

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Planning Commission

SUBJECT: SEE BELOW

DATE: June 15, 2006

COUNCIL DISTRICT: 3
SNI AREA: University

SUBJECT: HD06-155 (previously HD06-001) Consideration of a proposed City Landmark Historic District Designation encompassing the area generally bounded by E. San Salvador Street, west side of South 9th Street at Margaret Street, Interstate 280, west side of South 5th Street, together with properties on Carrie Street and along E. Reed and William Street, between South 4th and 5th Street on an approximately 25 acre site.

RECOMMENDATION

The Planning Commission voted 4-0-2 with Commissioners Pham and Levy absent, to recommend that the City Council approve the proposed Reed City Landmark Historic District. The Commission further recommended excluding the property at 546 S. 5th Street from the proposed Historic District.

OUTCOME

Designation of the CL Historic District will establish the Reed City Landmark Historic District in the University Strong Neighborhoods Initiative (SNI) area.

BACKGROUND

On June 14, 2006, the Planning Commission held a public hearing to consider a City Council-initiated City Landmark Historic District designation in the area described above.

The Director of Planning, Building and Code Enforcement recommended approval of the proposed Reed City Landmark Historic District.

Property owner Scott Soper spoke regarding the 4 properties he owns on S. 5th Street, two of which are included in the proposed Reed City Landmark (CL) Historic District. Mr. Soper expressed concern over one property, 546 S. 5th Street, proposed for inclusion in the proposed CL Historic District. He was concerned with the additional time and cost of permits should his building be included. Mr. Soper submitted a letter (see attached) to the Commission explaining his concerns, including the fact that the historic analysis prepared by the historic determined his

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property to be a non-contributor to the proposed CL Historic District. Mr. Soper requested that the Commission exclude his property from the proposed Reed CL Historic District.

Commissioner Dhillon asked if Mr. Soper had gone to the June 7 Historic Landmarks Commission meeting and Mr. Soper affirmed that he had. Commissioner Zito wanted to know the location of the parcel and Mr. Soper indicated the property was on the edge and in fact the last parcel in the proposed CL Historic District on the east side of S. 5th Street between E. William and E. Reed Streets about mid-block (see attached map).

Commissioner Zito then asked if there was any reason not to exclude him. Acting Historic Preservation Officer Sally Zarnowitz stated that the buildings in the proposed CL Historic District represent a particular period of time between 1870-1935 and that part of the significance is that properties proposed for inclusion in the Historic District demonstrate the time period through the architectural styles visible from the street. Commissioner Zito further inquired that that since 546 S. 5th Street is on the edge of the proposed CL Historic District, what is the harm in taking it out? Ms. Zarnowitz stated that the building at 546 S. 5th Street was built in 1939 and is close to the period of significance and reflects the character of the neighborhood. Commissioner Zito stated that the only issue might be if the three adjacent properties (including 546 S. 5th Street) that Mr. Soper owns were redeveloped and overwhelmed the Victorian at 540 S. 5th Street. Deputy Director Jeannie Hamilton stated that taking 546 S. 5th Street out of the district will not relieve him of all other discretionary review. There has been a recommendation by the historic consultant that the building could be a structure of merit even though it does not contribute to the proposed Reed CL Historic District.

In response to questions from Commissioner Zito, Mr. Soper stated that he had purchased the building at 546 S. 5th Street in 1988; and has painted, re-roofed and repaired the front staircase. He said he as restored Victorians and is familiar with the permitting process; and has no immediate plans to demolish the building at this time.

Commissioner Zito inquired as to what type of development review would be necessary if the building is removed from the proposed CL Historic District. Staff responded that the standard Zoning Code development permit requirements would apply.

Mr. Norman Finnance spoke in favor of and to the benefits of a historic district and the research he had done. Mr. Finnance lives in the proposed Reed CL Historic District and illustrated with examples from various parts of the country the economic benefits of a historic district or historic preservation in general, including rise in property values and increase in jobs. Mr. Michael Reandeau, President of South University Neighborhood (SUN) and United Neighborhoods Coalition (UNC) board member, also spoke in favor of the proposed Reed CL Historic District and how it would enhance the historic nature of the neighborhood.

