# OMGIVNING

Former City Hall Feasibility Study Executive Summary

10.14.22

This feasibility study was developed for the Preservation Action Council of San Jose in partnership with Omgivning Architects, Swinerton Builders, Degenkolb Engineers, and Architectural Resource Group.



At Omgivning, we uncover potential in spaces, buildings, and communities. We are in love with the extraordinary urban fabric of our cities. As architects and interior designers, we listen carefully to what the building wants to be, and we create design solutions for healthy, sustainable, and resilient communities. Omgivning was founded in 2009 with a focus on the revitalization of downtown Los Angeles through the adaptive reuse of existing buildings. Since our founding, we have expanded our services to design for a variety of new construction projects across Southern California. Today our design work has touched over 500 projects, from two-million square foot historical landmarks to small local cafes. In addition, our work includes boutique hotels, multifamily housing, workplaces, retail, dining, and theaters.

At the core of this feasibility study is the belief that a diverse and vibrant community can be realized at Former City Hall. Furthermore, this community can act as a catalyst for development throughout downtown San Jose. As a path toward realizing this belief, we're outlining our approach in the following points:

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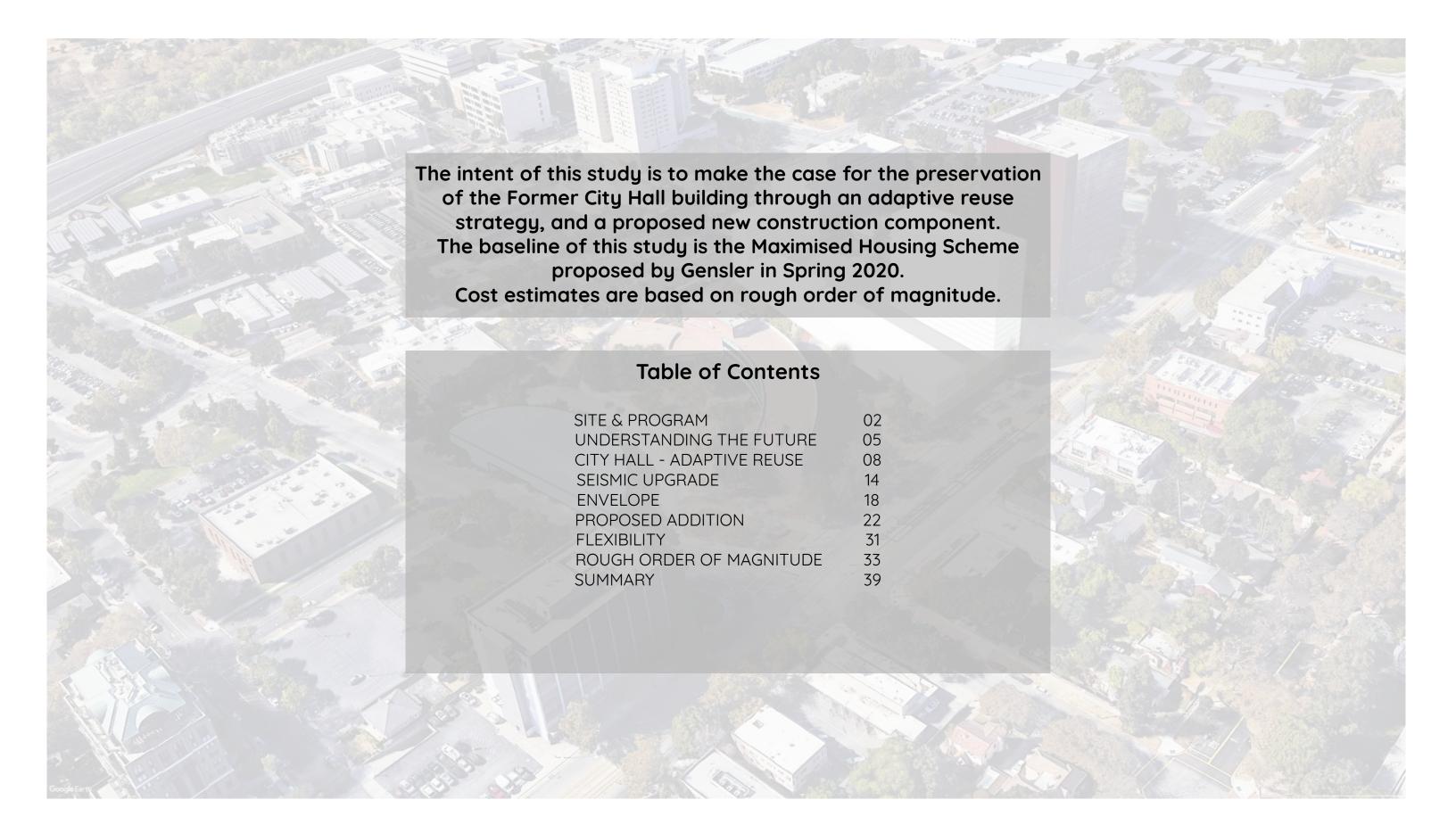
- 1- Adaptive Reuse: Our vision is to breathe new life into Former City Hall and re-establish the building as a proud contributor to San Jose's urban fabric. As adaptive reuse specialists, our team understands existing and historic buildings' role in strengthening communities. Studies conducted by the National Trust for Historic Preservation have revealed that neighborhoods that combine old and new structures consistently outperform their peers economically, socially, and environmentally.
- 2- Historic Significance: Former City Hall will receive upgrades sensitive to its historical significance. The main lobby and the spiral staircase leading to the second-floor mezzanine will be retained and restored. The previous office spaces will be transformed into dwelling units. The single-loaded corridor space will be replaced with a double-loaded one to maximize unit efficiency. The curtain wall envelope will be restored, and new operable windows will strategically replace some fixed glazing to allow for natural ventilation inside the units. New openings will be designed in a manner that relates proportionally to the original glazing pattern and will be detailed in a way that matches the historic windows. The geometrical characteristic of the southern landscape will be retained and refreshed to supplement the proposed pedestrian open space. A new two-story civic building is proposed as an option on the site south of the historic Former City Hall. If it is constructed, the monument marking the historic First Site of El Pueblo De San José De Guadalupe will be relocated on the public pedestrian pathway proposed on the ground floor.
- **3- Structural Upgrade:** Designed in the 1950s, the primary structure for the building consists of a reinforced concrete roof and floors supported on concrete columns and walls. A reinforced concrete mat slab provides foundation support. The existing seismic force-resisting system, consisting of non-ductile concrete shear walls, is unlikely to offer adequate seismic performance under strong earthquake shaking. Therefore, a retrofit scheme of new concrete shear walls is proposed to enhance the existing system to produce an improved seismic performance for the building. The walls have been located to minimally impact both the repurposed interior layout and the historic exterior aesthetics.
- **4- Critical Mass / Increased Density:** Introducing new housing units within the FormerCity Hall and newly constructed units will densify the underutilized real estate parcel. By combining this new density with open space amenities, we aim to achieve appropriate densification for the site. Understanding that the project must provide for the fundamental human need for exposure to natural elements, this combination offers a human-centered solution.
- **6- Mixed-Use / Flexibility:** While our cities are seeing an increasing need for housing, the project is designed to allow maximum flexibility. Each building block in the proposed addition has its autonomy in terms of accessibility, mechanical, electrical, plumbing, and fire life safety systems, allowing for many mixed-use opportunities from residential and hotel to offices and retail.

