown Strategy Plan SEIR concluded that the development of 3,600 dwelling units in the downtown area would result in a significant unavoidable regional freeway impact. As such, it is assumed that the construction

of the proposed residential project, which is counted as part of the 3,600 dwelling units, would contribute to the significant unavoidable regional freeway impact that would occur with construction of the aforementioned 3,600 units.

D. NOISE

The information provided in this section is based on a noise analysis prepared by *Charles M. Salter & Associates* in October 2004. The complete report is provided in Appendix D.

1. Existing Setting

Fundamental Concepts of Environmental Acoustics

Noise is defined as unwanted sound. Airborne sound is a rapid fluctuation of air pressure above and below atmospheric pressure. Sound levels are usually measured and expressed in decibels (dB) with 0 dB corresponding roughly to the threshold of hearing.

Most of the sounds which we hear in the environment do not consist of a single frequency, but rather a broad band of frequencies, with each frequency differing in sound level. The intensities of each frequency add together to generate a sound. The method commonly used to quantify environmental sounds consists of evaluating all of the frequencies of a sound in accordance with a weighting that reflects the facts that human hearing is less sensitive at low frequencies and extreme high frequencies than in the frequency mid-range. This is called "A" weighting, and the decibel level so measured is called the A-weighted sound level (dBA). In practice, the level of a sound source is conveniently measured using a sound level meter that includes an electrical filter corresponding to the A-weighting curve.

Although the A-weighted noise level may adequately indicate the level of environmental noise at any instant in time, community noise levels vary continuously. Most environmental noise includes a conglomeration of noise from distant sources which create a relatively steady background noise in which no particular source is identifiable. To describe the time-varying character of environmental noise, the statistical noise descriptors, L_{01}, L_{10}, L_{50}, and L_{90}, are commonly used. They are the A-weighted noise levels equaled or exceeded during 1%, 10%, 50%, and 90% of a stated time period. A single number descriptor called the L_{eq} is also widely used. The L_{eq} is the average A-weighted noise level during a stated period of time.

In determining the daily level of environmental noise, it is important to account for the difference in response of people to daytime and nighttime noises. During the nighttime, exterior background noises are generally lower than the daytime levels. However, most household noise also decreases at night and exterior noise becomes very noticeable. Further, most people sleep at night and are very sensitive to noise intrusion. To account for human sensitivity to nighttime noise levels, a descriptor, L_{dn} (day/night average sound level), was developed. The L_{dn} divides the 24-hour day into the daytime of 7:00 AM to 10:00 PM and the nighttime of 10:00 PM to 7:00 AM. The nighttime noise level is weighted 10 dB higher than the daytime noise level. The Community Noise Equivalent Level (CNEL) is another 24-hour average which includes both an evening and nighttime weighting.

Regulatory Background

The State of California and the City of San José have established guidelines, regulations, and policies designed to limit noise exposure at noise sensitive land uses. These standards are found in the State of California Building Code and the City of San Jose's 2020 General Plan and Municipal Code.

Section 1208 of the 1998 California Building Code

New multi-family housing in the State of California is subject to the environmental noise limits set forth in Appendix Chapter 1208A.8.4 of the California Building Code. The noise limit is a maximum interior noise level of 45 dBA L_{dn}/CNEL. Where exterior noise levels exceed 60 dBA $L_{dn,}$ a report must be submitted with the building plans describing the noise control measures that have been incorporated into the design of the project to meet the noise limit.

City of San José General Plan

The Noise Element of the City of San Jose's 2020 General Plan identifies noise and land use compatibility standards for various land uses. The City's goal is to, "...minimize the impact of noise on people through noise reduction and suppression techniques, and through appropriate land use policies."

Residential land uses are considered "satisfactory" with up to 60 DNL as the short-range exterior noise quality level, and 55 DNL as the long-range exterior noise quality level. The guidelines state that where the exterior DNL is above the "satisfactory" limit (between 60 and 70 DNL), and the project requires a full SEIR, an acoustical analysis should be made indicating the amount of attenuation necessary to maintain an indoor level of a DNL less than or equal to 45 dBA (consistent with the State Building Code). Noise levels exceeding 70 DNL require that new development would only be permitted if uses are entirely indoors and building design limits interior levels to less than or equal to 45 DNL. Outside activity areas should be permitted if site planning and noise barriers result in levels of 60 DNL or less. The City, however, acknowledges that it may not be possible to attain these levels in "special noise impact areas" such as areas around airports and major roadways, without eliminating the beneficial attributes of the exterior spaces.

City of San José Municipal Code

The zoning ordinance of the San José Municipal Code contains performance standards for the generation of noise at adjacent land uses. Noise levels from air conditioning or other mechanical equipment are limited to 55 dB at residential property lines and 60 dB at commercial property lines.

Existing Noise Environment

Noise sources affecting the project site include aircraft from the Norman Y. Mineta San José International Airport (SJC) and vehicle traffic on Highway 87 and West Santa Clara

Street. The project site is located between the 65 dB and 70 dB airport noise contours of the Norman Y. Mineta San José International Airport.

To quantify the existing noise environment at the project site, noise measurements were conducted from July 22nd to July 24th, 2003. Two long-term monitors measured noise levels for a continuous 24-hour period. In addition, several short-term "spot" measurements were taken at various locations around the site, including a ninth floor window of the De Anza Hotel. Table 7 shows existing outdoor noise levels at the project site based on the aforementioned noise measurements.

TABLE 7
Existing Outdoor Noise Levels

Location	Existing DNL
West Santa Clara Street Façade (Floors 1 – 3)	73 dB
Almaden Blvd, Carlysle Street, & Notre Dame Façades (Floors 1 – 3)	69 dB
Overlooking Swimming Pool (Floors 4 – 7)	69 dB
Overlooking Swimming Pool (Floors 8 – 22)	72 dB
With line of site of Highway 87 (Floors 4 – 22)	72 dB
Swimming Pool Area	69 dB

2. Noise and Vibration Impacts

Thresholds of Significance

For the purposes of this SEIR, a noise or vibration impact is considered significant if the project would:

1. Expose persons to or generate noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies; or
2. Expose persons to, or generate, excessive groundborne vibration or groundborne noise levels; or
3. Create a substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project; or
4. Create a substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project; or
5. For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels; or
6. For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels.

Noise Impacts to the Project Site

Exterior Noise

Table 8 shows existing and estimated future outdoor noise levels at the project site based on the aforementioned noise measurements. To account for an increase in future traffic levels in the project area, a one-decibel increase in DNL has been assumed for the lower floors to account for 10 years of future growth. This one-decibel traffic noise increase represents an approximately 25 percent increase in vehicle traffic. The SJC airport's forecasted 2010 noise contours show that noise levels may drop slightly in the future and, as a result, no future increase in noise is anticipated for the east and south facing upper floors. The north and west facing upper floors have a line of sight to Highway 87. A noise study for the expansion of Highway 87 conducted in 2001 concluded that future noise levels will increase approximately two decibels due to increased traffic volumes.

TABLE 8
Existing and Estimated Future Outdoor Noise Levels

Location	Existing DNL	Estimated DNL
West Santa Clara Street Façade (Floors 1 – 3)	73 dB	74 dB
Almaden Blvd, Carlysle Street, & Notre Dame Façades (Floors 1 – 3)	69 dB	70 dB
Overlooking Swimming Pool (Floors 4 – 7)	69 dB	69 dB
Overlooking Swimming Pool (Floors 8 – 22)	72 dB	72 dB
With line of site of Highway 87 (Floors 4 – 22)	72 dB	74 dB
Swimming Pool Area	69 dB	69 dB

The General Plan states that outdoor activities shall be limited to acoustically protected areas where the noise exposure is between 60 to 70 dB DNL. The proposed swimming pool will be shielded from traffic noise by the proposed residential tower and by the De Anza Hotel. There is, however, no way to shield the pool area from aircraft noise. As a result, the proposed swimming pool is anticipated to experience noise levels of 69 dB DNL. The General Plan identified the downtown area as a special noise impact area where it may be impossible to attain the desired exterior noise level in the near term without eliminating the beneficial attributes of exterior spaces.

The General Plan states that areas where noise exposure is over 70 dB, new development shall only be permitted if uses are entirely indoors. Balconies on the proposed residential buildings will, for the most part, be exposed to noise levels in excess of 70 dB from nearby roadways and aircraft fly-overs[21].

