

1. **Old Civic Center Re-Use**

City Point Person – **Ed Shikada**, Deputy City Manager

County Point Person – **Patrick Love**, Asset and Economic Development Director

**Est. Completion Date:** 2008.

**Synopsis:** The City and County are attempting to determine whether there is an opportunity for the County to purchase the old City Hall property (10 acres, Old City Hall, and ancillary buildings), or possibly negotiate a land swap where the County swaps the Tully Road Parking Lot for the old City Hall property.

**City View:** This project involves the City's interest in sale/development or reuse of the old City Hall site (approximately 10 acres) and E Lot (approximately 8 acres) that is adjacent to the County Government Center. The County has an interest in developing the Richey Army Reserve Site (8.5 acres) and the parking lot at First and Hedding (8.0 acres). The City has received a draft of a historical study of the former City Hall, in which City Hall is judged to be historically significant, while the annex and the Health buildings are not. The City is proceeding with alternative development and reuse analysis of both sites, potentially leading to a General Plan amendment.

City staff plans to present a report to the City Council in September on potential disposition options for old City Hall, and recommend Council approval to enter into formal discussions with the County on sale or transfer of the property. Staff is also reviewing the financial viability of retrofitting old City Hall for office use, and would like to explore this option with the County including any potential for innovative lease/purchase options. Preliminary estimates, however, indicate that retrofit costs would require lease rates that are above market.

**County View:** The County Executive's Office is in discussions with the City Manager's Office regarding the potential acquisition of the Old City Hall property. City Planning commissioned a historical study of the old City buildings, which concluded that the old City Hall building had historical significance. The implications of this preliminary finding are not yet known and may impact the County's interest in the property and the property's value.

The City Manager's Office has suggested the possibility of a land swap of the Old City Hall property for the 14-acre Tully Road Parking Lot, located across the street from the County Fairgrounds. The City's interest in the Tully property would be to develop a fire training center, including a new Fire Station #26, to be relocated from across Tully Road. That proposal was discussed with the Board as part of a presentation on March 27, 2007 regarding conceptual land use options for the Fairgrounds. Cooperative planning discussions are continuing with the City Manager's Office regarding these issues.

The County is also developing conceptual land use options for the existing County Civic Center site. These concepts were presented to the Board of Supervisors on March 27, 2007 and are presented again as part of the August 23, 2007 City-County Meeting, including a separate discussion regarding the Richey Army Reserve property. These concepts will be refined for

## City/County Discussion Topics: Top Five Priorities

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further consideration by the Board after further discussions with the City, when more is known about the disposition of the Old City Hall property and the Army Reserve site.