Commissioner Zito asked if Mr. Reandeau would have a concern with the removal of 546 S. 5th Street from the proposed Reed CL Historic District. Mr. Reandeau stated that as long as the

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removal does not create a donut hole effect and it is noncontributing to the proposed CL Historic District, he has no problem with the removal of the property from the CL Historic District.

The Planning Commission then closed the public hearing.

ALTERNATIVES

Not Applicable.

PUBLIC OUTREACH

The *Historic District Study* was distributed to SUN, and presented and discussed at its September 20, 2005 meeting. At the same meeting, SUN unanimously adopted a motion to accept the *Historic District Study* and recommended that the City initiate the process to designate the portion of the University SNI Planning Area identified in the study as a CL Historic District. The *Historic District Study* was also distributed to the UNC prior to its November 8, 2005 meeting at which UNC also unanimously adopted a motion recommending that the City initiate the process to designate the portion of the University SNI Planning Area identified by the study as a CL Historic District. At its February 21, 2006 meeting, SUN voted unanimously to adopt the name Lowell for the CL Historic District due to the fact that the area around Lowell School continues to retain an earlier sense of time and place reflective of residential development within the original city limits between 1870 and 1935.

Subsequently, staff brought this item as information to the Historic Landmarks Commission (HLC) on March 1, 2006. Historic Preservation staff presented an email from Norman Finnance, former President of SUN. Mr. Finnance indicated there is support for naming the proposed district "Reed's Addition" because Mr. Reed was involved in the development of San Jose and "Reeds Addition" originally included parts of the proposed district. Mr. Finnance also indicated that Mr. Lowell did not have a great deal to do with the area except for the school being named after him. During its March 1 meeting the HLC discussed the CL Historic District name and boundaries. The consultants from Archives and Architecture explained that Lowell was a distinguished poet during the period of significance, 1870-1935, for the neighborhood and the Lowell school was the center of the neighborhood at that time.

At its March 14 meeting, the UNC decided with a 4-1 vote to support the use of the name Reed Historic District based on their understanding that this name was favored by SUN, stating further that if the SUN group had an alternative name the UNC would support that name also. The SUN President, Mike Reandau, subsequently stated that there now was more support for "Reed" than for "Lowell" and determined that SUN's final recommendation was for "Reed City Landmark Historic District".

During discussion of the initiation of the proposed CL Historic District, members of SUN requested and staff and the consultant considered seven additional properties to be added to the original boundaries. These properties were reviewed by staff and the consultant and were

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determined to qualify as contributors to the CL Historic District because they were constructed within the period of significance and their addition did not undermine the significant concentration of historic resources within the CL Historic District. Along with three additional contributing properties, these properties were added to the original boundaries as Addition #1. A property owners' meeting was held on Thursday May 4, 2006. All property owners within the proposed boundaries (including Addition #1) of the proposed CL Historic District were invited. Eight property owners attended. Questions were raised about the permitting process required should a CL Historic District be established. Staff described the process. The owner of a property built within the period of significance just outside of the proposed CL District requested to be added to the proposed CL Historic District. The requested additional property qualified as a contributor to the proposed CL District. The two intervening properties were non-contributors to the proposed District, built outside the period of significance. Staff and the consultant considered the request and added his property and two additional intervening properties as Addition #2, because the addition did not undermine the significant concentration of historic resources within the proposed District. At the same May 4th meeting another property owner asked how he could be removed from the proposed CL Historic District. Staff received an email from this same property owner of 435, 445 and 461 S. 6th Street to have his properties deleted from the proposed district. One property owner at 637 S. 9th Street requested to be added to the proposed Historic District. Staff did not support these requests

A number of property owners and SUN members expressed support for the proposed CL Historic District. Staff has received eight phone calls to date on this project and three callers expressed opposition to the nomination.

A public hearing notice for the project was published in a local newspaper and mailed to all property owners and tenants within 500 feet of the subject site.