There is no feasible mitigation, aside from excluding all outdoor balconies, available that would reduce the outdoor noise exposure to less than 70 dB DNL. The outdoor balconies will exceed the maximum 70 dB DNL threshold considered acceptable by the General Plan Noise/Land Use Compatibility Guidelines. While the projected noise levels will not pose a health hazard, the elevated noise environment would be a nuisance that would discourage the use of exterior open spaces areas such as balconies.

[21] Exposure to aircraft noise on the site is a nuisance impact and not a health hazard impact.

Interior Noise

Based on the noise projections outlined above, it is estimated that the proposed residences would be exposed to noise levels in excess of 70 dB. These levels exceed the City's land use compatibility standard for acceptable indoor noise limits and will require that the design of the residential structures incorporate noise reduction methods such as insulation and sound rated windows. Based on the noise assessment prepared for this project, windows above the eighth floor would need to be rated STC 40. Windows below the eighth floor will be somewhat shielded from traffic noise and will not require as high rated windows as the upper floors. With these design measures, the outside noise levels will not limit the projects ability to meet the requirements of Title 24, Part 2 of the California Code of Regulations.

The project proposes to include sound rated windows and a mechanical ventilation system to comply with established residential interior noise requirements. With the inclusion of these measures, implementation of the proposed project will not expose future residents to unacceptable interior noise levels.

Noise Exposure and Land Use Compatibility

According to the Norman Y. Mineta San Jose International Airport's current noise contour map (updated quarterly) and the projected 2010 contours published in the City's Airport Master Plan Supplemental EIR, the project site is exposed to existing and future aircraft noise levels exceeding a CNEL of 65 dBA. Residential development proposed in this area would fall within the noise impact boundary, as defined by the state (Title 24) regulations and local (City of San José General Plan and Santa Clara County Airport Land Use Commission) policies, and would be considered an incompatible land use.

The proposed residential land use within the 65 dB CNEL contour would not be compatible with State of California (Title 24), City of San Jose and Santa Clara County Airport Land Use Commission policies and would be a significant impact.

Impacts From the Proposed Project

Operational Impacts

High-rise residential structures typically have various types of mechanical equipment that are necessary for the operation of the building. The equipment could include air conditioners, pool equipment, and exhaust fans. Mechanical equipment housed on the roof or around the perimeter of the proposed residential buildings has the potential to increase ambient noise levels in the project area. There are no residential land uses within close proximity to the project site that could be impacted, but the De Anza Hotel could be considered a sensitive receptor.

Implementation of the proposed project would significantly increase the amount of traffic traveling to and from the project site on a daily basis compared to the current (vacant) land use. Automobile traffic is considered a major noise source in urban areas.

A substantial noise increase would occur if the project results in an increase of 3 dB or greater at nearby sensitive land uses. Traffic volumes must double for noise levels to increase by 3 dB. As described in Section II.C., *Transportation*, the proposed project will generate approximately 3,074 daily trips, which does not double traffic volumes on West Santa Clara Street. In addition, mechanical equipment necessary for the daily operation of the proposed buildings will not significantly increase the ambient noise levels around the project site. Once construction of the proposed project is complete, the project will not generate noise levels that will adversely impact nearby businesses or the De Anza Hotel.

Construction Impacts

Construction activity would require the use of heavy equipment during demolition and grading that would temporarily increase noise levels within the project area. In addition, the proposed project will require pile driving. Typical noise levels generated by construction equipment range from 75 dBA to 80 dBA at a distance of 100 feet from the construction site, and pile driving can generate noise levels of over 100 dB at 50 feet. Construction activities would be most noticeable at the De Anza Hotel and at the office building located along the west side of Notre Dame Street.

Noise generating activities associated with demolition and grading and construction activities on the project site would temporarily elevate noise level in the area surrounding the project site.

3. Mitigation and Avoidance Measures for Noise Impacts

The proposed project includes the following measures to reduce or avoid noise impacts associated with its development.

- Prior to issuance of buildings permits for development, the property owner(s) shall grant an aviation easement to the City of San José providing for acceptance of aircraft noise impacts.

- Appropriate noise control treatments (described below) necessary to achieve a compatible interior noise environment (CNEL/DNL 45 dBA) consistent with County ALUC guidelines shall be incorporated into the proposed structures located within the 65 CNEL contour.

- Exterior noise levels shall be reduced through project design elements such as building location/orientation, and shielding, if feasible.

- Interior noise levels within all residential units must be maintained at or below 45 DNL, per the requirements of the City of San Jose, Santa Clara County ALUC, and the State Building Code. The City of San Jose also establishes 45 dBA DNL as the interior noise limit for commercial land uses. Therefore, prior to the approval of PD Permits to construct the project, a qualified Acoustical Engineer will be retained to prepare a detailed acoustical analysis of interior noise exposure. Subject to City review and approval, the acoustical analysis will evaluate the noise reduction requirements and specifications for all project phases, in accordance with State,

County and City standards. The analyses should meet the following noise reduction requirements:

- Interior noise levels shall be reduced to 45 dBA DNL or lower to meet State and local standards. Building sound insulation requirements would need to include the provision of forced-air mechanical ventilation for all new units, so that windows could be kept closed at the occupant's discretion to control noise. Special building construction techniques (e.g., sound-rated windows and building facade treatments) would likely be required for new residential uses. Feasible construction techniques such as these would adequately reduce interior noise levels to 45 dBA DNL or lower.

- County ALUC guidelines shall be considered to control maximum single-event interior noise levels from aircraft. This requires special building treatments, especially for new residential and commercial uses proposed on the easternmost façades of the buildings. Feasible construction techniques such as sound-rated windows and building façade treatments would adequately reduce interior noise levels to 45 dBA DNL or lower.

- The project will comply with AB 2776 and fully disclose the site's location within an "airport influence area" to all future buyers and lessees on the property.

The following measures have been included in the project to reduce potential construction-related noise impacts:

- Construction activities would be limited to the period between 7:00 AM and 7:00 PM Monday through Friday.

- The contractor would be required to use available noise suppression devices and properly maintain and muffle internal combustion engine-driven construction equipment.

- The contractor would be required to use noise barriers or noise control blankets to shield stationary equipment from nearby noise-sensitive receptors.

- The contractor would designate a disturbance coordinator and post the name and phone number of this person at easy reference points for the surrounding land uses. The disturbance coordinator would respond to all complaints about noise and take the necessary steps to mitigate the problem.

Conclusion: **Implementation of the proposed mitigation measures will reduce interior noise impacts to a less than significant level. (Less Than Significant Impact with Mitigation)**

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.

The proposed project is part of the Downtown Strategy Plan, which is a long-range program for the redevelopment and preservation of the central core of San José. The plan provided for development of 3.9 million square feet of office space, 400,000 square feet of retail space, 850 hotel rooms, 3,800 seats of new or renovated theater space, a new main library (168,000 square feet), and up to 3,600 dwelling units within the Plan area. At this time, the majority of the commercial and office uses envisioned in the Plan have been developed or are already in process. To date, 2042 dwelling units have been built and 341 dwelling units are pending under the Downtown Strategy Plan. The proposed residential project is intended to further implement the residential development objectives of the Downtown Strategy Plan. The project, therefore, would contribute to cumulative impacts of the total development allowed by the Downtown Strategy Plan.

In order to meet the intent of the cumulative analysis requirement, the following discussion reflects the information available to the City of San José as of the date of circulation of the Notice of Preparation. Reasonably foreseeable cumulative development projects are listed in Table 9.

Table 9
Reasonably Foreseeable Cumulative Development Projects

Development	Use	Size
KB Home Monte Vista Residential Project	Residential	390 residential units
Fountain Alley	Residential and Commercial	140 residential units 25,000 sq. ft. commercial
Greyhound Redevelopment	Residential, Commercial and Parking	250 residential units 20,000 sq. ft. retail 1,260 space parking structure
Brandenberg Residential Project	Residential and Commercial	1,500 apartment units 60,000 sq. ft. retail
General Electric	Commercial	646,100 sq. ft. shopping center
IBM/Lowe's	Commercial	222,673 sq. ft. commercial
Tamien Station LRT Project	Residential	260 residential units

In addition to the projects proposed under Downtown Strategy Plan, and other relevant nearby projects, the City of San José is currently considering six major long-term projects that propose development and/or intensified redevelopment on approximately 10,175 acres, as well as 14 other General Plan amendments that cover approximately 340 acres. The six large projects included in the below cumulative discussion include the North San José Development Policies Project, Strategy 2000: San José Greater Downtown Strategy for Development, Hitachi Project, iStar Project, and the Evergreen Visioning Project and Coyote Valley Specific Plan (as described below). When compared to build out under the approved San José General Plan, approval and build out of all of the cumulative projects would result in a net increase of approximately 102,000 jobs and 45,000 dwelling units.