# **County Presentation**

# *GREATER COUNTY CIVIC CENTER AREA DEVELOPMENT OPTIONS*

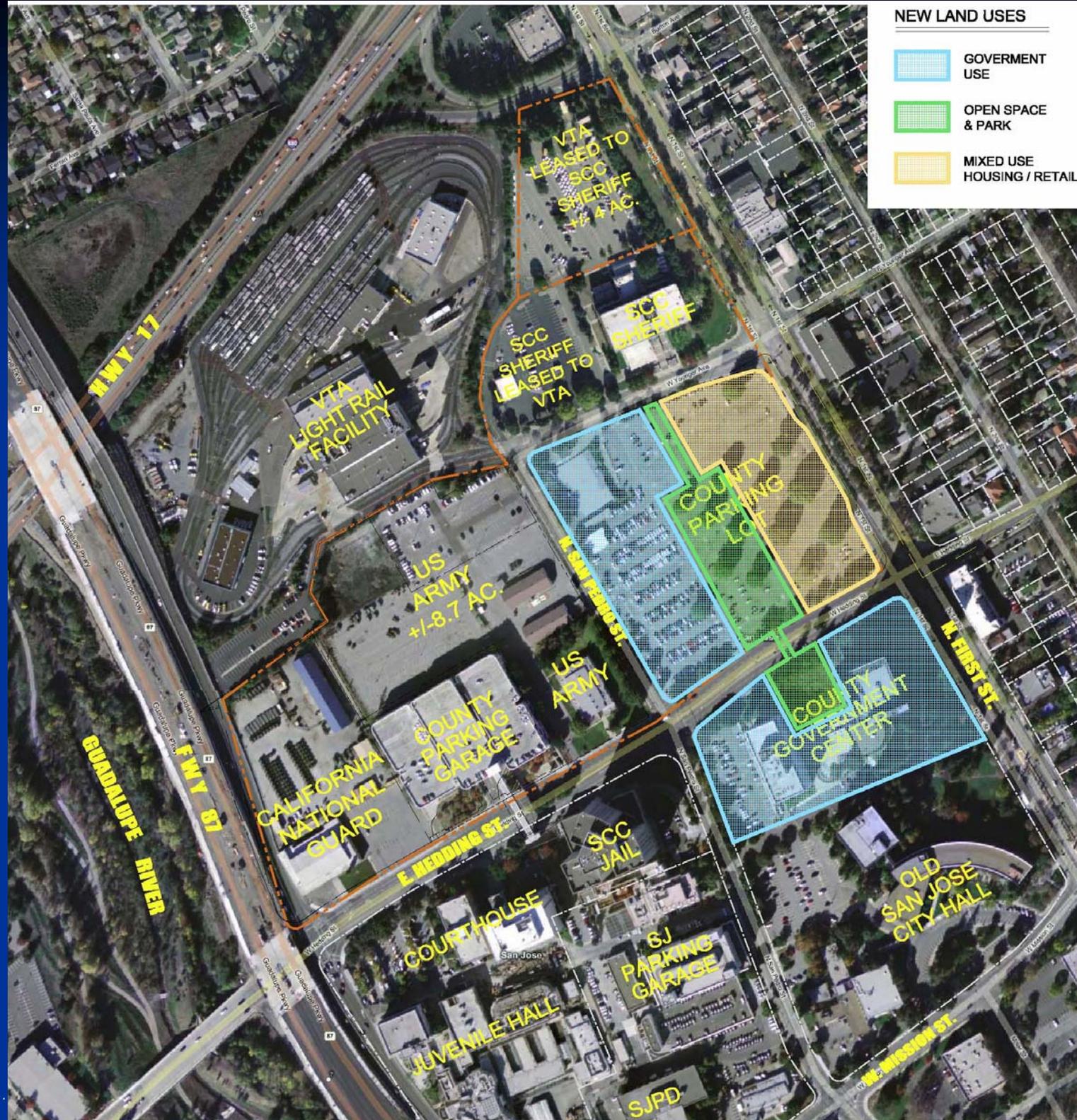
*MARCH 2007*





**NEW LAND USES**

-  GOVERNMENT USE
-  OPEN SPACE & PARK
-  MIXED USE HOUSING / RETAIL



# GREATER COUNTY CIVIC CENTER AREA

DEVELOPMENT  
