

**NOTICE OF PREPARATION OF A  
SUPPLEMENTAL ENVIRONMENTAL IMPACT REPORT FOR THE  
SAN JOSE FOUNTAIN ALLEY MIXED-USE PROJECT**

FILE NO: H20-037; ER20-242  
PROJECT APPLICANT: PROJECT FOUNTAIN ALLEY LLC  
APN: 467-22-121

**Project Description:** Site Development Permit to allow the demolition of the existing surface parking lot and the construction of a 21-story mixed-use building with up to 194 residential dwelling units, approximately 31,959 square feet of ground floor retail, approximately 405,924 square feet of office space, and four levels of below-ground parking on a 1.25-gross acre site.

**Location:** West of Second Street, between East Santa Clara Street and West San Fernando Street, in the Fountain Alley area of Downtown San Jose.

As the Lead Agency, the City of San José will prepare a Supplemental Environmental Impact Report (SEIR) for the project referenced above. The City welcomes your input regarding the scope and content of the environmental information that is relevant to your area of interest, or to your agency's statutory responsibilities in connection with the proposed project. If you are affiliated with a public agency, this EIR may be used by your agency when considering subsequent approvals related to the project.

**A joint community and environmental public scoping meeting** for this project will be held:

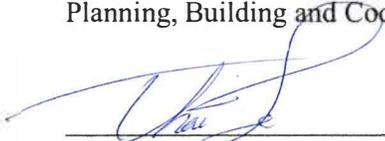
**When:** Monday, June 14, 2021 at 6:00pm.

**Where:** This meeting will be held virtually over Zoom. Link to be made available on project webpage at [www.sanjoseca.gov/activeeirs](http://www.sanjoseca.gov/activeeirs)

The project description, location, and probable environmental effects that will be analyzed in the EIR for the project can be found on the City's Active EIRs website at [www.sanjoseca.gov/activeeirs](http://www.sanjoseca.gov/activeeirs), including the EIR Scoping Meeting information. According to State law, the deadline for your response is 30 days after receipt of this notice. However, responses earlier than 30 days are always welcome. If you have comments on this Notice of Preparation, please identify a contact person from your organization, and send your response to:

City of San José  
Department of Planning, Building and Code Enforcement  
Attn: Kara Hawkins, Environmental Project Manager  
200 East Santa Clara Street, 3<sup>rd</sup> Floor Tower  
San José CA 95113-1905  
Phone: (408) 535-7852, e-mail: [Kara.Hawkins@sanjoseca.gov](mailto:Kara.Hawkins@sanjoseca.gov)

Chu Chang Acting Director  
Planning, Building and Code Enforcement

  
Deputy

05/14/2021  
Date

**NOTICE OF PREPARATION OF A  
SUPPLEMENTAL ENVIRONMENTAL IMPACT REPORT FOR THE  
SAN JOSÉ FOUNTAIN ALLEY MIXED-USE PROJECT**

**May 2021**

**Introduction**

The purpose of an Environmental Impact Report (EIR) is to inform decision-makers and the public of the environmental effects of a proposed project that an agency may approve. The EIR process is intended to provide information sufficient to evaluate a project and its potential for significant impacts on the environment, to examine methods of avoiding or reducing adverse impacts, and to consider alternatives to the project.

A Supplemental EIR (SEIR) is prepared when it is determined by the discretionary authority that changes proposed in an approved project will require revisions to the previous EIR because of possible new impacts or an increase in severity of previously identified impacts. As the Lead Agency, the City of San José will prepare an SEIR to the Downtown Strategy 2040 Final EIR to address the environmental effects of San José Fountain Alley Mixed-Use Project.

An Initial Study (IS) will be prepared (which will be incorporated in the SEIR as an appendix) to focus the SEIR on potentially significant issues pursuant to CEQA Guidelines Section 15178. In accordance with Sections 15120 et seq. of the CEQA Guidelines, the EIR will include the following:

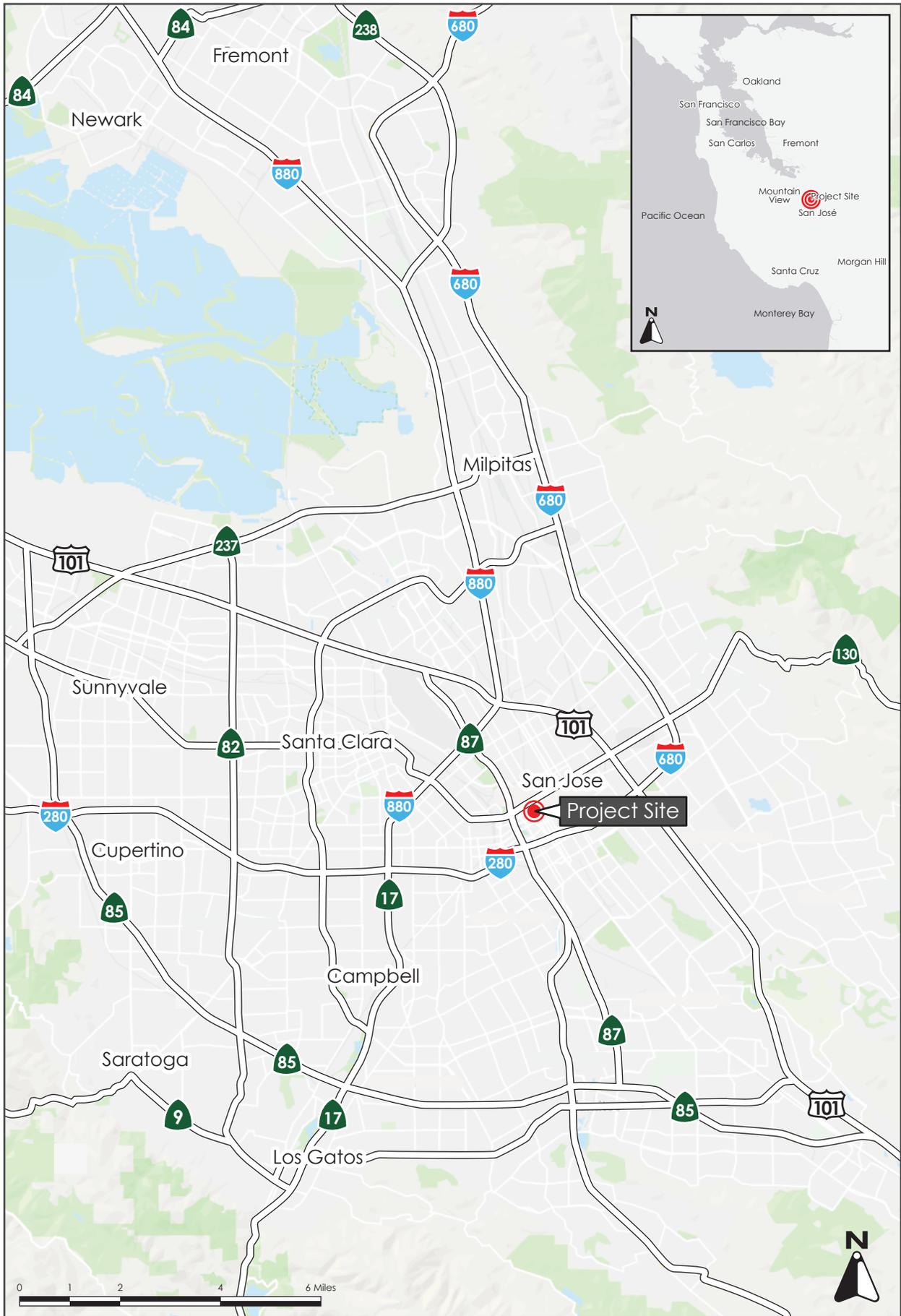
- A summary of the project;
- A project description;
- A description of the existing environmental setting, probable environmental impacts, and mitigation measures;
- Alternatives to the project; and
- Environmental consequences, including (a) any significant environmental effects which cannot be avoided if the project is implemented; (b) any significant irreversible and irretrievable commitments of resources; (c) the growth-inducing impacts of the proposed project; and (d) cumulative impacts.

**Project Location**

The approximately 1.25-acre site is comprised of one parcel (Assessor's Parcel Number [APN] 467-22-121) located west of Second Street, between East Santa Clara Street and West San Fernando Street, in the Fountain Alley area of downtown San José. Currently, the site is developed with a surface parking lot. Regional and vicinity maps of the project site are shown in Figure 1 and Figure 2, respectively.