For purposes of this project, this EIR is basing the cumulative analysis on build out of the San José General Plan in combination with all pending applications to change the City's General Plan. It also addresses the cumulative impacts associated with two large planning efforts currently in the early stages of the planning process, the Evergreen Smart Growth Strategy and the Coyote Valley Specific Plan. The specific land uses and intensity of these two projects are still being determined through an on-going public process including considerable opportunity for input from the general public, task force members and the San José City Council. The description of these projects included within this EIR is intended to represent a feasible 'worst-case' scenario for those projects in terms of their ability to contribute toward cumulative environmental impacts. The information included here should not be interpreted to presuppose future public processes including City Council actions.

The aforementioned long-term projects, combined with the reasonably foreseeable projects proposed under the Downtown Strategy Plan, other nearby specific development projects, and the proposed project, comprise the projects analyzed in this cumulative analysis.

1. Cumulative Impacts

Based on the analysis in this EIR, and on information contained in other recent environmental documents, development of the project site with other pending and approved development will have cumulatively significant impacts in the following areas:

- Transportation
- Noise
- Historic Resources

Cumulative Transportation Impacts

The Supplemental Downtown Strategy Plan EIR concluded that the development of 3,600 dwelling units in the downtown area would result in a significant unavoidable regional freeway impact. Because many of the freeway segments the Bay Area are at or beyond capacity, any additional development that adds one percent of the total daily trips to the impacted freeway segments is cumulatively considerable. Therefore, implementation of the proposed project, which is counted as part of the 3,600 dwelling units in the approved Downtown Strategy Plan, would result in a significant unavoidable regional freeway impact. This impact, however, was addressed in the Supplemental Downtown Strategy Plan EIR and was overridden in that Plan's adoption; it is not a new impact resulting from the proposed project.

Cumulative Noise Impacts

The proposed project, by itself, will not generate enough traffic to audibly increase the overall noise level of the project area. For humans, an audible increase in noise is three decibels, which is equivalent to traffic volumes doubling in the project area. However, the proposed project, combined with other nearby projects (including build out of the Downtown Strategy Plan, KB Home Monte Vista Residential Project [Del Monte], and Fountain Alley), will likely increase the overall ambient noise level of the Downtown area by three decibels or more. As a result, the proposed project will contribute to the cumulative noise in the downtown area, which is a significant unavoidable impact. This impact, however, was addressed in the Downtown Strategy Plan EIR and was overridden in that Plan's adoption; it is not a new impact resulting from the proposed project.

Cumulative Cultural Resources Impacts

Archaeological Resources

The entire San José area has a potential for subsurface prehistoric and historic archaeological resources, particularly near the channels of the Guadalupe River, Coyote Creek, and their tributaries. While much of San José has already undergone some type of development, impacts to subsurface cultural resources could still occur during ground disturbing and excavation for future development of vacant sites as well as during redevelopment of urban sites.

There are currently several General Plan amendment projects proposed that have the potential to impact archaeological resources if the project sites are developed at a future date. The North San José Development Policy Project area is bordered by the Guadalupe River and Coyote Creek. Eighteen prehistoric archaeological sites, one isolated prehistoric find, two reported but unrecorded prehistoric resources and two Native American ethnographic villages/settlements are known to be present in the North San José Development Policy (Rincon) project area. Prehistoric archaeological resources within and adjacent to Rincon are generally classified as midden sites formed through extensive and intensive human occupation which modified the natural soil. Native American burials are often present in these deposits. These sites include former mounds now straddling the Guadalupe River as well as sites covered with up to four feet of sediments. There are also several unrecorded locations of reburied skeletal remains.

The Downtown Strategy Plan Area contains the Guadalupe River and is considered to have a moderate-to-high likelihood of containing prehistoric archaeological deposits, as well as a high likelihood of containing historic archaeological deposits. The Downtown Area as a whole also has a high likelihood of prehistoric and historic archaeological resources.

There are no recorded archeological sites or reported cultural resources located within or adjacent to the Hitachi or iStar project sites. No known prehistoric, ethnographic or contemporary Native American resources, including sacred places and traditional use areas, have been identified in or adjacent to the project site. Research, surveys, and subsurface investigation of the Evergreen project area also failed to identify subsurface resources on those development sites.

Prehistoric archaeological sites have been recorded within the northern and mid-Coyote Valley areas, which contains Coyote and Fisher Creeks. These recorded sites include pre-historic and American Period (post-1850) archaeological resources, some of which have been found to be

eligible for inclusion on the National Register of Historic Places and California Register of Historic Resources. Native American resources include a former major village site and other habitation locations.

When an archaeological resource is listed in, or eligible to be listed in, the CRHR, Public Resources Code 210874.1 requires that any substantial adverse effect to that resource be considered a significant environmental effect. Public Resources Code 21083.2(g) defines a unique archaeological resource to be:

> An archaeological artifact, object, or site, about which it can be clearly demonstrated that, without merely adding to the current body of knowledge, there is a high probability that it meets any of the following criteria:
>
> 1) Contains information needed to answer important scientific research questions and there is a demonstrated public interest in that information,
>
> 2) Has a special and particular quality such as being the oldest of a type or the best available example of its type, or
>
> 3) Is directly associated with a scientifically recognized important prehistoric or historic event or person.

The project site is known to contain archaeological resources from the Notre Dame school. Implementation of the proposed project would require excavation of the entire project site for construction of the underground parking structure. As a result, all buried resources on the project site would be impacted. The project, however, proposed mitigation to recover and preserve all artifacts of significance found on the project site.

Reporting and evaluation requirements would be in accordance with current archaeological standards (e.g., Archaeological Resource Management Reports (ARMR): Recommended Contents and Format, California Office of Historic Preservation, Preservation Planning Bulletin 4(a); any internal City of San José reporting standards for cultural resources reports including Guidelines for Historic Reports) and evaluation criteria (e.g., National Register of Historic Places, California Register of Historical Resources; City of San José Historic Resources Inventory guidelines).

In light of the mitigation proposed by the project for archaeological resource impacts, it is concluded that implementation of the proposed project will not result in a cumulatively significant impact to archaeological resources.

Historic Resources

The Palomar Ballroom (circa 1946) is the only extant building in the City of San José from the Big Band Era that was constructed solely for use as a ballroom. Due to the building's unique status, the loss of the building, in relation to the Big Band Era in San José would be significant and unavoidable, but would not be a cumulative impact.

From a local perspective, however, the loss of the building would be considered a significant cumulative impact in relation to other historic buildings in the City, regardless of their historic use.

As San José has grown and evolved over the last 50 years, many of the residential and industrial neighborhoods have been divided, reduced and replaced by business development, freeway construction, and development of multi-family residences. This continual development in San José has resulted in the loss or relocation of many historic structures, both residential and commercial/industrial. The cumulative loss of historic structures is of great consequence. The overall historical context of San José is degraded every time a historic structure, regardless of use, is lost or incongruously relocated.

There are currently several General Plan amendments and specific developments proposed in the City that would result in significant unavoidable impacts to historic resources. The proposed KB Home Monte Vista Residential project would demolish Del Monte Plant #3, one of seven remaining historic cannery sites in the City. Del Monte Plant #3 is listed on the City's Historic Inventory and has been found to meet the criteria for listing in the National Register of Historic Places (NRHP) under Criterion A, as a contributing structure to a non-contiguous historic district pertaining to the food processing and canning industries of the Santa Clara Valley. A section of the complex also appears to meet the criteria for listing on the NRHP under Criterion C (Architecture) and appears to be eligible for City Landmark status. The proposed Fountain Alley project would develop a mixed-use residential and commercial building within the Downtown San José Historic District, which could impact buildings that contribute to the historic district.

Development of the proposed Hitachi project would result in a significant impact to historic resources. The project site contains a series of buildings in the central campus area that meet the definition of a "district" in Sec. 13.48.020.B of the City's historic preservation ordinance. The potential district possesses historic significance and adequate integrity; therefore, it is potentially eligible for listing on the California Register of Historic Resources (CRHR) under Criterion 1 (association with an important event) and Criterion 3 (architectural distinction). One building alone, 009/011, qualifies as an individual candidate for City Landmark status, because it is particularly distinctive as a work of the Mid-Century Modern style and possesses adequate integrity. The proposed Hitachi project would preserve building 009/011; however, the project would demolish or substantially alter the remaining eight buildings which contribute to the potential historic district (buildings 001, 005, 006, 007, 010, 013, 014, 015). This project, therefore, would result in a significant impact to historic resources.