OPTION 1

SAN JOSE, CALIFORNIA  
COUNTY OF SANTA CLARA



KENNETH RODRIGUES & PARTNERS, INC.

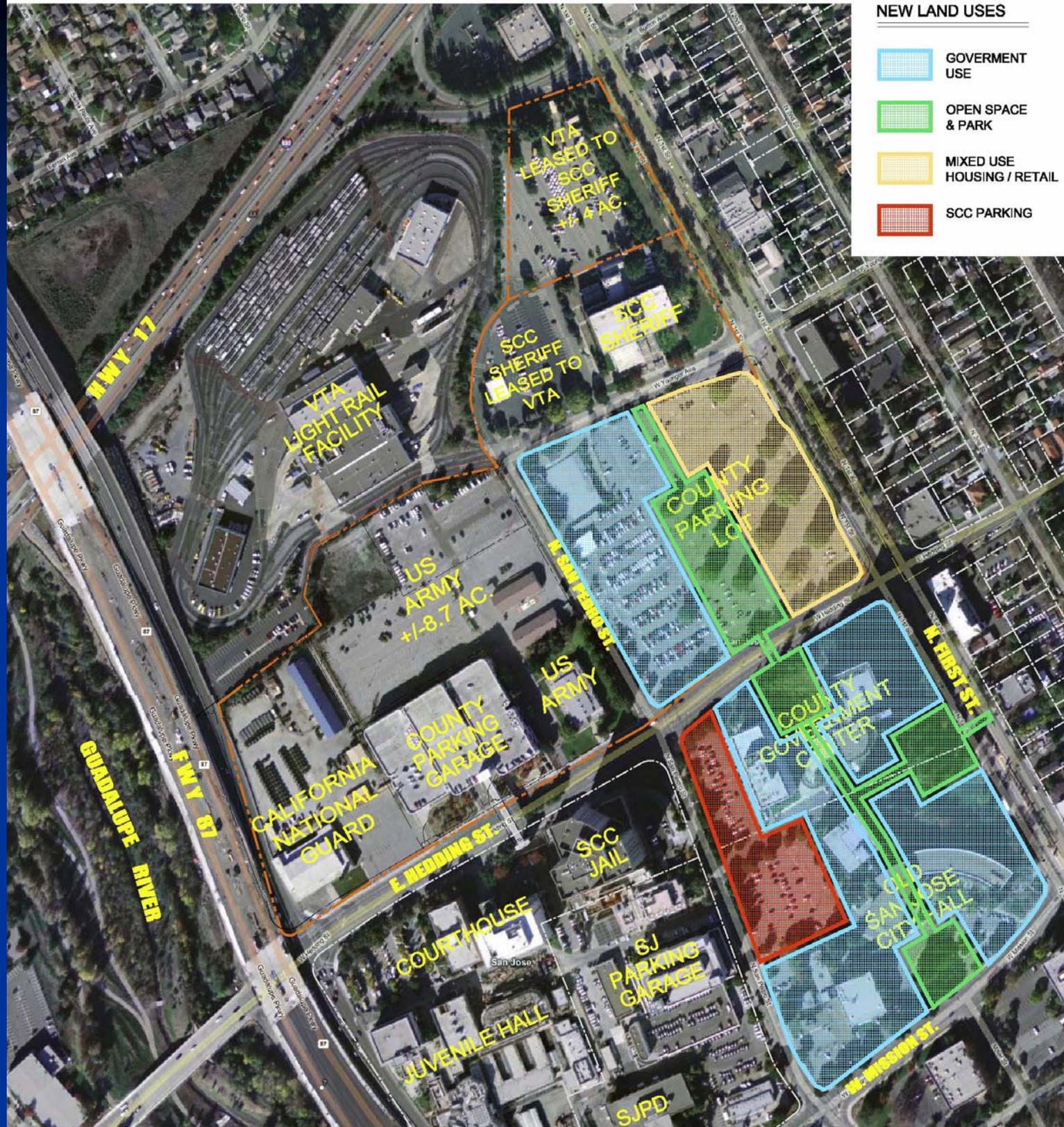
# GREATER COUNTY CIVIC CENTER AREA

DEVELOPMENT  
OPTION 2

SAN JOSE, CALIFORNIA  
COUNTY OF SANTA CLARA



KENNETH RODRIGUES & PARTNERS, INC.