#### 7- Rough Order of Magnitude:

We've developed indicative rough order of magnitude budgets for the Former City Hall adaptive reuse and site development concept. This pricing was developed leveraging current construction estimates on similar adaptive reuse and ground-up residential projects. The pricing was further augmented with the preliminary seismic retrofit design concept. The overall development proforma is based on the anticipated construction budget. The rental income projections were based on the City of San Jose's current affordable housing rental studies and market rates.

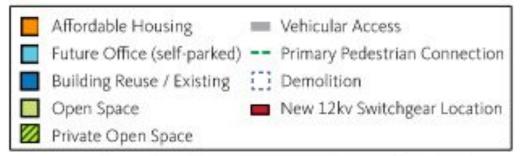


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SITE & PROGRAM

## Maximised Housing Scheme as proposed in Gensler's Former City Hall Feasibility Study, Spring 2020



**Assumed Site for this** Feasibility Study



#### **Total Program** 3. Comparison Baseline (Maximized for Housing) Affordable Housing Vehicular Access Project Housing/Use Units/GFA Parking Parking Required On-site Parking Future Office (self-parked) -- Primary Pedestrian Connection Provided (spaces) Ratio (spaces) Demolition Building Reuse / Existing 275,000 sf 2.8 sp / 1000 sf 655 A East Wing Open Space New 12kv Switchgear Location 655 to be parked off-site Private Open Space ~~~~ 410 du VTA STOP Mixed-Income 280 du 280 280 1.0 sp / unit Mixed-Income 130 du 1.0 sp / unit 130 130 130 du Mixed-Income 1.0 sp / unit 130 130 130 130 130 du 1.0 sp / unit Supportive Housing Office 202,800 sf 377 377 2.8 sp / 1000 sf Office 126,000 sf 2.8 sp / 1000 sf 180 180 Office 327,600 sf 2.8 sp / 1000 sf 320 320 Office 216,200 sf 2.8 sp / 1000 s 343 343 6 div. 750sf = +/- 290 du TOTAL 1,890 1,890 100 du in City hall **Total Housing** +/- 700 du **Total Office** 1,147,700 st 600 du in new construction= 450,000 sf **Total Parking** 1,890 spaces \* Parking Assumptions: - Parking for the East Wing will remain off site; All new housing buildings are self-parked on podium level(s); New office self-parked with three levels of podium parking; - Development with high-rise office buildings assumes lower parking ratio (less than 2.8 spaces/1,000 sf which was consistent with Civic Center Campus Master Plan Site D) or parking off site. Gensler | HKIT | Knapp | CUMMING Spring 2020

#### Goal:

Provide a residential unit program comparable in square footage to this scheme (Maximized for Housing) as represented by buildings 1, 2, and 8, while preserving the Former City Hall building.

### **Proposed Program:**

- Adaptive reuse of City Hall to include 100 du
- New construction of 600 du
- Total number of units= 700 du
- New Units GFA= 450,000 sf
- Parking ratio for new construction= 1/du
- Parking GFA= 200,000 sf