The existing structures on the iStar site (formerly known as the Christopher Ranch) include a fruit dehydrator (1928), two warehouses (circa 1920s-40s), an early twentieth-century cottage, a shed outbuilding, and rails for loading/processing fruit. The dehydrator was the third progressive dehydrator installed in the Santa Clara Valley and the last one to remain.

None of the existing structures on the iStar site are currently listed on the California Register of Historic Resources or the National Register of Historic Places (NRHP). The dehydrator building is not currently listed in the City of San José's Historic Resource Inventory, but has been evaluated and is considered eligible for listing as a Candidate City Landmark, as well as potentially eligible for inclusion in the CRHR and the NRHP. It is not known at this time whether iStar proposes to retain or demolish the dehydrator building. Impacts to the dehydrator would result in a significant impact to historic resources.

Implementation of the Coyote Valley Specific Plan would also result in impacts to historic resources. CVSP-area resources from the American Period (post-1850) include the hamlet of Coyote, farmsteads/ranches, residential, commercial and public properties, transportation-related and water control features, wineries, and quarries. The CVSP area includes a range of resource types such as farmsteads that may be eligible for the CRHR. The CVSP does not currently include any provisions for preservation and adaptive reuse of historic resources. While some of these buildings may be relocated to the historic hamlet of Coyote, it is unknown which buildings would be relocated, and the impact of such relocation on the significance of the resource. For this reason, the CVSP is assumed to result in significant impacts to historic resources.

The resources that would be affected by these projects are generally distinct. They are geographically separated and do not represent the same type of development. Two of the projects may result in impacts to resources representing the same period in the City's history (e.g., the iStar dehydrator may have both period and use/association in common with resources in Coyote Valley). While the individual impacts do not combine to create a cumulative impact of greater severity upon any one historic period or type of resource, the cumulative loss of historic structures is significant. The overall historical context of San José is degraded every time a historic structure, regardless of use, is lost or incongruously relocated.

- **The proposed project would result in the loss of historic resources, which combined with others in the City, contribute to a significant cumulative impact to historic resources. (Significant Cumulative Impact)**

2. Cumulative Mitigation Measures

Cumulative Freeway Segment Impacts

The mitigation necessary to reduce significant impacts upon freeway segments is the widening of the freeway. However, due to the extensive cost of such widening, this mitigation could not reasonably be implemented by the proposed project and other individual cumulative development, and therefore, is considered infeasible. For this reason this impact is considered significant and unavoidable. This impact, however, was addressed in the Supplemental Downtown Strategy Plan EIR and was overridden in that Plan's adoption; it is not a new impact resulting from the proposed project.
(Significant Unavoidable Cumulative Impact)

Cumulative Noise Impacts

There is no mitigation available that would reduce the number of trips generated by the proposed project or other projects in the downtown area. Siting projects near public transportation could reduce the overall automobile trips of these projects, but the use of public transportation by future projects cannot be quantitatively determined. As a result, it is not possible to conclude if the use of public transit would be sufficient to ensure ambient noise levels in the Downtown area do not rise by three decibels or more. For this reason this impact is considered significant and unavoidable. This impact, however, was addressed in the Downtown Strategy Plan EIR and was overridden in that Plan's adoption; it is not a new impact resulting from the proposed project.
(Significant Unavoidable Cumulative Impact)

Cumulative Historic Resources Impacts

The project includes measures, such as recordation, to reduce impacts resulting from demolition of the former Palomar Ballroom. Even with these measures, however, the impact would remain significant. The demolition of the former Palomar Ballroom, in combination with the loss of other historic structures in San José would be a significant unavoidable cumulative impact. **(Significant Unavoidable Cumulative Impact)**

Conclusion: Based on the analysis in this EIR, cumulative transportation, noise, and historic resources impacts would be significant. No mitigation has been identified or is currently proposed that would reduce cumulative impacts to a less than significant level.

IV. ALTERNATIVES TO THE PROPOSED PROJECT

Section 15126.6 of the CEQA Guidelines requires that an SEIR describe a reasonable range of alternatives to the proposed project that could feasibly attain most of the project objectives and would avoid or considerably reduce any of the significant impacts of the proposed project. In addition, the No Project Alternative must be analyzed in the document.

In order to comply with the purposes of CEQA, it is important to identify alternatives that reduce the significant impacts which are anticipated to occur if the project is implemented, but to try to meet as many of the project's objectives as possible. The Guidelines emphasize a common sense approach–the alternatives should be reasonable, should "foster informed decision making and public participation", and should focus on alternatives that avoid or substantially lessen the significant impacts.

An SEIR is required to include a "No Project" alternative that "compares the impacts of approving the proposed project with the impacts of not approving the proposed project."

During development of project alternatives, several alternatives were proposed and then removed from further consideration due to the inability to reduce significant impacts and/or infeasibility.

The first alternative considered was the construction of two levels of parking under the Palomar Ballroom, which would increase the available parking while retaining the ballroom on-site. Preliminary assessment (located in Appendix E) of this alternative determined that, while structurally possible, the cost of excavation and construction underneath an existing 15,000 square foot building would be more costly. In addition, there would be the potential for the Palomar Ballroom to be damaged during construction. As a result, this alternative was eliminated from the analysis as infeasible and potentially damaging to the historic resource.

The second alternative considered was construction of the proposed project over the Palomar Ballroom which retaining the ballroom in its current location. This alternative was eliminated because it was determined that it would irreparably harm the historic and structural integrity of the ballroom because of the need to support the proposed structure over the ballroom by placing support pillars through the ballroom (see Appendix E).

The third alternative considered was the relocation of the Palomar building off site. It was concluded in the historic report prepared for the ballroom that the ballroom could be moved off site without harming the historic integrity of the building because its historic significance was not tied to that exact location. It was determined that the building could be relocated within the immediate neighborhood and still maintain its original connection to Mexican Town. At this time, there are no known lots available of adequate size in the immediate project area to relocate a 15,000 square foot building. The neighborhood does have one large surface parking lot on the northeast corner of Carlysle and Notre Dame, but the project applicant does not control this parcel. The only other option would be to acquire property that is already developed and demolish the existing buildings on-site to accommodate the Palomar Ballroom. The project applicant currently has no plans to acquire other parcels in the project area for relocation, which may trigger other unknown environmental impacts.

As stated above, these three potential alternatives were determined to be infeasible for economic and/or environmental issues and will not be analyzed further in this report. In addition, to these three alternatives, an alternative location for the project was also considered. However, there is no known infill location within the Downtown Core area that would accommodate the proposed development, meet the objectives of the project, and have a less than significant noise impact. For these reasons, an alternate project location is considered infeasible and is not analyzed in this report. The following discussion is based on alternatives that were determined to be feasible and are being proposed as alternatives to the proposed project.

Alternatives B through G were analyzed assuming that a minimum of 1.49 parking spaces per unit would be required for marketing luxury units, as determined by the project proponent, although it is acknowledged that only one space per unit is required by City Code in the Downtown Core area.

The significant impacts identified in this SEIR as resulting from the proposed project are impacts to cultural resources from demolition of the Palomar Ballroom and impacts to the De Anza Hotel from construction of a new high-rise building in close proximity to it. A historic building relocation alternative, a reduced density alternative, and an altered site design alternative are discussed below. While the alternatives discussed below would avoid demolition of the Palomar Ballroom and would preserve the building for future use, it should be noted that no reuse of the building is proposed. Possible reuse scenarios could include an indoor pool for the proposed residential tower[22], a community center, a martial arts studio, a dance studio, a bowling alley, or retail. However, none of these reuse options meet the objectives of the proposed project, except for the retail component of the project. In addition, any reuse of the building might require windows to be added or other architectural changes, which could affect the architectural integrity of the building.

A comparison of the proposed alternatives, in relation to identified significant impact of the proposed project and the stated objectives of the project, is shown in Table 10 at the end of this section.

A. NO PROJECT ALTERNATIVE

The CEQA Guidelines [§15126(d)4] require that an SEIR specifically discuss a “no project” alternative, which should address both “the existing conditions, as well as what would be reasonably expected to occur in the foreseeable future if the project is not approved, based on current plans and consistent with available infrastructure and community services.” The proposed project is the demolition of an existing historic structure (the former Palomar Ballroom) and the construction of a high-rise residential building, therefore, an alternative to the currently proposed project would be to retain the site as it currently exists, with the historic structure in its current location.