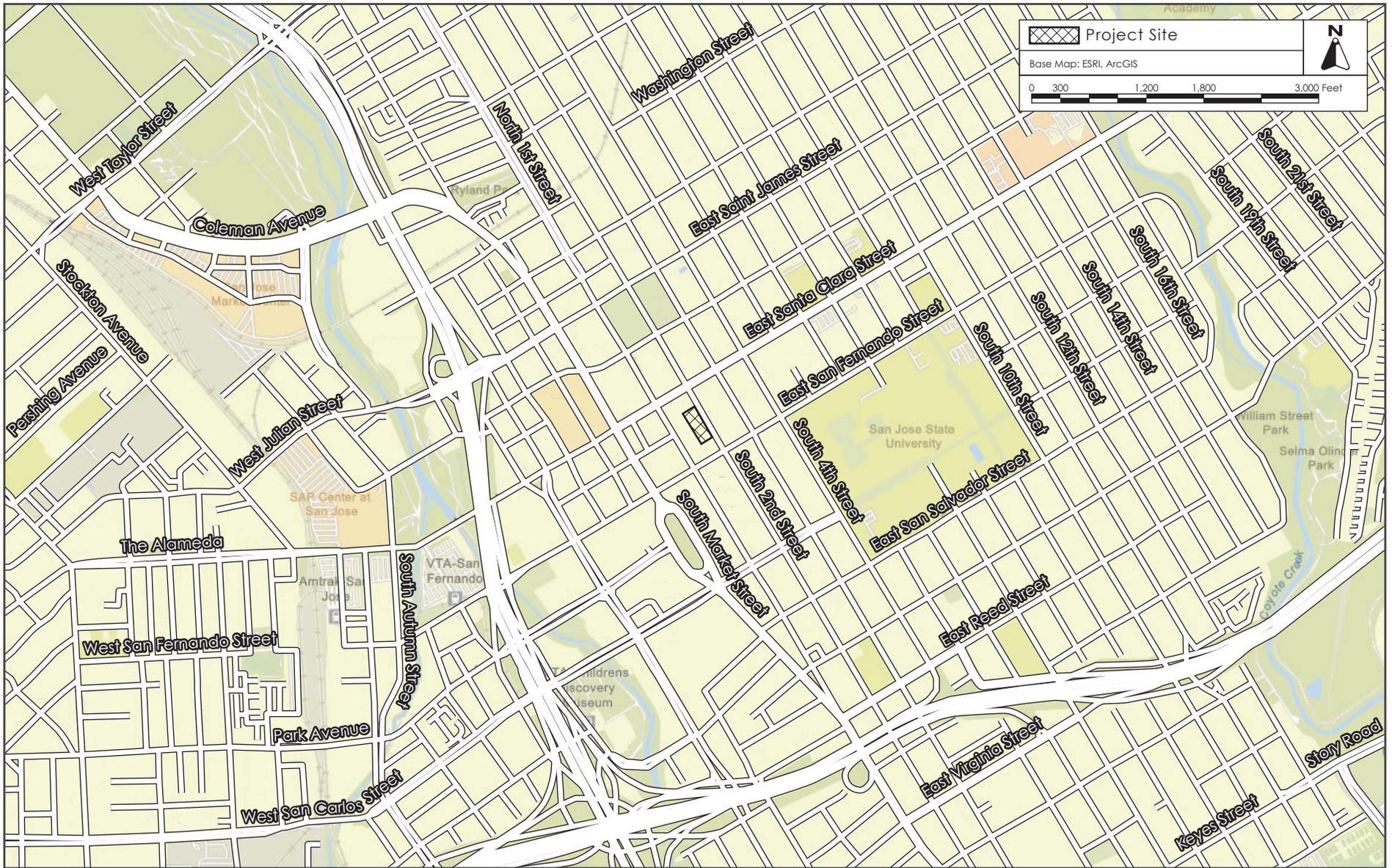
**Project Description**

As proposed, the project would remove the existing parking lot and construct a 21-story mixed-use building with up to 194 dwelling units, approximately 31,959 square feet of ground floor retail, and approximately 405,924 square feet of office space. The building would have a maximum height of