UNDERSTANDING THE FUTURE







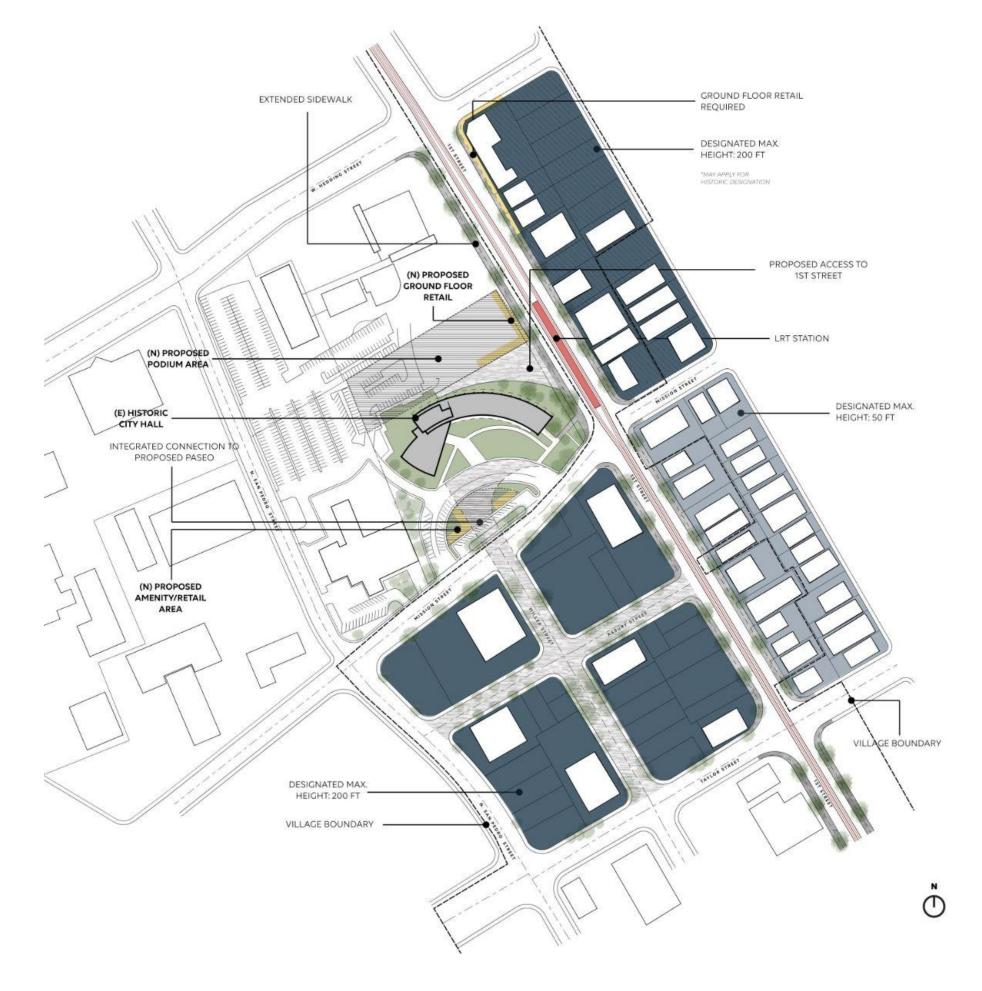
**URBAN DESIGN** 



Sitting in between the North 1st Street Local Transit Village Plan, and the County Civic Center, our proposal aim to soften the boundaries. It will be drawing clues from the future *Village Plan* (adopted by the City Council on March 22, 2022) to create a seamless transition.