The No Project Alternative would have no impact on the Palomar Ballroom, because the building would remain intact in its current location. There is, however, no mechanism in place to require rehabilitation of the building by the owner under the No Project Alternative. City codes (and code enforcement) only require that the building be secured (i.e. boarded up) and not pose a

[22] Reuse of the Palomar Building as an indoor pool would somewhat reduce the exterior noise impact by shielding the pool area. However, outdoor balconies would still be impacted.

safety hazard. In 2002, the Tropicana Club (formerly the Palomar Ballroom) was closed in part due to requests and concerns of the City due to several public disturbance instances by the patrons. The building has been vacant since the closure. As a result, the building may remain vacant and eventually begin to deteriorate until such time as a significant interest in reuse of the building is generated.

The No Project Alternative would also avoid the visual impact to the De Anza Hotel and the significant noise impacts of the proposed project.

The no project alternative avoids all the significant impacts identified in the SEIR, however, it does not meet any of the objectives of the proposed project.

B. SITE DESIGN ALTERNATIVE 1

Alternative B would allow the same amount of development as proposed by the project, a maximum of 343 dwelling units, in a 22-story residential tower and 35 units in a six-story mixed use building for a total of 378 dwelling units[23]. A site plan and building mass diagram for Alternative B is shown on Figure 8. However, the location of the tower would be flipped (i.e., positioned so that the inside corner of the L-shaped tower would be facing the northwest corner of the project site) to allow for the preservation of the historic building. The footprint of the residential building would be the same as the proposed project. Under this alternative, the West Santa Clara Street frontage building (Phase 2) would be included with no change in design or content from the proposed project. Five levels of parking would be provided under Alternative B (two above ground and three below ground) under the residential tower, for a total of 270 parking spaces[24]. Due to the construction and excavation constraints posed by maintaining the historic building in its current location, no below grade parking would be constructed under the historic building. The 218 spaces would provide approximately 0.79 parking spaces per unit, which falls well below the City's parking requirement of 1.0 parking space per unit (a total of 343 spaces would be needed to meet the City's parking requirement). In order to meet the City's parking requirement of 1.0 parking spaces per unit, Alternative B would require a minimum of two additional levels of above grade parking, which would also reduce the overall unit count.

With the proposed project, private communal outdoor open space (including a pool) would be provided to the residents of the tower on the fifth level of the parking structure. With preservation of the historic building as shown by Alternative B, there would only be approximately 1,918 square feet of open area on top of the garage. Due to the limited size and shape of the open area, there is no usable space available to provide private communal outdoor recreational space. Amenities would be limited to small private balconies and indoor facilities such as the proposed exercise room. Due to the projects location in the downtown area, the elevated noise environment would be a nuisance that could discourage the use of exterior open spaces areas such as balconies, but is not considered an impact.

[23] This analysis assumes Alternative B would include the West Santa Clara Street frontage building at the southwest corner of the project site exactly as it is proposed for the project. As a result, no new analysis of the Phase II building is presented in this Alternatives discussion.

[24] In order to meet the applicant's desired parking ratio of 1.49 spaces per unit, a total of 511 spaces would be needed. The 270 spaces provided by Alternative B represent only 53 percent of the applicant's desired spaces.

Under this alternative, the Palomar would be preserved[25] and could be rehabilitated into another use. However, no reuse of the Palomar is proposed by the applicant under this alternative. Preservation of the Palomar could allow for its reuse as private communal open space as an indoor/outdoor pool, gym, or other use. The State Historic Building Code (SHBC) allows for a change in use of historic buildings without mandating conformance with the new construction requirements of the City's building code. In addition, occupancy separations required by the building code may be reduced with specific provisions, including the use of automatic sprinklers systems and fire-resistant, self closing door at existing openings. Nevertheless, implementation of this alternative would avoid the significant impact of demolishing the historic building, but preservation of the historic building under this alternative does not guarantee the long term viability of the building.

The proposed site design is intended to provide the greatest setback possible between the proposed residential tower and the historic De Anza Hotel, to develop a high-quality, high-density, luxury high-rise residential project that is compatible[26] with the Historic De Anza Hotel. Under Alternative B, the 22-story proposed residential tower would be substantially closer to the De Anza Hotel and, therefore, would visually impact the De Anza Hotel to a greater extent than the proposed project. By placing the residential tower so close to the hotel (approximately 108 feet), the building would appear to loom over the hotel and distract from its historic architectural features. This alternative would alter the historic view corridor to a greater extent than the proposed project. Furthermore, by placing the residential tower in such close proximity to the De Anza Hotel, this alternative would create a significant visual and potential land use compatibility impact resulting from the windows of the residences and hotel rooms being extremely close to each other.

The phase II building will be very close to the De Anza, but at the most, only 12 of the De Anza's windows would be impacted and at least four of those are hallway windows not room windows. In addition, the applicant has the option of not placing windows on the east side of the phase II building. Therefore, the impact of the Phase I residential tower being within such close proximity to the De Anza in this alternative is not comparable to the Phase II buildings being located directly adjacent to it.

Conclusion: Implementation of Alternative B would avoid the direct impact to the historic Palomar Ballroom building located on the project site and is a potentially feasible alternative. However, greater indirect impacts to the De Anza Hotel would result due to the closer location of the proposed residential tower. In addition, this alternative does not propose reuse of the historic building, so the preservation of the historic building under this alternative does not guarantee the long term viability of the building. Furthermore, preservation of the historic building would not allow private communal outdoor open space to be provided to residents of the tower and would not allow sufficient parking that is considered necessary to make the project viable. For these reasons, Alternative B does not meet objectives 1, 4, 6, 7, and 8 of the proposed project, as stated in Section I.D. of this SEIR.

[25] In this discussion, preserved refers to keeping the building intact on-site, it does not mean that the building would be refurbished or restored as part of the project.
[26] Compatible in that the residential tower has the largest setback possible from the De Anza Hotel and is designed to flow with the adjacent Opus Building and frame the De Anza Hotel.

C. REDUCED DENSITY ALTERNATIVE

Under Alternative C, the project would maintain the same site layout as in Alternative B and would include the Phase II building proposed on the West Santa Clara Street frontage[27]. Alternative C is reduced density development comprised of the maximum number of units that can be parked on-site at the applicants desired ratio (1.49 spaces/dwelling unit)[28], without subterranean parking below the Palomar Ballroom building. This results in a building which would be 12 stories tall with a total of 146 dwelling units. A site plan and building mass diagram for Alternative C is shown on Figure 8. The parking garage would be the same as described in Alternative B, with a total of 218 parking spaces, which would be 1.49 spaces per unit. This alternative would provide the same amount of parking per unit as the proposed project. The 218 spaces would exceed the City's parking requirement of 1.0 parking spaces per unit.

With the proposed project, private communal outdoor open space (including a pool) would be provided to the residents of the tower on the fifth level of the parking structure. As with Alternative B, preservation of the historic building under Alternative C provides no space for private communal outdoor open space. Amenities would be limited to small private balconies and indoor facilities such as the proposed exercise room. Due to the projects location in the downtown area, the elevated noise environment would be a nuisance that could discourage the use of exterior open spaces areas such as balconies, but is not considered an impact.

Under this alternative, the Palomar would be preserved and could be rehabilitated into another use. However, no reuse of the Palomar is proposed by the applicant under this alternative. Preservation of the Palomar could allow for its reuse as private communal open space as an indoor/outdoor pool, gym, or other use. The State Historic Building Code (SHBC) allows for a change in use of historic buildings without mandating conformance with the new construction requirements of the City's building code. In addition, occupancy separations required by the building code may be reduced with specific provisions, including the use of automatic sprinklers systems and fire-resistant, self closing door at existing openings. Nevertheless, implementation of this alternative would avoid the significant impact of demolishing the historic building, but preservation of the historic building under this alternative does not guarantee the long term viability of the building.

Under this alternative, the location of the proposed residential tower would visually impact the De Anza Hotel by placing the residential tower closer to the hotel. However, the building would be somewhat visible over the hotel because it would be two stories taller than the De Anza Hotel and, due to its close proximity to the hotel, could distract from its historic architectural features to a greater extent than the proposed project. Furthermore, by placing the residential tower in such close proximity to the De Anza Hotel, this alternative would create a significant visual and potential land use compatibility impact resulting from the windows of the residences and hotel rooms being extremely close (within 63 feet) to each other.