REGIONAL MAP

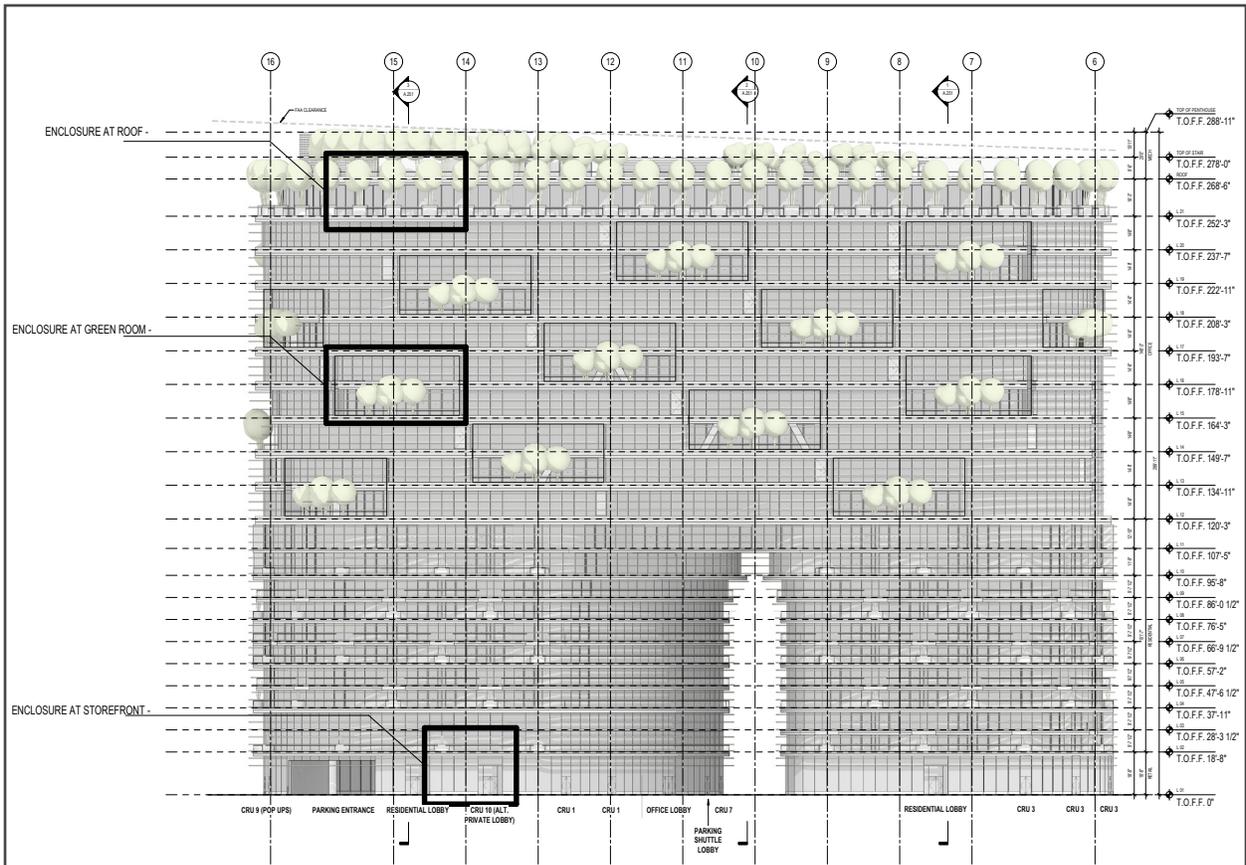
FIGURE 1



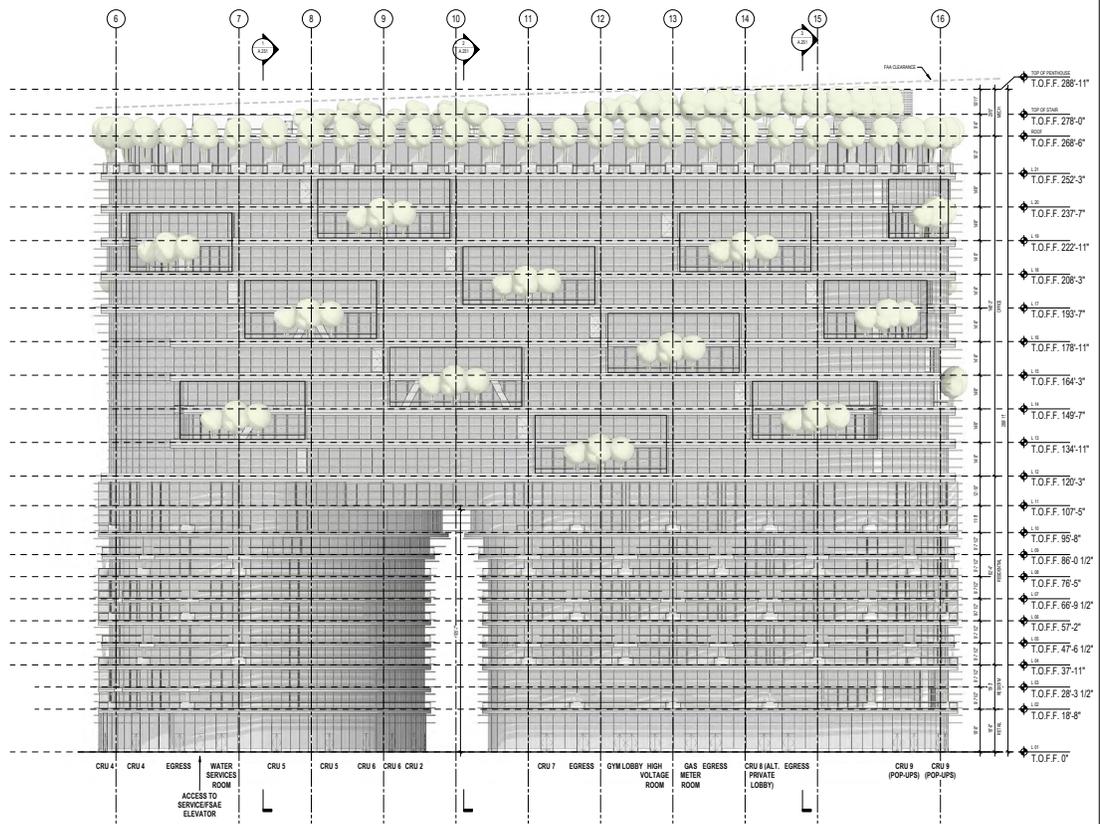
VICINITY MAP

FIGURE 2

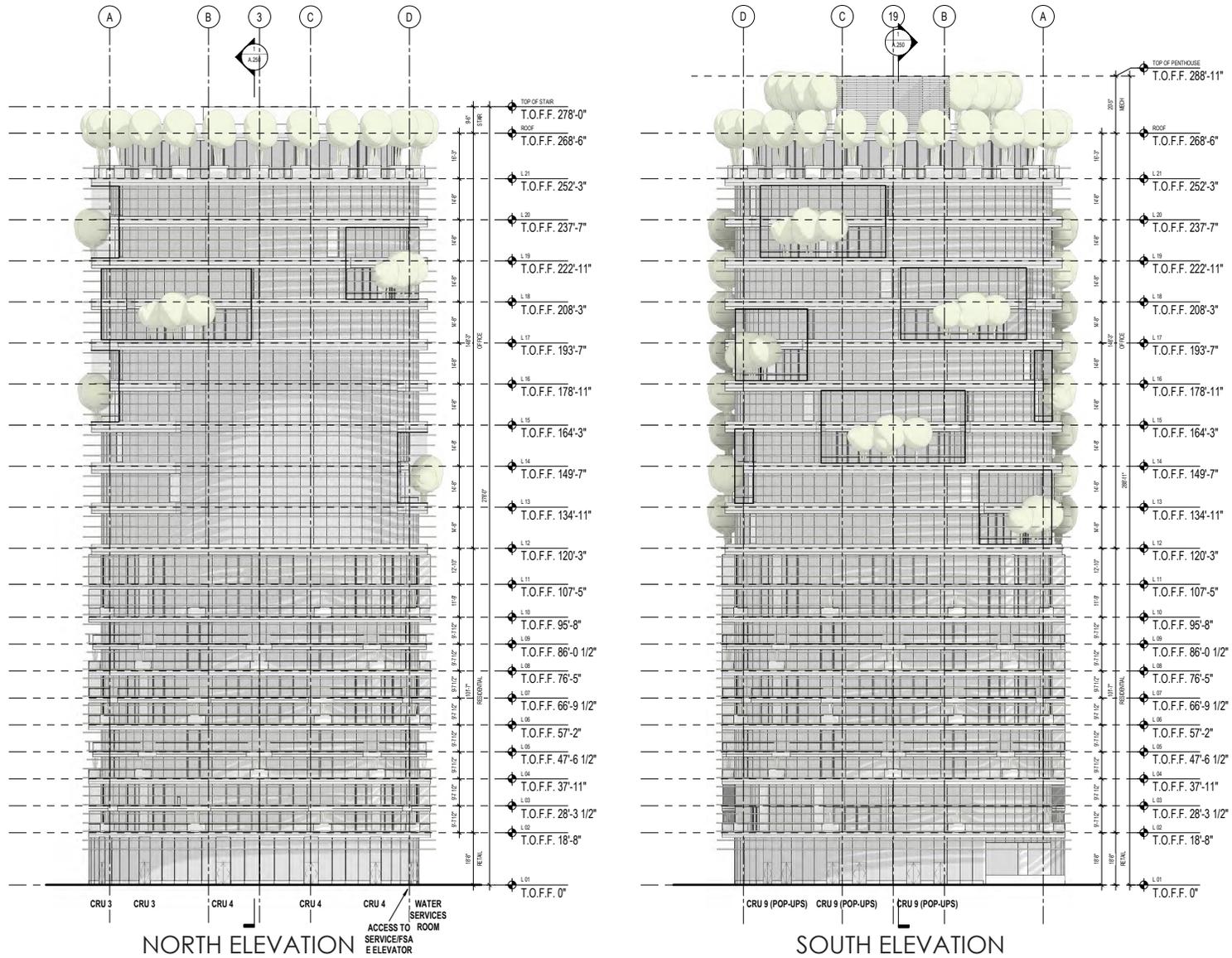




EAST ELEVATION



WEST ELEVATION



CONCEPTUAL ELEVATIONS - NORTH AND SOUTH

FIGURE 5

289 feet to the top of the penthouse. Refer to Figures 3 to 5 above for the conceptual site plan and elevations. The proposed dwelling units would be located on floors two to 11. The remaining floors (floors 12 to 21) would consist of office space. The building features an archway located at the center of floors one to 10 which would provide pedestrian connectivity from South Second Street and the alley. A plaza would be located beneath the archway on the ground floor surrounding the building and would consist of seating and landscaping.

The project proposes one level of below-grade for loading and three levels of below-grade parking with up to 292 parking spaces. Vehicular access to the site is proposed via one driveway along South Second Street. The site is not accessible from South First Street.