OLD CITY HALL - FEASIBILITY STUDY

N. 1st St. Village Plan

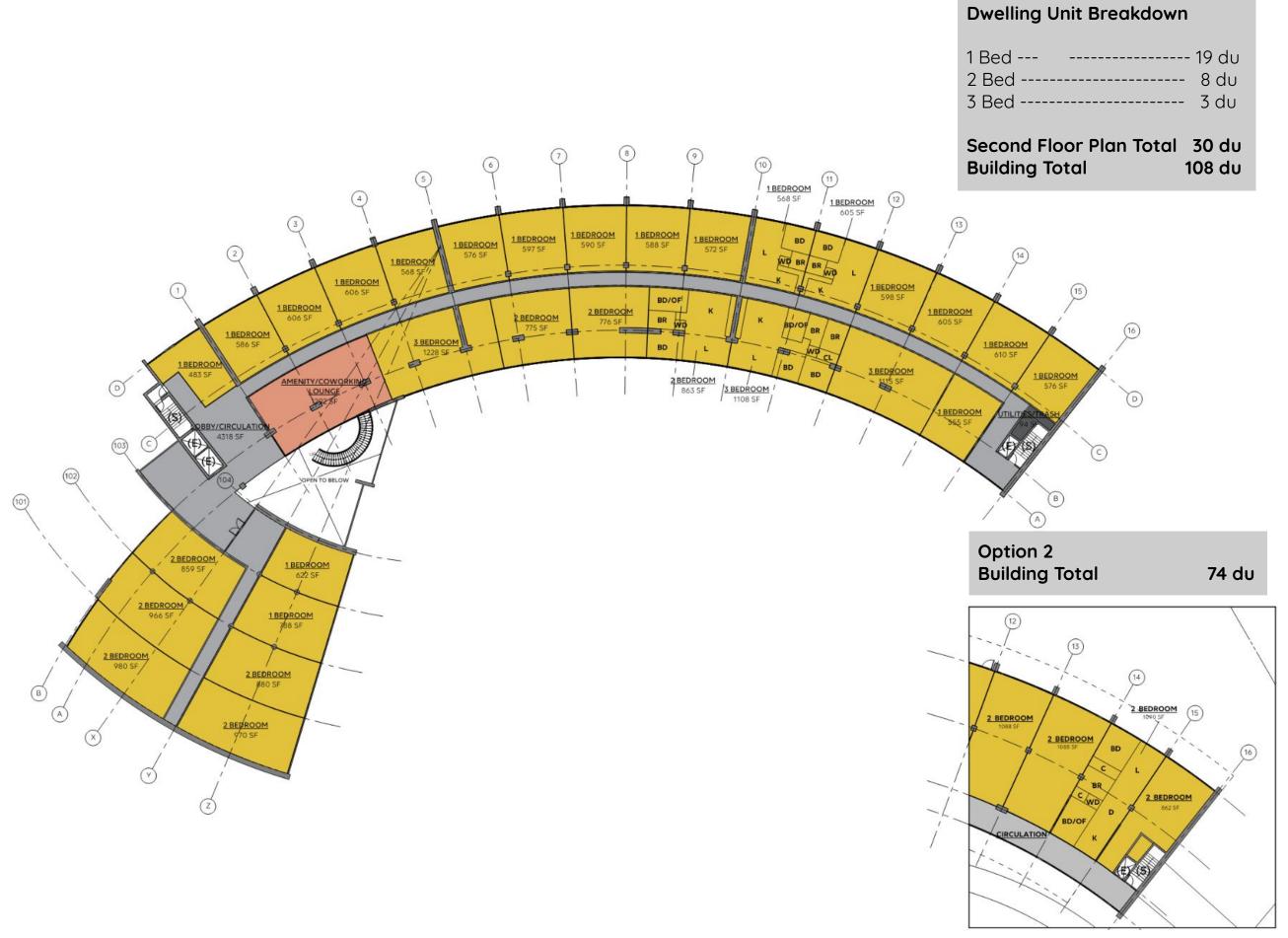