[27] This analysis assumes Alternative B would include the West Santa Clara Street frontage building at the southwest corner of the project site exactly as it is proposed for the project. As a result, no new analysis of the Phase II building is presented in this Alternatives discussion.

[28] As noted previously, the applicant desires a minimum of 1.49 parking spaces per unit for marketing the development as "luxury apartments".

The visual/compatibility impact of this alternative and Alternative B is the same because the same number of people would be impacted. In Alternative B the taller building does not increase the impact because the 13-22 floors are above the roofline of the De Anza Hotel and so there would be no visual intrusion.

Conclusion: Implementation of Reduced Density Alternative C would avoid the impact to the historic building located on the project site. However, greater visual impacts to the De Anza Hotel would result due to the location of the proposed residential tower. In addition, this alternative does not propose reuse of the historic building and preservation of the historic building under this alternative does not guarantee the long term viability of the building. Furthermore, preservation of the historic building would not allow private communal outdoor open space to be provided to residents of the tower. This alternative would, however, allow sufficient parking to meet the project objectives, but it includes less than one-half (49 percent) of the proposed units in the Phase I tower and, therefore, may not be economically viable. Alternative C does not meet objectives 1, 2, 3, 4, 5, 7, and 8 of the proposed project, as stated in Section I.D. of this SEIR

D. SITE DESIGN ALTERNATIVE WITH RELOCATED PALOMAR BALLROOM BUILDING I

Under Alternative D, the project would maintain the same site layout as the proposed project. This alternative would construct a 15-story, 211 unit residential tower and the proposed Phase II building on the West Santa Clara Street frontage for a total of 246 units[29]. The historic former Palomar Ballroom building would be relocated to the middle of the Notre Dame street frontage where the vacant warehouse currently stands. A site plan and building mass diagram for Alternative B is shown on Figure 8. Five levels of parking would be provided (two above ground and three below ground) under the residential tower and the historic building, with a total of 314 parking spaces. Combined with the parking under the Phase II buildings, the project would have a total of 389 parking spaces. Moving the historic building to a new location on the project site removes the constraints of constructing under an existing building and enables the construction of below-grade parking across the project site. The 314 spaces would provide approximately 1.49 parking spaces per unit for the 211 tower residential units. This alternative would, therefore, provide the same amount of parking per unit as the proposed project. This alternative proposes a 15-story, 211 unit residential tower because it is the largest possible project that can be adequately parked (at 1.49 parking spaces per unit) while retaining the Palomar Ballroom on site. The 314 spaces would also meet the City's parking requirement of 1.0 parking spaces per unit.

With the proposed project, private communal outdoor open space (including a pool) would be provided to the residents of the tower on the sixth level of the parking structure. As with Alternatives B and C, preservation of the historic building under this alternative provides no space for private communal outdoor open space. Amenities would be limited to small private balconies and indoor facilities such as the proposed exercise room. Due to the projects location in the downtown area, the elevated noise environment would be a nuisance that could discourage the use of exterior open spaces areas such as balconies, but is not considered an impact.

[29] This analysis assumes Alternative B would include the West Santa Clara Street frontage building at the southwest corner of the project site exactly as it is proposed for the project. As a result, no new analysis of the Phase II building is presented in this Alternatives discussion.

Under this alternative, the Palomar would be preserved and could be rehabilitated into another use. However, no reuse of the Palomar is proposed by the applicant under this alternative. Preservation of the Palomar could allow for its reuse as private communal open space as an indoor/outdoor pool, gym, or other use. The State Historic Building Code (SHBC) allows for a change in use of historic buildings without mandating conformance with the new construction requirements of the City's building code. In addition, occupancy separations required by the building code may be reduced with specific provisions, including the use of automatic sprinklers systems and fire-resistant, self closing door at existing openings. Nevertheless, implementation of this alternative would avoid the significant impact of demolishing the historic building, but preservation of the historic building under this alternative does not guarantee the long term viability of the building.

Under this alternative, the location and height of the proposed residential tower would be less visually intrusive to the De Anza Hotel than the proposed project or alternatives B and C. By placing the residential tower at the farthest point from the hotel, the building would be visible over the hotel but would not appear to loom over the building. Because of the distance between the buildings (approximately 250 feet), the residential tower would not detract from the De Anza's historic architectural features or significantly alter the historic view corridor. Furthermore, by placing the residential tower in the northwest corner of the project site, the residential tower would not result in the windows of the residences and hotel rooms being within extremely close distance to each other.

Conclusion: Implementation of Alternative D would avoid the impact to the historic building located on the project site. However, this alternative does not propose reuse of the historic building and preservation of the historic building under this alternative does not guarantee the long term viability of the building. Furthermore, preservation of the historic building would not allow private communal outdoor open space to be provided to residents of the tower. This alternative would provide sufficient parking to meet the project objectives but it includes only about two-thirds (68 percent) of the proposed number of tower residential units and, therefore, may not be economically viable. Alternative D does not meet objectives 1 and 5 of the proposed project, as stated in Section I.D. of this SEIR.

E. SITE DESIGN ALTERNATIVE II

Alternative E would allow a maximum of 229 dwelling units, in a 22-story residential tower and 35 units in a six-story mixed use building for a total of 264 dwelling units[30]. A site plan and building mass diagram for Alternative E is shown on Figure 8. Under this alternative, the proposed 22-story tower would not be "L-shaped", but would be a single tower located along the western boundary of the project site. As a result, the footprint of the residential building would be different than that of the proposed project and Alternatives B-D. Under this alternative, the West Santa Clara Street frontage building (Phase 2) would be included with no change in design or content from the proposed project. Five levels of parking would be provided under Alternative E (two above ground and three below ground), for a total of 270 parking spaces[31].

[30] This analysis assumes Alternative B would include the West Santa Clara Street frontage building at the southwest corner of the project site exactly as it is proposed for the project. As a result, no new analysis of the Phase II building is presented in this Alternatives discussion.

[31] In order to meet the applicant's desired parking ratio of 1.49 spaces per unit, a total of 341 spaces would be needed. The 229 spaces provided by Alternative E represent 80 percent of the applicant's desired spaces.

The parking garage would be located between the former Palomar Ballroom and the De Anza Hotel. Due to the construction and excavation constraints posed by maintaining the historic building in its current location, no below grade parking would be constructed under the historic building. The 270 spaces would provide approximately 1.18 parking spaces per unit, which is greater than the City's parking requirement of 1.0 parking space per unit (a total of 229 spaces would be needed to meet the City's parking requirement).

As with the proposed project, private communal outdoor open space (including a pool) would be provided to the residents of the tower on the fifth level of the parking structure. In addition to the communal outdoor open space, private outdoor balconies would be included. Due to the projects location in the downtown area, the elevated noise environment would be a nuisance that could discourage the use of exterior open spaces areas, but is not considered an impact.

Under this alternative, the Palomar would be preserved and could be rehabilitated into another use. However, no reuse of the Palomar is proposed by the applicant under this alternative. Preservation of the Palomar could allow for its reuse as private communal open space as an indoor/outdoor pool, gym, or other use. The State Historic Building Code (SHBC) allows for a change in use of historic buildings without mandating conformance with the new construction requirements of the City's building code. In addition, occupancy separations required by the building code may be reduced with specific provisions, including the use of automatic sprinklers systems and fire-resistant, self closing door at existing openings. Nevertheless, implementation of this alternative would avoid the significant impact of demolishing the historic building, but preservation of the historic building under this alternative does not guarantee the long term viability of the building.

The proposed site design is intended to provide the greatest setback possible between the proposed residential tower and the historic De Anza Hotel, to develop a high-quality, high-density, luxury high-rise residential project that is compatible with the Historic De Anza Hotel. Under Alternative E, the 22-story proposed residential tower would be in the same location as the tower under the proposed project. This alternative would not alter the historic view corridor to a greater extent than the proposed project.

The phase II building will be very close to the De Anza, but at the most, only 12 of the De Anza's windows would be impacted and at least four of those are hallway windows not room windows. In addition, the applicant has the option of not placing windows on the east side of the phase II building. Therefore, the impact of the Phase I residential tower being within such close proximity to the De Anza in this alternative is not comparable to the Phase II buildings being located directly adjacent to it.