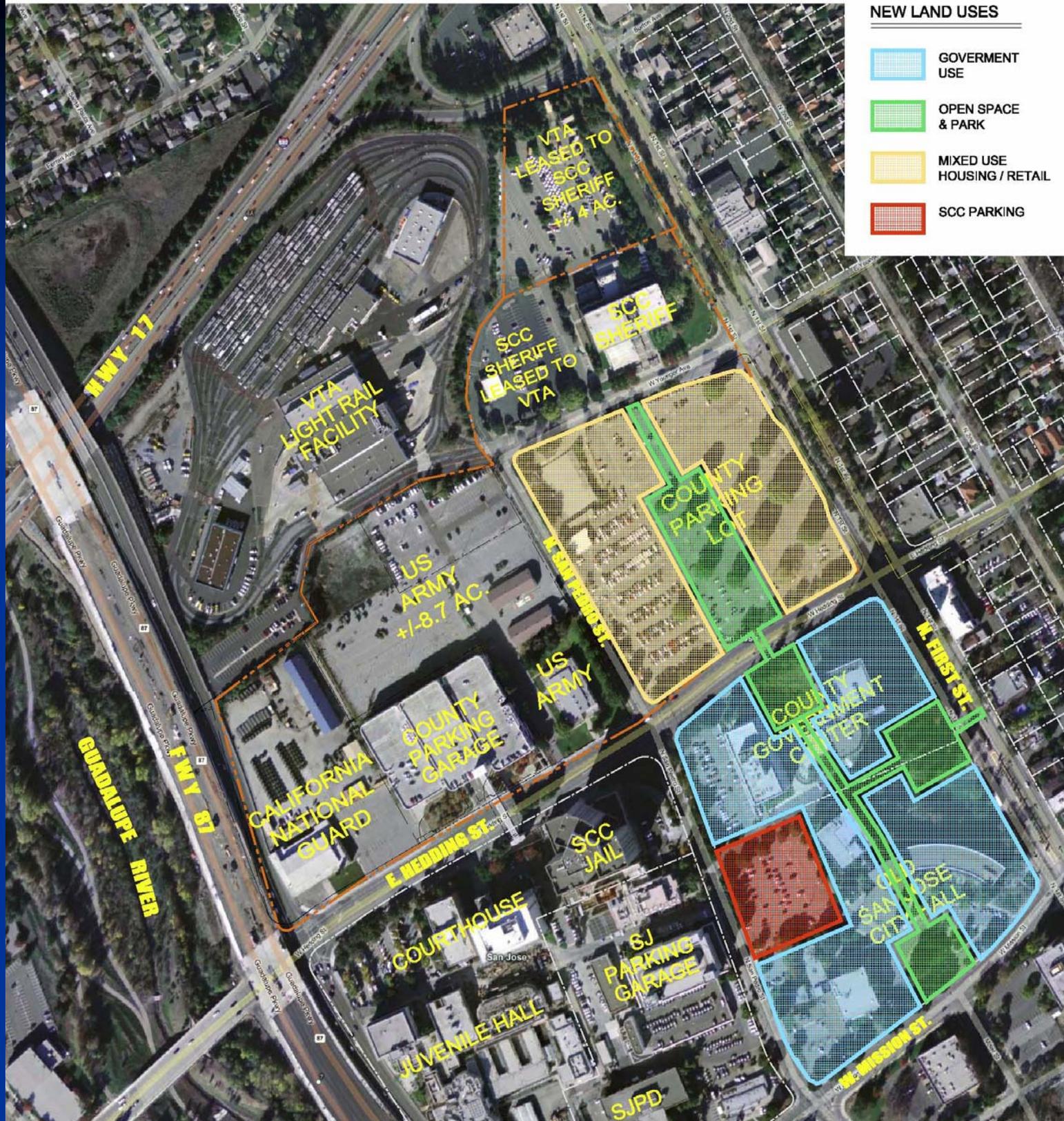
# GREATER COUNTY CIVIC CENTER AREA

DEVELOPMENT  
OPTION 3

SAN JOSE, CALIFORNIA  
COUNTY OF SANTA CLARA

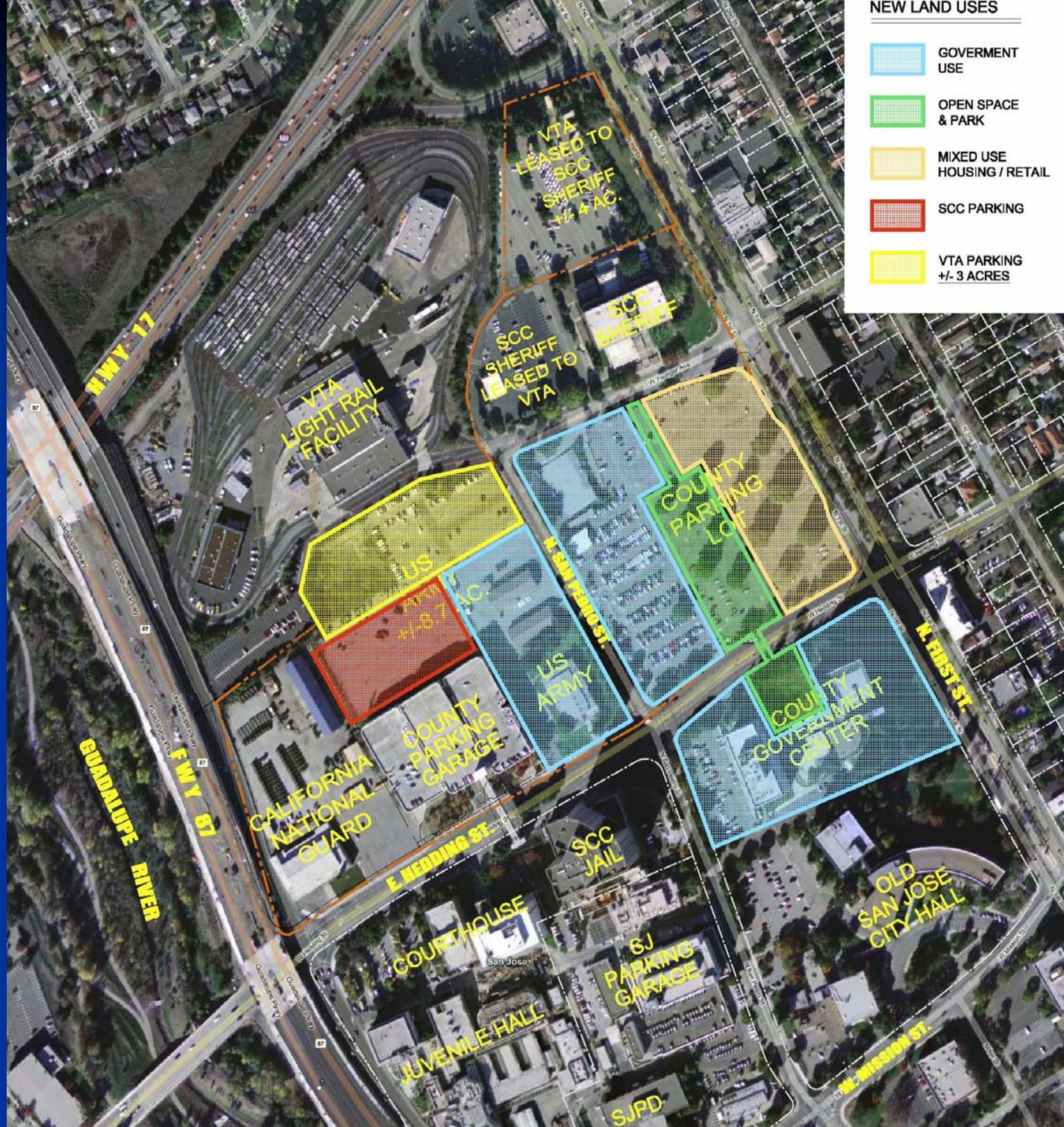


KENNETH RODRIGUES & PARTNERS, INC.