The site is designated *Downtown* under the City's General Plan and has a zoning designation of *Downtown Primary Commercial*.

### **Possible Required Project Approvals**

1. Site Development Permit
2. Vesting Tentative Map
3. Tree Removal Permit
4. Demolition, Building, and Grading Permit(s)
5. Department of Public Works Clearances

### **Potential Environmental Impacts of the Project**

The SEIR will identify the significant environmental effects anticipated to result from development of the project as proposed. Mitigation measures will be identified for significant impacts, as warranted. The SEIR will discuss the project's significant environmental impacts on the topic areas described below.

- **Aesthetics** – The proposed development would demolish the existing parking lot and construct a 21-story mixed-use building. The SEIR will describe the existing visual setting of the project area and the visual changes that are anticipated to occur as a result of the proposed project. The EIR will also discuss possible light and glare issues from the development.
- **Air Quality** – The SEIR will address the regional air quality conditions in the Bay Area and discuss the proposed project's construction and operational impacts to local and regional air quality in accordance with the 2017 Bay Area Air Quality Management District (BAAQMD) CEQA Guidelines and thresholds.
- **Biological Resources** – Habitats in the project area are low in species diversity and include predominately urban adapted birds and animals. The SEIR will address the loss of trees on-site and adjacent to the construction zone. Additionally, the SEIR will identify and discuss potential biological impacts resulting from construction and operation of the project and the project's consistency with the Santa Clara County Habitat Conservation Plan.