Conclusion: Implementation of Alternative E would avoid the direct impact to the historic Palomar Ballroom building located on the project site and is a potentially feasible alternative. This alternative, however, does not propose reuse of the historic building, so the preservation of the historic building under this alternative does not guarantee the long term viability of the building. Lastly, this alternative does not meet the parking requirement determined necessary by the project proponent for luxury units. For these reasons, Alternative E does not meet objectives 1 and 6 of the proposed project, as stated in Section I.D. of this SEIR.

F. SITE DESIGN ALTERNATIVE WITH RELOCATED PALOMAR BALLROOM BUILDING II

Under Alternative F, the project would maintain the same site layout as the proposed project except that the east/west wing of the tower would be placed in the center of the site adjacent to the De Anza Hotel (see Figure 7). This alternative would construct a multi-story, 393 unit residential tower on the northwest corner of the project site. The Phase II would not be included in this alternative as it is proposed by the project, but the north/south wing of the tower would extend to Santa Clara Street. Five levels of parking would be provided (two above ground and three below ground) as in the proposed project with a total of 590 parking spaces. The historic former Palomar Ballroom building would remain in its current location on the Notre Dame Street frontage. The 590 spaces would provide approximately 1.50 parking spaces per unit for the 393 tower residential units. This alternative would, therefore, provide the same amount of parking per unit as the proposed project. The 590 spaces would exceed the City's parking requirement of 1.0 parking spaces per unit.

With the proposed project, private communal outdoor open space (including a pool) would be provided to the residents of the tower on the sixth level of the parking structure. As with Alternatives B and C, preservation of the historic building under this alternative provides no space for private communal outdoor open space. Amenities would be limited to small private balconies and indoor facilities such as the proposed exercise room. Due to the projects location in the downtown area, the elevated noise environment would be a nuisance that could discourage the use of exterior open spaces areas such as balconies, but is not considered an impact.

Under this alternative, the Palomar would be preserved and could be rehabilitated into another use. However, no reuse of the Palomar is proposed by the applicant under this alternative. Preservation of the Palomar could allow for its reuse as private communal open space as an indoor/outdoor pool, gym, or other use. The State Historic Building Code (SHBC) allows for a change in use of historic buildings without mandating conformance with the new construction requirements of the City's building code. In addition, occupancy separations required by the building code may be reduced with specific provisions, including the use of automatic sprinklers systems and fire-resistant, self closing door at existing openings. Nevertheless, implementation of this alternative would avoid the significant impact of demolishing the historic building, but preservation of the historic building under this alternative does not guarantee the long term viability of the building.

Under this alternative, the location and height of the proposed residential tower would be less visually intrusive to the De Anza Hotel than the proposed project. By placing the residential tower at the farthest point from the hotel and reducing the height of the east/west tower to 14 stories, the building would be somewhat visible over the hotel but would not appear to loom over the building. However, by placing the residential tower in such close proximity to the De Anza Hotel, this alternative would create a significant visual and potential land use compatibility impact resulting from the windows of the residences and hotel rooms being extremely close (within 63 feet) to each other.

Conclusion: Implementation of Alternative F would avoid the impact to the historic building located on the project site. However, this alternative does not propose reuse of the historic building and preservation of the historic building under this alternative does not guarantee the long term viability of the building. Furthermore, preservation of the historic building would not

allow private communal outdoor open space to be provided to residents of the tower. This alternative would provide sufficient parking to meet the project objectives and includes more tower residential units than the proposed project. It does, however, remove the Phase II building for a loss of 8,000 square feet of retail space. Alternative F meets the objectives of the proposed project, as stated in Section I.D. of this SEIR.

G. SITE DESIGN ALTERNATIVE WITH RELOCATED PALOMAR BALLROOM BUILDING III

Under Alternative G, the project would maintain the same site layout as the proposed project. This alternative would construct a multi-story, 400 unit residential tower on the northwest corner of the project site (see Figure 7). The Phase II would not be included in this alternative as it is proposed by the project, but the north/south wing of the tower would extend to Santa Clara Street. Five levels of parking would be provided (two above ground and three below ground) as in the proposed project with a total of 600 parking spaces. The historic former Palomar Ballroom building would be relocated to the middle of the Notre Dame Street frontage where the vacant warehouse currently stands. Moving the historic building to a new location on the project site removes the constraints of constructing under an existing building and enables the construction of below-grade parking across the project site if required. The 600 spaces would provide approximately 1.50 parking spaces per unit for the 400 tower residential units. This alternative would, therefore, provide the same amount of parking per unit as the proposed project. The 600 spaces would exceed the City's parking requirement of 1.0 parking spaces per unit.

With the proposed project, private communal outdoor open space (including a pool) would be provided to the residents of the tower on the sixth level of the parking structure. As with Alternatives B and C, preservation of the historic building under this alternative provides no space for private communal outdoor open space. Amenities would be limited to small private balconies and indoor facilities such as the proposed exercise room. Due to the projects location in the downtown area, the elevated noise environment would be a nuisance that could discourage the use of exterior open spaces areas such as balconies, but is not considered an impact.

Under this alternative, the Palomar would be preserved and could be rehabilitated into another use. However, no reuse of the Palomar is proposed by the applicant under this alternative. Preservation of the Palomar could allow for its reuse as private communal open space as an indoor/outdoor pool, gym, or other use. The State Historic Building Code (SHBC) allows for a change in use of historic buildings without mandating conformance with the new construction requirements of the City's building code. In addition, occupancy separations required by the building code may be reduced with specific provisions, including the use of automatic sprinklers systems and fire-resistant, self closing door at existing openings. Nevertheless, implementation of this alternative would avoid the significant impact of demolishing the historic building, but preservation of the historic building under this alternative does not guarantee the long term viability of the building.

Under this alternative, the location and height of the proposed residential tower would be less visually intrusive to the De Anza Hotel than the proposed project. By placing the residential tower at the farthest point from the hotel and reducing the height of the east/west tower to 14 stories, the building would be somewhat visible over the hotel but would not appear to loom over the building. Because of the distance between the buildings (approximately 250 feet), the residential tower would not detract from the De Anza's historic architectural features or

significantly alter the historic view corridor. Furthermore, by placing the residential tower in the northwest corner of the project site, the residential tower would not result in the windows of the residences and hotel rooms being within extremely close distance to each other.

Conclusion: Implementation of Alternative G would avoid the impact to the historic building located on the project site. However, this alternative does not propose reuse of the historic building and preservation of the historic building under this alternative does not guarantee the long term viability of the building. Furthermore, preservation of the historic building would not allow private communal outdoor open space to be provided to residents of the tower. This alternative would provide sufficient parking to meet the project objectives and includes more tower residential units than the proposed project. It does, however, remove the Phase II building for a loss of 8,000 square feet of retail space. Alternative G meets the objectives of the proposed project, as stated in Section I.D. of this SEIR.

H. PALOMAR RELOCATION ALTERNATIVE

Under Alternative H, the project would maintain the same site layout as the proposed project (see Figure 7). This alternative would construct a 22-story, 327 unit "L-shaped" residential tower on the northwest corner of the project site. The Phase II building would not be included in this alternative. In place of the Phase II building, the Palomar Building would be relocated to the West Santa Clara Street frontage. Five levels of parking would be provided (two above ground and three below ground) as in the proposed project with a total of 490 parking spaces. Moving the historic building to a new location on the project site removes the constraints of constructing under an existing building and enables the construction of below-grade parking across the project site if required. The 490 spaces would provide approximately 1.50 parking spaces per unit for the 327 tower residential units. This alternative would, therefore, provide the same amount of parking per unit as the proposed project. The 490 spaces would exceed the City's parking requirement of 1.0 parking spaces per unit.

As the proposed project, communal outdoor open space (including a pool) would be provided to the residents of the tower on the fifth level of the parking structure. Due to the projects location in the downtown area, the elevated noise environment would be a nuisance that could discourage the use of exterior open spaces areas, but is not considered an impact.

Under this alternative, the Palomar would be preserved and could be rehabilitated into another use. However, no reuse of the Palomar is proposed by the applicant under this alternative. Preservation of the Palomar could allow for its reuse as private communal open space as an indoor/outdoor pool, gym, or other use. The State Historic Building Code (SHBC) allows for a change in use of historic buildings without mandating conformance with the new construction requirements of the City's building code. In addition, occupancy separations required by the building code may be reduced with specific provisions, including the use of automatic sprinklers systems and fire-resistant, self closing door at existing openings. Nevertheless, implementation of this alternative would avoid the significant impact of demolishing the historic building, but preservation of the historic building under this alternative does not guarantee the long term viability of the building.