**NEW LAND USES**

-  GOVERNMENT USE
-  OPEN SPACE & PARK
-  MIXED USE HOUSING / RETAIL
-  SCC PARKING
-  VTA PARKING +/- 3 ACRES



**GREATER COUNTY CIVIC CENTER AREA**

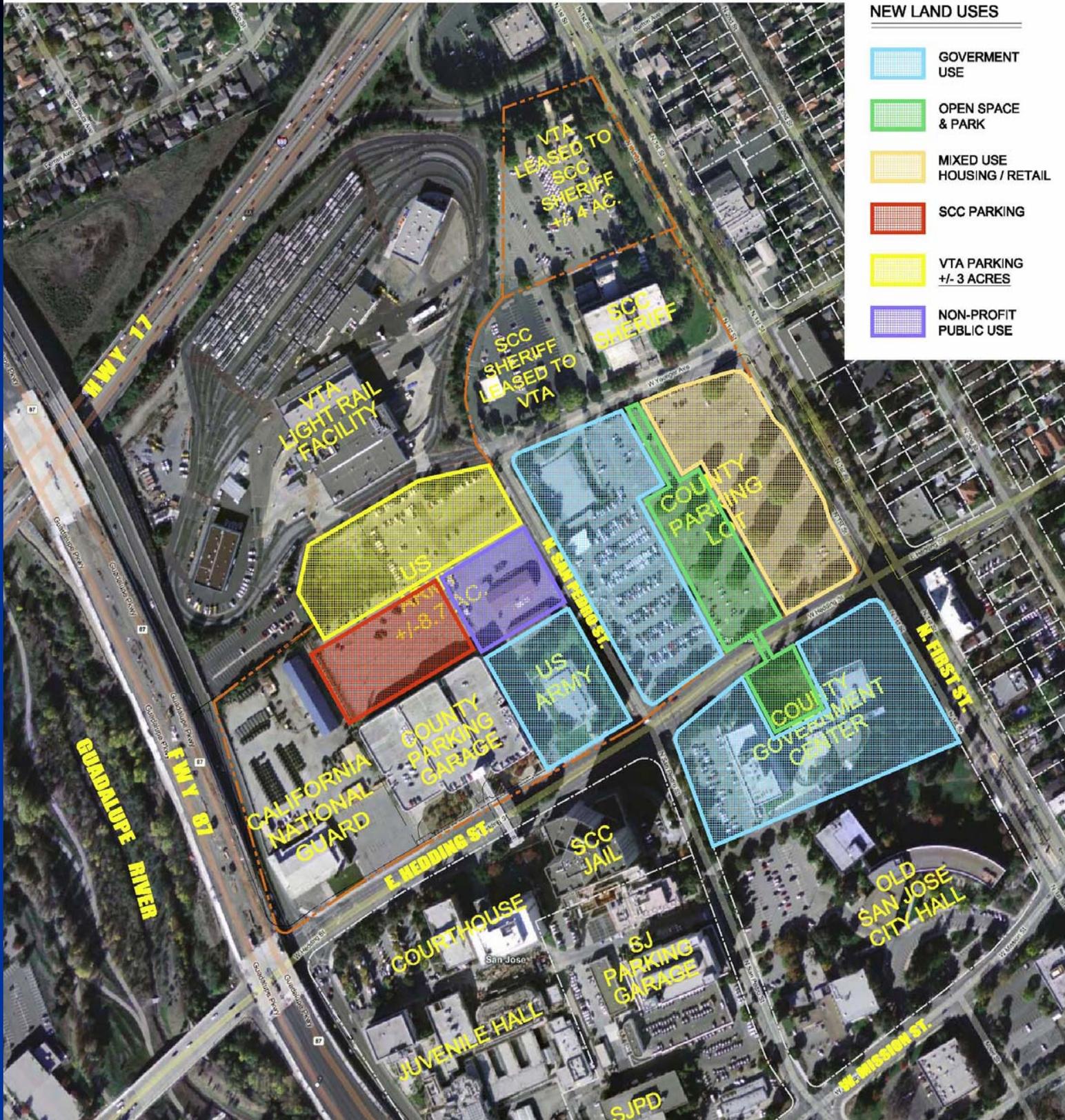
DEVELOPMENT  
OPTION 4

SAN JOSE, CALIFORNIA  
COUNTY OF SANTA CLARA



**NEW LAND USES**

-  GOVERNMENT USE
-  OPEN SPACE & PARK