- **Cultural Resources** – The project site is located within the San José Downtown Commercial National Register Historic District (Historic District) and adjacent to contributing historic structures. The Historic District is comprised of 45 properties (27 contributing structures and 18 non-contributing properties) and is bounded by South First Street to the west, East Santa Clara Street to the north, South Third Street to the east, and East San Fernando Street to the north. The SEIR will address impacts to the Historic District and historic structures near the site, as well as impacts to potential subsurface archaeological resources from project construction.
- **Energy** – Implementation of the proposed project would result in an increased demand for energy on-site. The SEIR will discuss the increase in energy usage on-site and energy efficiency measures proposed by the project.
- **Geology and Soils** – The SEIR will describe the existing geologic and soil conditions and discuss the possible geological impacts associated with seismic activity and the existing on-site soil conditions.
- **Greenhouse Gas Emissions** – The SEIR will address the project’s consistency with the City’s 2030 Greenhouse Gas Reduction Strategy (GHGRS). Proposed design measures to reduce energy consumption, which in turn would reduce GHG emissions, will also be discussed.
- **Hazards and Hazardous Materials** – The SEIR will address existing hazards and hazardous materials conditions on and near the project site and will address the potential for hazardous materials impacts which may result from implementation of the proposed project.
- **Hydrology and Water Quality** – The SEIR will address the project’s impact to the storm drainage system. In addition, the SEIR will address the possible flooding issues (the site is not within a 100-year flood zone) and the project’s effect on storm water runoff quality consistent with the requirements of the Regional Water Quality Control Board (RWQCB).
- **Land Use** – The project site is located within downtown San José and is surrounded by residential and commercial land uses. The SEIR will describe the existing land uses adjacent to and within the project area. Land use impacts that would occur as a result of the proposed project will be analyzed, including the consistency of the project with land use plans, policies, or regulations adopted for the purpose of avoiding or mitigating an environmental effect.

- **Noise and Vibration** – Noise levels in the project area are primarily influenced by vehicular noise on surrounding roadways, primarily South Second Street, the light rail trains on South First Street and South Second Street, and aircraft flyovers from the Norman Y. Mineta San José International Airport. The SEIR will discuss noise and vibration that would result from the construction and operation of the proposed project (including noise from project-generated traffic) and its impact on nearby sensitive receptors. Noise levels will be evaluated for consistency with applicable noise standards and guidelines. Additionally, the SEIR will evaluate the effects of vibration during project construction on nearby historic buildings and adjacent buildings of conventional construction.
- **Population and Housing** – The SEIR will discuss the consistency of the project with planned growth within the City. The project is currently developed with a parking lot and would not displace any residents.
- **Public Services** – The proposed project would increase the employee and resident population of the City which could result in an increased demand on public services, including schools, police and fire protection, libraries, and recreational facilities. The SEIR will address the availability of public facilities and services and the project’s potential to result in adverse physical impacts to the service facilities.
- **Transportation** – The project site is located within the downtown area and transportation impacts in the area were previously evaluated in the Downtown Strategy 2040 Final EIR. The SEIR will evaluate the project’s transportation impacts pursuant to Senate Bill 743 and the City’s Transportation Analysis Policy (Council Policy 5-1). The project’s consistency with programs, plans, ordinances, or policies addressing the circulations system (including transit, roadway, bicycle, and pedestrian facilities) will be discussed in the SEIR.
- **Tribal Cultural Resources** – The SEIR will discuss the project’s potential for impacts to tribal cultural resources under Assembly Bill 52.
- **Utilities and Service Systems** – Implementation of the proposed project could result in an increased demand on utilities and service systems compared to existing conditions. The SEIR will examine the impacts of the project on utilities and service systems, including the sanitary sewer and storm drainage systems, water supply, and solid waste management.
- **Wildfire** –The proposed project is located within a developed area of San José. The SEIR will discuss project impacts on adopted emergency response and evacuation plans and risk due to wildfire.
- **Other CEQA Sections** – In addition to the resource sections noted above, the SEIR will address the project’s impacts on Agricultural Resources and Mineral Resources consistent with the CEQA checklist. The project’s Significant Unavoidable Impacts and potentially significant cumulative impacts when considered with other past, present, and reasonably foreseeable future projects in the development area will also be identified in the SEIR. The SEIR will also provide alternatives to the proposed project which could reduce project impacts identified in the environmental document.

In conformance with the CEQA Guidelines, the SEIR will also include the following sections: 1) consistency with local and regional plans and policies, 2) growth inducing impacts, 3) significant irreversible environmental changes, 4) references and organizations/persons consulted, and 5) EIR authors.