Under this alternative, the location and height of the proposed residential tower would be as visually intrusive to the De Anza Hotel as the proposed project. By placing the residential tower at the farthest point from the hotel, the building would be visible over the hotel but would not

appear to loom over the building. Because of the distance between the buildings (approximately 250 feet), the residential tower would not detract from the De Anza's historic architectural features, but would alter the historic view corridor as was discussed under the proposed project. Furthermore, by placing the residential tower in the northwest corner of the project site, the residential tower would not result in the windows of the residences and hotel rooms being within extremely close distance to each other.

The former Palomar Ballroom building is the exact width of the lot on the Santa Clara Street frontage. As a result, there would be no setback between the De Anza Hotel and the Palomar building. By placing the Palomar building directly adjacent to the De Anza Hotel, the Palomar building would interfere with the view of the De Anza Hotel from the south (looking north) and the west (looking east).

Conclusion: Implementation of Alternative H would avoid the impact to the historic building located on the project site. However, this alternative does not propose reuse of the historic building and preservation of the historic building under this alternative does not guarantee the long term viability of the building. This alternative would provide sufficient parking to meet the project objectives but it includes only about 85 percent of the total proposed residential units. Alternative H does not meet objective one of the proposed project, as stated in Section I.D. of this SEIR. Since it meets most of the project objectives and would avoid the project's significant historic impact, it is considered the environmentally superior alternative.

Link to Figure 8 - Alternative schemes

TABLE 10 Comparison of Project Alternatives									
Issue	**Project 385 Units**	**Alt. A[32] No Project**	**Alt. B 378 Units**	**Alt. C 215 Units**	**Alt. D 262 Units**	**Alt E 264 Units**	**Alt F 393 Units**	**Alt G 400 Units**	**Alt H 327 Units**
Significant Impacts									
Cultural Resources – Palomar Ballroom	SU	LTS	LTS	LTS	LTS	LTS	LTS	LTS	LTS
Cultural Resources – De Anza Hotel	SU	LTS	SI	SI	SI	SI	SI	SI	SI
Transportation – Freeway Impacts	SU	LTS	SU	SU	SU	SU	SU	SU	SU
Objectives – Project Proponent									
Provide up to 385 units of high-density, luxury high-rise housing in the Downtown Core accessible to Downtown jobs, Downtown retail and entertainment and various modes of public transit, thereby implementing the objectives of the San José 2020 General Plan and Downtown Strategy Plan which include locating higher density development on infill sites along transit corridors to foster transit use and the efficiency of urban services and other objectives.	Yes	No	LTP[33]	LTP	LTP	LTP	Yes	Yes	LTP
Support the City policy of increasing the housing base in the Downtown Core in order to reduce commutes by planning housing in proximity to jobs.	Yes	No	Yes	No	Yes	Yes	Yes	Yes	Yes
Advance the principle of "Smart Growth" by replacing vacant and underutilized low-rise commercial structures and a surface parking lot with new structures that will provide badly needed housing units in the Downtown Core.	Yes	No	Yes	No	Yes	Yes	Yes	Yes	Yes
Create one of the first high-quality, well designed high density, luxury high-rise residential development projects in the Downtown Core to further the San José 2020 General Plan's goal of creating a central identity for San José as well as adding a sense of permanency and stature to the Downtown skyline.	Yes	No	LTP	LTP	Yes	Yes	Yes	Yes	Yes
Develop a high density, luxury, high-rise residential project in excess of 200 units per acre and with at least one tower in excess of 20 stories.	Yes	No	Yes	LTP	LTP	LTP	Yes	Yes	Yes

[32] The level of impact listed for each alternative is in comparison to the proposed project.
[33] LTP stands for Less Than Project

TABLE 10 *Continued* **Comparison of Project Alternatives**									
Issue	**Project 385 Units**	**Alt. A[34] No Project**	**Alt. B 378 Units**	**Alt. C 215 Units**	**Alt. D 262 Units**	**Alt E 264 Units**	**Alt F 393 Units**	**Alt G 400 Units**	**Alt H 327 Units**
Efficiently provide adequate on-site parking and loading to meet the needs of the project.	Yes	No	LTP	LTP	LTP	LTP	Yes	Yes	Yes
Objectives – Project Proponent Continued									
Construct a high-quality, high density, luxury high-rise residential development that is marketable and produces a reasonable return on investment for the Project Sponsor and its investors and is able to attract investment capital and construction financing.	Yes	No	LTP	LTP	Yes	LTP	Yes	Yes	Yes
Develop a high quality, high-density, luxury high-rise residential project that is compatible with the Historic De Anza Hotel.	Yes	No	LTP	LTP	Yes	LTP	Yes	Yes	Yes
Provide a mixed-use development that is complementary in size and scale with the historic De Anza Hotel and provides a pedestrian-oriented use that enlivens the streetscape on West Santa Clara Street.	Yes	No	Yes	Yes	Yes	Yes	LTP	LTP	LTP
Objectives – City of San José									
Provide a catalyst for creating a prominent and attractive Downtown by encouraging new investment, residents, and visitors to the Downtown	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Preserve structures of historic significance that contribute visual evidence to a sense of community that grows out the historic roots of San José's past.	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Provide housing opportunities to meet the needs of all economic segments of the community in neighborhoods which are stable, attractive, and have adequate municipal services.	Partial	No	Partial	Partial	Partial	Partial	Partial	Partial	Partial
Overall consistency with project objectives	Yes	No	Partial	Partial	Partial	Partial	Partial	Partial	Partial

[34] The level of impact listed for each alternative is in comparison to the proposed project.

V. SIGNIFICANT UNAVOIDABLE IMPACTS OF THE PROJECT

A significant unavoidable impact is an impact that cannot be mitigated to a less than significant level if the project is implemented, because no feasible mitigation has been identified. The project would result in the following **significant unavoidable impacts**:

- Implementation of the proposed project will result in demolition of a historic structure.
- Implementation of the proposed project will indirectly impact the integrity of the setting of the De Anza Hotel.
- Implementation of the proposed project will result in impacts to local freeway segments.

All other significant impacts of the project would be reduced to a less than significant level with the implementation of the mitigation measures identified in this SEIR.

VI. IRREVERSIBLE ENVIRONMENTAL CHANGES AND IRRETRIEVABLE COMMITMENT OF RESOURCES

CEQA and the CEQA Guidelines require that an SEIR address "significant irreversible environmental changes which would be involved in the proposed project, should it be implemented." [§158126(c)]

If the proposed project is implemented, development of the project site would involve the use of non-renewable resources both during the construction phase and future operations/use of the site. Construction would include the use of building materials, including materials such as petroleum-based products and metals that cannot reasonably be re-created. Construction also involves significant consumption of energy, usually petroleum-based fuels that deplete supplies of non-renewable resources. Once the new developments are complete, occupants will use non-renewable fuels to heat and light the buildings. The proposed project will also consume water at a higher rate than the current land use.

The City of San José encourages the use of building materials that include recycled materials, and makes information available on those building materials to developers. New buildings will be built to current codes, which require insulation and design to minimize wasteful energy consumption. Development of high density residential units typically use less energy for heat and light because common walls and shared services reduce waste. In addition, the project site is an infill location and is currently served by one or more forms of public transportation. The site provides residential opportunities that are more reasonably proximate to existing employment centers in San José than alternative housing in the south county and other counties to the north and south. The proposed project will, therefore, facilitate a more efficient use of resources over the long term.

VII. GROWTH INDUCING IMPACTS OF THE PROJECT

For the purposes of this project, a growth inducing impact is considered significant if the project would:

- cumulatively exceed official regional or local population projections;
- directly induce substantial growth or concentration of population. The determination of significance shall consider the following factors: the degree to which the project would cause growth (i.e., new housing or employment generators) or accelerate development in an undeveloped area that exceeds planned levels in local land use plans;
- indirectly induce substantial growth or concentration of population (i.e., introduction of an unplanned infrastructure project or expansion of a critical public facility (road or sewer line) necessitated by new development, either of which could result in the potential for new development not accounted for in local general plans).

The project proposed is located on an infill site within the City of San José's Urban Service Area. The site is surrounded by existing infrastructure and both existing and planned development. While development of the project may require minor upgrading of the existing infrastructure; it will not include any significant expansion that would facilitate growth outside the City's Urban Service Area. Additionally, the growth proposed by the project was already approved in the adoption of the 1990 Downtown Strategy Plan. For these reasons, the project would not have significant growth inducing impacts.

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