-  MIXED USE HOUSING / RETAIL
-  SCC PARKING
-  VTA PARKING +/- 3 ACRES
-  NON-PROFIT PUBLIC USE



**GREATER COUNTY CIVIC CENTER AREA**

DEVELOPMENT OPTION 5

SAN JOSE, CALIFORNIA  
COUNTY OF SANTA CLARA



KENNETH RODRIGUES & PARTNERS, INC.

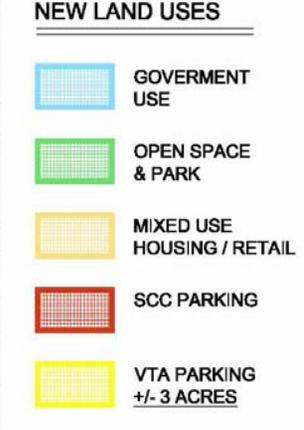
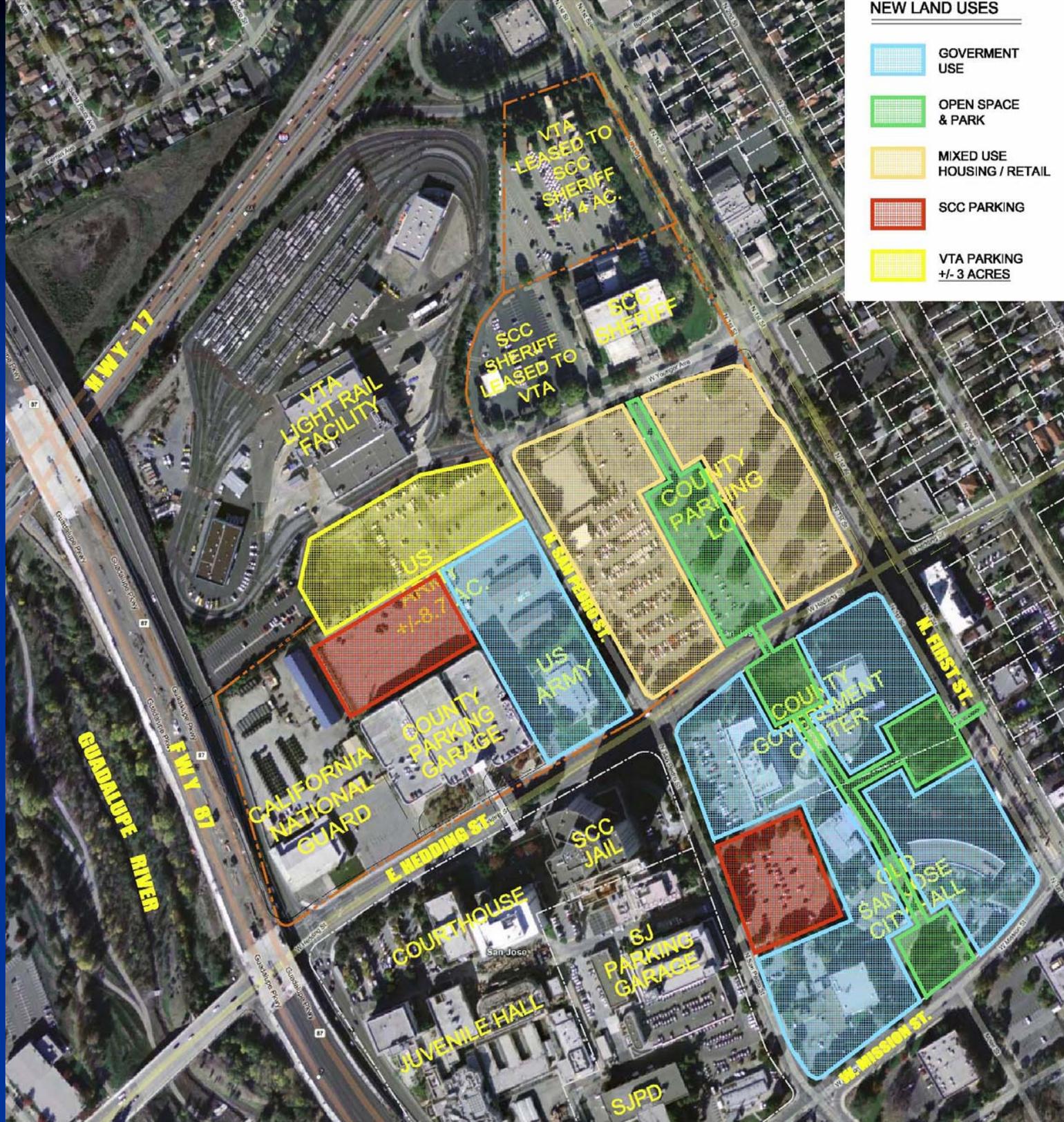
# GREATER COUNTY CIVIC CENTER AREA