Staff has received one letter in support of the project from Mike Reandeau, President of SUN and UNC board member (included in the Planning Commission staff report).

COORDINATION

This project was coordinated with the City Manager's Office, Redevelopment Agency and the City Attorney.

COST IMPLICATIONS

Not Applicable.

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CEQA

CEQA: Exempt.


for JOSEPH HORWEDEL, SECRETARY
Planning Commission

For questions please contact Planning, Building and Code Enforcement at (408) 535-7800.

**Planning Commission Hearing 6:30 PM June 14, 2006
City of San Jose Council Chambers
200 E. Santa Clara St., San Jose, CA**

RE: HD06-001: Request for exclusion of 546 S. 5th Street from new Historic District.

My wife and I own four adjacent parcels on S. 5th Street; a Queen Anne Victorian at 540 S. 5th Street and three small apartment buildings at 546, 554 and 556 S. 5th. The Victorian and one of the apartment buildings are inside the proposed District. We are not protesting the inclusion of the Queen Anne inside the Historic District. We are requesting that our apartment building at 546 S. 5th, which is the last building on S. 5th in the proposed District, be excluded.

" This apartment building here is outside of the period of significance, and its not a contributor to the district, we've recommended, however, that it be placed on the inventory as a structure of merit, it was not reported during the Architectural Resources Group survey." (This is an exact quote by a consultant describing our apartments at 546 S. 5th Street to the Historic Landmarks Commission transcribed from a tape of the June 7th hearing.)

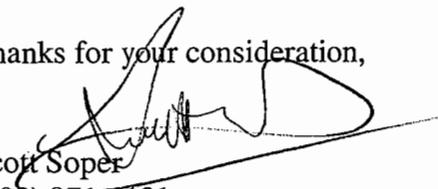
546 S. 5th did not meet the pre-set parameters of age, neighborhood importance or significance to the City. At the Historic Landmarks Commission hearing one reason for including otherwise ineligible buildings was to avoid the "hole in the donut" effect of having properties surrounded by the District excluded, however this property is on the boundary of the District. Its inclusion appears arbitrary and capricious.

This apartment building is owned, managed, painted and roofed the same, and apartments numbered sequentially with the two adjacent apartment buildings. They comprise 19 units of affordable housing. Visually and functionally these three lots together are one parcel. Our understanding is that inclusion of 546 S. 5th in the District would subject repairs and improvements to additional costs and delays, dictates on materials and colors and limitations on further development of the property. We think this places an unreasonable burden on us with no obvious benefit to the neighborhood.