DEVELOPMENT  
OPTION 6

SAN JOSE, CALIFORNIA  
COUNTY OF SANTA CLARA



KENNETH RODRIGUES & PARTNERS, INC.



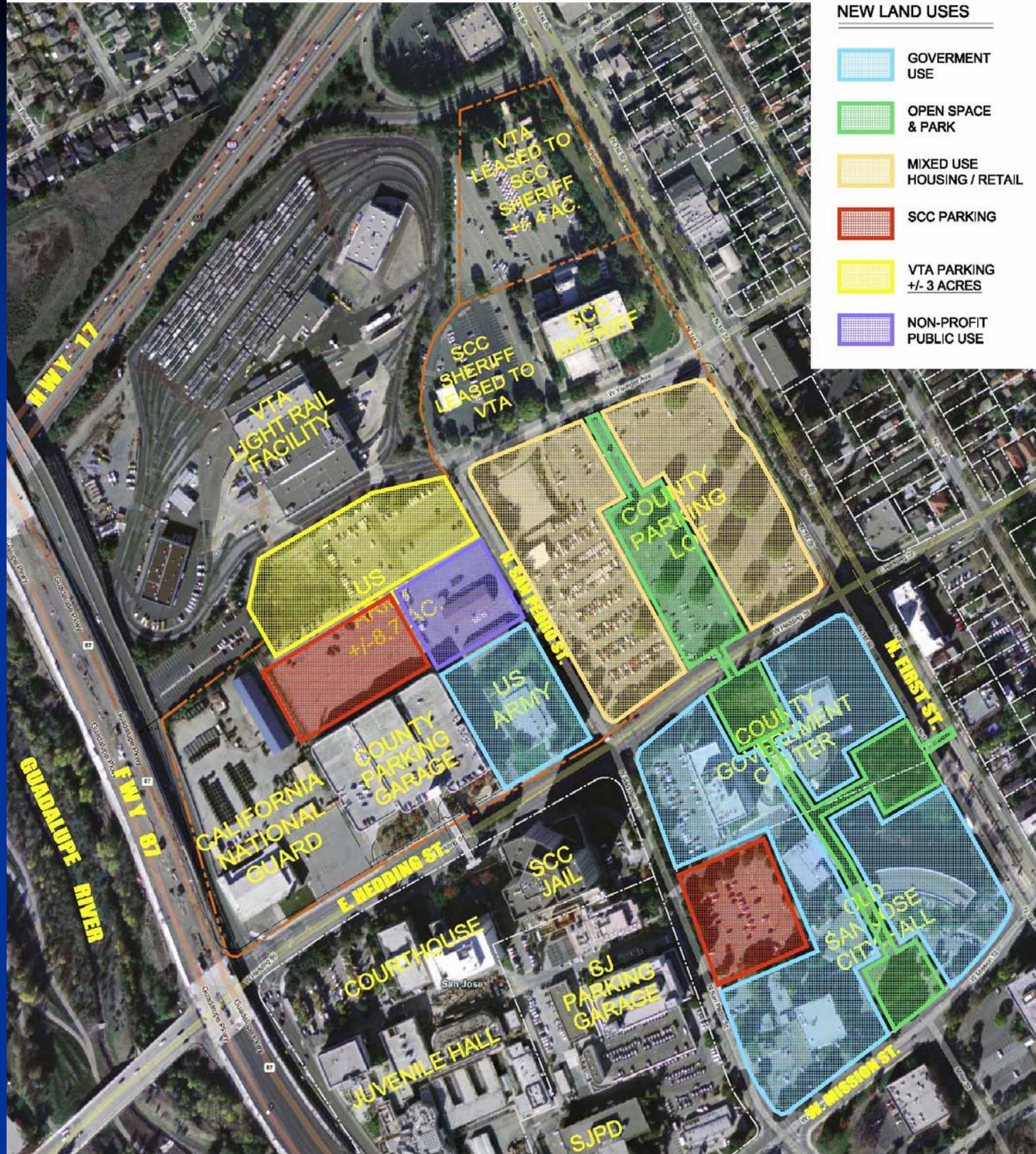
# GREATER COUNTY CIVIC CENTER AREA

DEVELOPMENT  
OPTION 7

SAN JOSE, CALIFORNIA  
COUNTY OF SANTA CLARA



KENNETH RODRIGUES & PARTNERS, INC.



**NEW LAND USES**

	GOVERNMENT USE
	OPEN SPACE & PARK
	MIXED USE HOUSING / RETAIL
	SCC PARKING
	VTA PARKING +/- 3 ACRES
	NON-PROFIT PUBLIC USE

PVT. GEORGE L. RICHEY U.S. ARMY RESERVE CENTER  
LOCAL REDEVELOPMENT AUTHORITY (“LRA”)

STATUS

- 2005 BRAC BASES WERE APPROVED ON NOVEMBER 5, 2005  
Includes 8.8 acre Richey property (“Reserve Property”)
- THE DEPARTMENT OF DEFENSE RECOGNIZED THE COUNTY AS THE RICHEY U.S. ARMY RESERVE LOCAL REDEVELOPMENT AUTHORITY ON DECEMBER 27, 2006
- THE LRA COMMITTEE PUBLISHED NOTICE SEEKING NOTICES OF INTEREST ON JANUARY 26, 2007
- LRA COMMITTEE CONDUCTED A WORKSHOP ON February 15, 2007
- LRA COMMITTEE RECEIVED TWO NOTICES OF INTEREST WITHIN THE RESPONSE PERIOD
  - Charities Housing Development Corporation: a 3 acre, 120 unit permanent rental housing project including a one-stop drop-in support service center.
  - Santa Clara County: a 5.8 acre project, including criminal justice, corrections and general governmental facilities: including a 3 acre land swap with VTA.
- LRA COMMITTEE TO MEET WITH THE THREE PARTIES (Charities Housing, County and VTA) ON AUGUST 22<sup>ND</sup> TO EXPLORE MERGING THE PROPOSALS INTO ONE COMPREHENSIVE REDEVELOPMENT PLAN.
- LRA COMMITTEE TO SUBMIT ITS RECOMMENDED REDEVELOPMENT PLAN TO THE COUNTY EXECUTIVE BY OCTOBER 31, 2007
- THE COUNTY EXECUTIVE TO SUBMIT HIS RECOMMENDATIONS TO THE BOARD OF SUPERVISORS, ACTING AS THE LRA, IN NOVEMBER, 2007.
- THE BOARD OF SUPERVISORS, ACTING AS THE LRA, TO SUBMIT ITS PROPOSED REDEVELOPMENT PLAN TO THE U.S. ARMY AND H.U.D. BY JANUARY 27, 2008.

# PVT. GEORGE L. RICHEY U.S. ARMY RESERVE CENTER

- 2005 BRAC bases were approved on November 5, 2005. Includes 8.8 acre Richey property.
- The Dept. of Defense recognized the County as the Army Reserve Local Redevelopment Authority (LRA) in Dec. 27, 2006.
- LRA Committee published on Jan. 26, 2007 a notice seeking interest in the site and conducted a Workshop on February 15, 2007.
- LRA Committee received two notices of interest within the response period:
  - **Charities Housing Development Corporation**: a 3-acre, 120-unit permanent rental housing project including a one-stop drop-in support service center.
  - **County of Santa Clara**: a 5.8-acre project including Criminal Justice, Correction, and General Governmental Facilities including a 3-acre land swap with **VTA**.

- LRA Committee to meet with the three parties (**Charities Housing, County, and VTA**) on Aug. 22 to explore merging proposals into one comprehensive redevelopment plan.
- LRA Committee to submit its recommended plan to the County Executive by October 31, 2007.
- The County Executive to submit his recommendations to the Board of Supervisors, acting as the LRA, in Nov., 2007.
- Board of Supervisors, acting as LRA, to submit its proposed plan to US Army and HUD by Jan. 27, 2008.

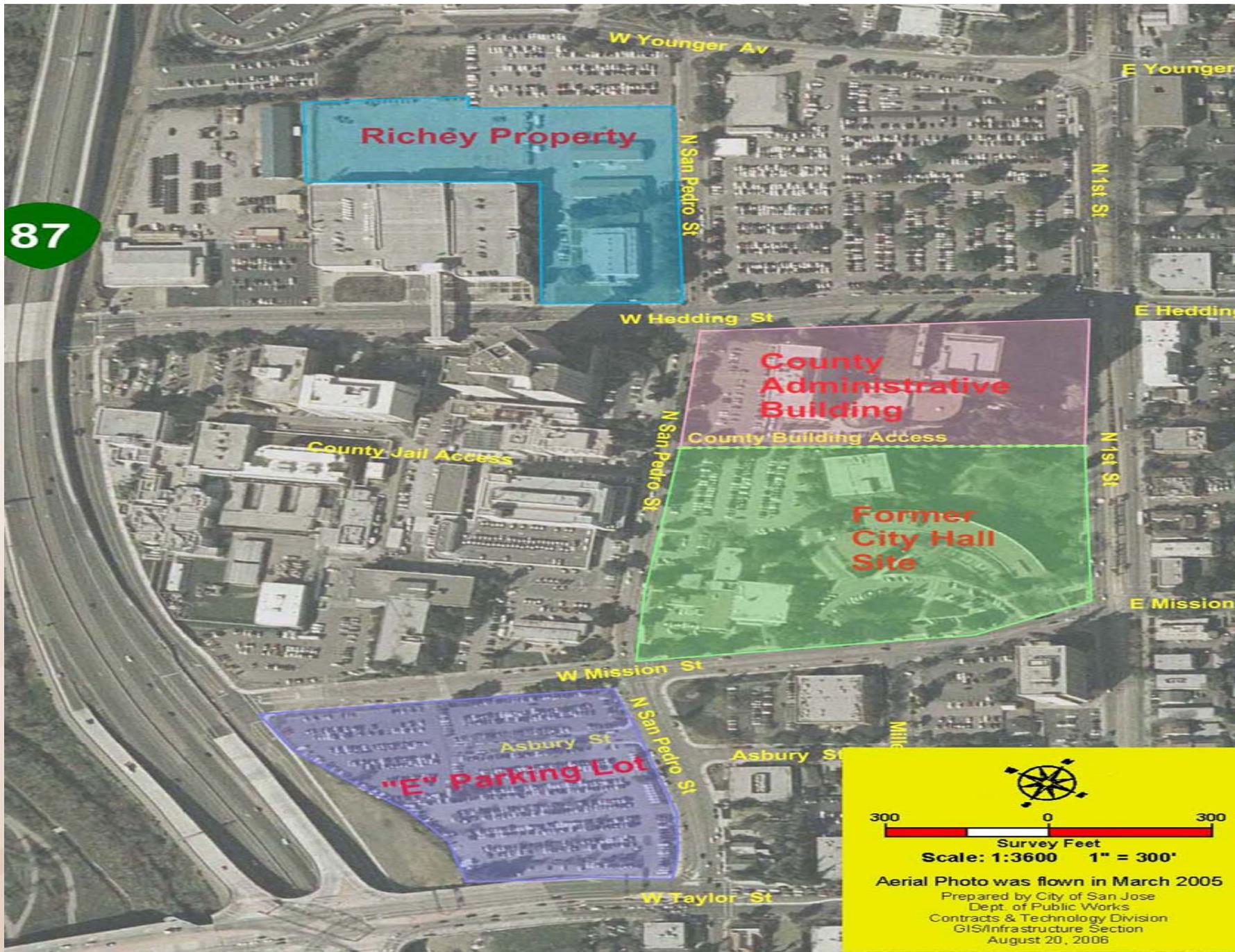
# **City Presentation**

# **Former City Hall Reuse Status Report**

Joint City/County Annual Meeting

August 23, 2007

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# Work Completed to Date

- Draft Land Use/Economic Analysis study completed
- Draft Historic Survey completed
- Renovation/Reoccupancy financial analysis refined
- Informal sale/trade discussions initiated with County

# Land Use/Economic Analysis Study

- Examined development scenarios for E Lot and former City Hall sites, as lead into entitlement process
  - E Lot Options – sale/development of all or portions of site, potentially retaining a portion for police parking mitigation
  - Former City Hall Options – sale/private development, County acquisition, potentially reusing some or all buildings
- Residential, commercial, mixed scenarios examined to lead into community involvement

# Land Use/Economic Analysis Study

## Conclusions

- E Lot – Residential development could yield up to \$27 million
- Former City Hall - Residential development could yield up to \$32 million

Assumes affordable housing included

Revenue would be reduced by parking and any other mitigation costs

Retaining existing buildings reduces development flexibility

# Draft Historical Study Findings

- Former City Hall appears to meet criteria for National and California Registers of Historic Places as well as candidate City Landmark
- Annex building was designed to be compatible with the City Hall building, but is not distinctive in its own right
- Health Building appears to qualify for Historic Resources Inventory as a Structure of Merit, but not qualify for the California Register

# Draft Historical Study Considerations

- Report is intended to inform; City's historic preservation policies will be considered with other City goals through decision-making process
- Adaptive reuse, demolition, or private development would trigger CEQA review and analysis of alternatives

# Renovation Financial Analysis

- Examined renovation and re-occupancy with City operations, compared to market lease rates
- Generalized renovation cost estimate of \$45 million for City Hall and Annex buildings
- Current on-site parking supply is not sufficient for reoccupancy of all buildings

# Lease Rates Required to Cover Initial and Ongoing Costs of Basic Renovation


Note: As of 2nd Qtr. 2007 Class B space rents ranged from \$1.67-\$2.25 per sq. ft.

# Next Steps

- Staff will seek City Council approval to:
  - Formalize negotiations with County on disposition of former City Hall property
  - Evaluate renovation/re-occupancy cost estimate under historic building code provisions
- Historical Study to be finalized