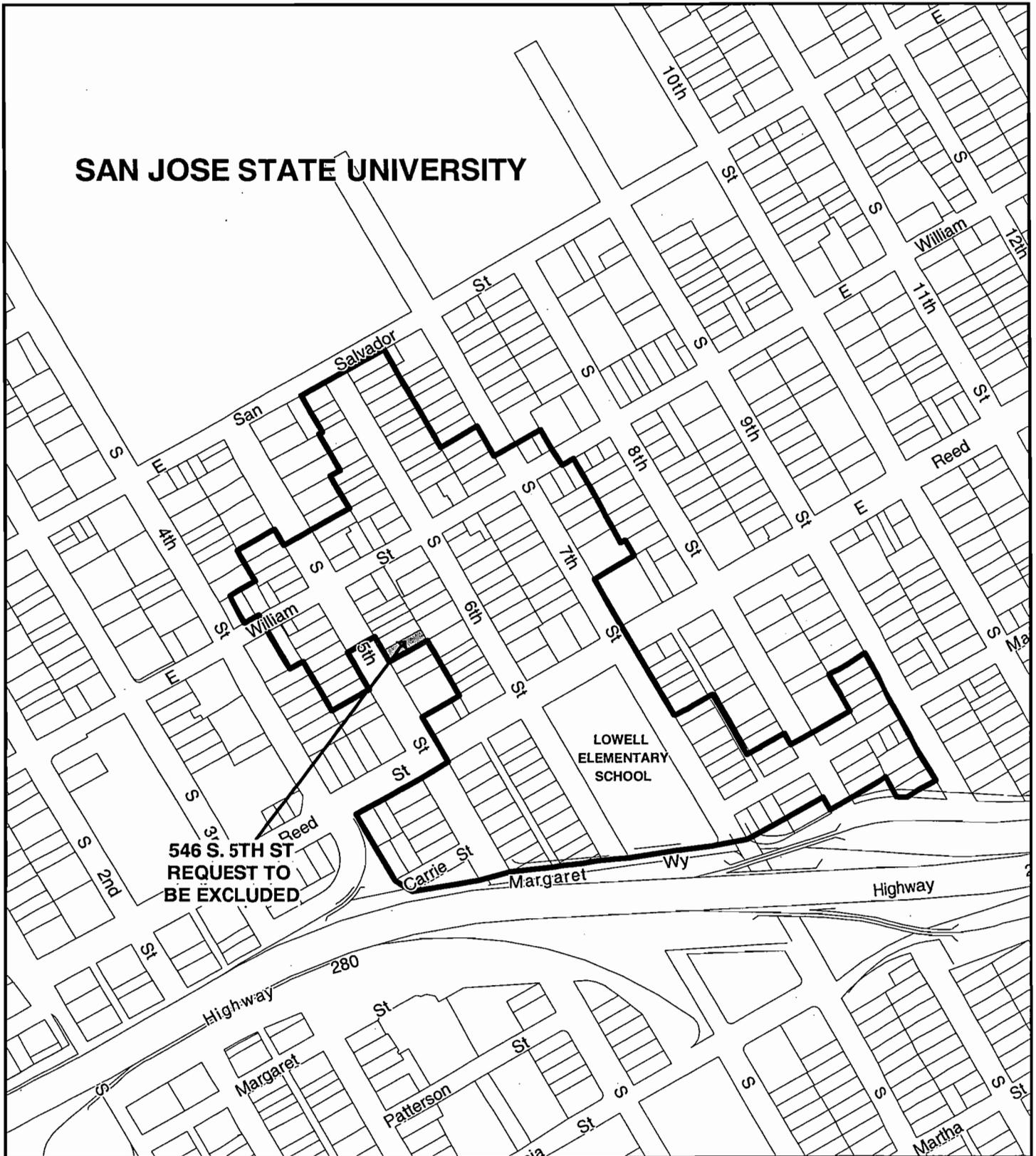
Over the past three decades the City has spent hundreds of millions of dollars downtown to consolidate parcels like these. That historical view suggests that needlessly separating adjacent downtown parcels in any way is not in the long-term public interest.

Action Requested: Approve the District with its boundary at 540, not 546 S. 5th.

Thanks for your consideration,


Scott Soper
(408) 971-2131
977 Asbury Street
San Jose CA 95126

PROPERTIES WITHIN THE PROPOSED REED CITY LANDMARK HISTORIC DISTRICT



Department of Planning, Building
and Code Enforcement
Planning Services Division



**Proposed Historic
District Boundary**



Scale 1" = 500'



COUNCIL AGENDA: 06-20-06
ITEM: 11.3

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Joseph Horwedel

SUBJECT: SEE BELOW

DATE: June 9, 2006

TRANSMITTAL MEMO

COUNCIL DISTRICT: 3
SNI AREA: University

SUBJECT: HD06-155 (previously HD06-001). HISTORIC DISTRICT DESIGNATION request to designate as a Historic District the area generally bounded by E. San Salvador St, west side of South 9th St at Margaret St, Interstate 280, and west side of S. 5th St, together with properties on Carrie St and along E. Reed and William St, between S. 4th and 5th St.

The Planning Commission will hear this project on June 14, 2006. The memorandum with Planning Commission recommendations will be submitted under different cover. We hope the submittal of this staff report is of assistance in your review of this project.

JOSEPH HORWEDEL, ACTING DIRECTOR
Planning, Building and Code Enforcement

For questions please contact Planning, Building and Code Enforcement at (408) 535-7800.



Memorandum

TO: PLANNING COMMISSION

FROM: Stan Ketchum

SUBJECT: SEE BELOW

DATE: June 8, 2006

COUNCIL DISTRICT: 3

SNI AREA: University

SUBJECT: HD06-155. DESIGNATION OF THE REED CITY LANDMARK HISTORIC DISTRICT GENERALLY BOUNDED BY E. SAN SALVADOR STREET, THE WEST SIDE OF SOUTH NINTH STREET AT MARGARET STREET, INTERSTATE 280, AND THE WEST SIDE OF SOUTH FIFTH STREET, TOGETHER WITH PROPERTIES ON CARRIE STREET AND ALONG EAST REED AND WILLIAM STREETS BETWEEN FOURTH AND FIFTH STREETS

RECOMMENDATION

The Historic Landmarks Commission voted 5-0-2 (Yeomans and Leong absent) to recommend that the Planning Commission recommend the City Council approve the designation of the subject area as the Reed City Landmark Historic District.

BACKGROUND

On June 7, 2006, the Historic Landmarks Commission held a public hearing to consider a Council-initiated City Landmark (CL) Historic District designation. Staff recommended approval of the proposed Reed CL Historic District. The consultant, Archives and Architecture, gave a short presentation on the proposed CL Historic District. Deborah Hudson, who owns a home in the proposed district, spoke in favor of the designation. Michael Reandean, President of the South University Neighborhood (SUN) Association and University Neighborhoods Coalition (UNC) board member spoke about the Historic District as one of the Strong Neighborhoods Initiative priorities which will further enhance the attractiveness of the neighborhood. Bill Ellington who owns three properties in the proposed district requested to be left out of the district boundaries and stated that he provides affordable housing in the area. Mr. Ellington hopes to build higher and denser projects in the area. Also, Scott Soper spoke as a property owner in the proposed district and requested that his property at 546 S. Fifth Street be eliminated from the district because he didn't feel it was appropriate that this building be in the district. A resident residing at 570 S. 6th Street asked if his home was a contributor to the Historic District or not. He also asked if the asbestos siding on his home had anything to do with the Historic District.

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The consultant, Leslie Dill, stated that according to the criteria there are still enough intact characteristics to the building to include it in the Historic District. A general question from the audience emerged as to the permit process and how it would affect the homeowner. Staff replied that the Planning Department has been trying over the years to make the permit process easier with the Historic Preservation Permit Adjustment process and other improvements. Staff also stated that multi-family properties already require an additional planning permit.

Commissioner Colombe asked what the staff approach would be for those properties that are non-contributors to the Historic District. Staff stated that Title 13 of the Municipal Code, the Historic Preservation Ordinance, requires that non-contributing structures within a historic district obtain a Historic Preservation Permit for exterior modifications. Staff went on to say that many of these non-contributors were included to create a more cohesive area, avoiding holes resulting from individual deleted properties. Commissioner Colombe also asked about the Mills Act and whether the tax reduction would apply to these properties in the proposed Historic District. Staff replied that the Mills Act currently applies only to individual City Landmark properties and not to properties in City Landmark Historic Districts. However staff suggested that the Historic Landmarks Commission may wish discuss broadening the Mills Act eligibility to include Historic District properties at some time in the future. Staff also stated that development review processes are sometimes duplicative and that perhaps an ordinance review could take place to consider further streamlining to reduce additional burdens on the homeowners.

Sandra Soellner spoke as a property owner and stated that there was a meeting in which staff answered questions about the permit processes. Commissioner Cunningham spoke about the need for the City to make a commitment to preserving the City or soon there will be nothing left to preserve. The proposed Historic District is more of a benefit than the loss of some affordable units. Commissioner Colombe agreed with Commissioner Cunningham. She stated that she had spoken to a number of individuals in the Hensley Historic District and no one is disgruntled about the Historic District designation in their neighborhood. Commissioner Colombe then made a motion to approve the designation. Commissioner Alkire then asked and staff agreed that the noncontributing structures of merit identified in the proposed Historic District would be added to the inventory through this designation process. A copy of the staff report and attachments from the Historic Landmarks Commission meeting are attached to provide a more detailed background on the CL Historic District designation process and qualifications of the Reed neighborhood.

PUBLIC OUTREACH

The *Historic District Study* was distributed to the South University Neighborhood (SUN), and presented and discussed at its September 20, 2005 meeting. At the same meeting, SUN unanimously adopted a motion to accept the *Historic District Study* and recommended that the City initiate the process to designate the portion of the University SNI Planning Area identified in the study as a CL Historic District. The *Historic District Study* was also distributed to the University Neighborhoods Coalition (UNC) prior to its November 8, 2005 meeting at which

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UNC also unanimously adopted a motion recommending that the City initiate the process to designate the portion of the University SNI Planning Area identified by the study as a CL Historic District. At its February 21, 2006 meeting, SUN voted unanimously to adopt the name Lowell for the CL Historic District due to the fact that the area around Lowell School continues to retain an earlier sense of time and place reflective of residential development within the original city limits between 1870 and 1935.

Subsequently, staff brought this item as information to the Historic Landmarks Commission on March 1, 2006. Historic Preservation staff presented an email from Norman Finnance, former President of SUN. Mr. Finnance indicated there is support for naming the proposed district "Reed's Addition" because Mr. Reed was involved in the development of San Jose and "Reeds Addition" originally included parts of the proposed district. Mr. Finnance also indicated that Mr. Lowell did not have a great deal to do with the area except for the school being named after him. During its March 1 meeting the HLC discussed the CL Historic District name and boundaries. The consultants from Archives and Architecture explained that Lowell was a distinguished poet during the period of significance, 1870-1935, for the neighborhood and the Lowell school was the center of the neighborhood at that time.

At its March 14 meeting, the UNC decided with a 4-1 vote to support the use of the name Reed Historic District based on their understanding that this name was favored by SUN, stating further that if the SUN group had an alternative name the UNC would support that name also. The SUN President, Mike Reandeau, subsequently stated that there now was more support for "Reed" than for "Lowell" and determined that SUN's final recommendation was for "Reed City Landmark Historic District".

During discussion of the initiation of the proposed CL Historic District, members of SUN requested and staff and the consultant considered seven additional properties to be added to the original boundaries. These properties were reviewed by staff and the consultant and were determined to qualify as contributors to the CL Historic District because they were constructed within the period of significance and their addition did not undermine the significant concentration of historic resources within the CL Historic District. Along with three additional contributing properties, these properties were added to the original boundaries as Addition #1.

A property owners' meeting was held on Thursday May 4, 2006. All property owners within the proposed boundaries (including Addition #1) of the CL Historic District were invited. Eight property owners attended. Questions were raised about the permitting process required should a CL Historic District be established. Staff described the process. The owner of a property built within the period of significance just outside of the proposed CL District requested to be added to the CL Historic District. The requested additional property qualified as a contributor to the CL District. The two intervening properties were non-contributors to the District, built outside the period of significance. Staff and the consultant considered the request and added his property and two additional intervening properties as Addition #2, because the addition did not undermine the significant concentration of historic resources within the District. At the same May 4th meeting another property owner asked how he could be removed from the proposed CL Historic District. Staff received an email from this same property owner of 435, 445 and 461 S. 6th Street to have

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his properties deleted from the proposed district. One property owner at 637 S. 9th Street requested to be added to the proposed Historic District. Staff did not support these requests

A number of property owners and SUN members expressed support for the proposed CL Historic District. Staff has received eight phone calls to date on this project and three callers expressed opposition to the nomination. A public hearing notice for the project was published in a local newspaper and mailed to all property owners and tenants within 500 feet of the subject site.

Staff has received one letter in support of the project from Mike Reandeau, President of SUN and UNC board member.

COORDINATION

This project was coordinated with the City Manager's office, Redevelopment Agency and the City Attorney.


STAN KETCHUM
Principal Planner

Attachments: June 7, 2006 Historic Landmarks Commission staff report
Original Map & Additions
Archives & Architecture, "Historic District Study" report