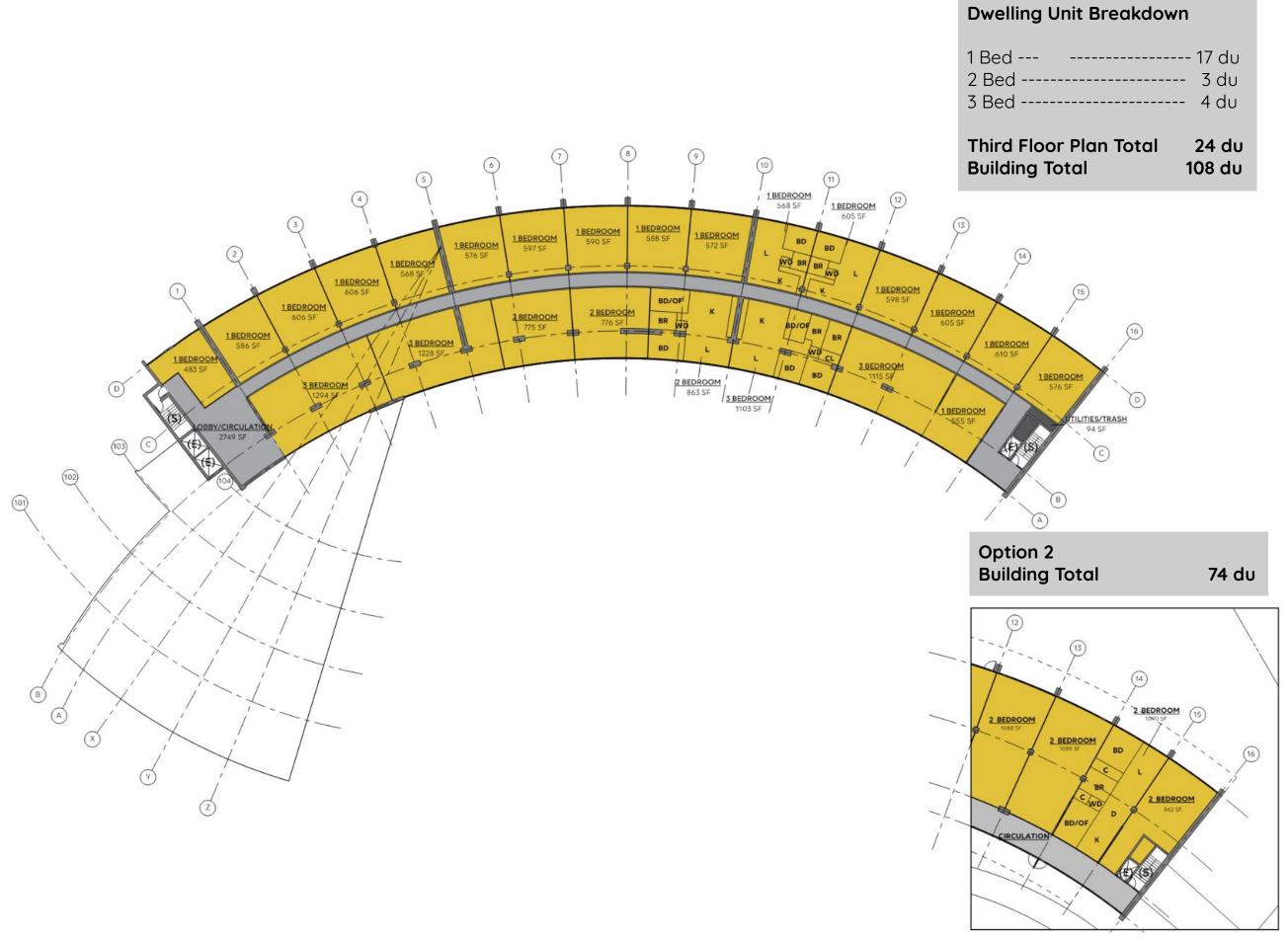
#### PROPOSED SITE PLAN GUIDELINES

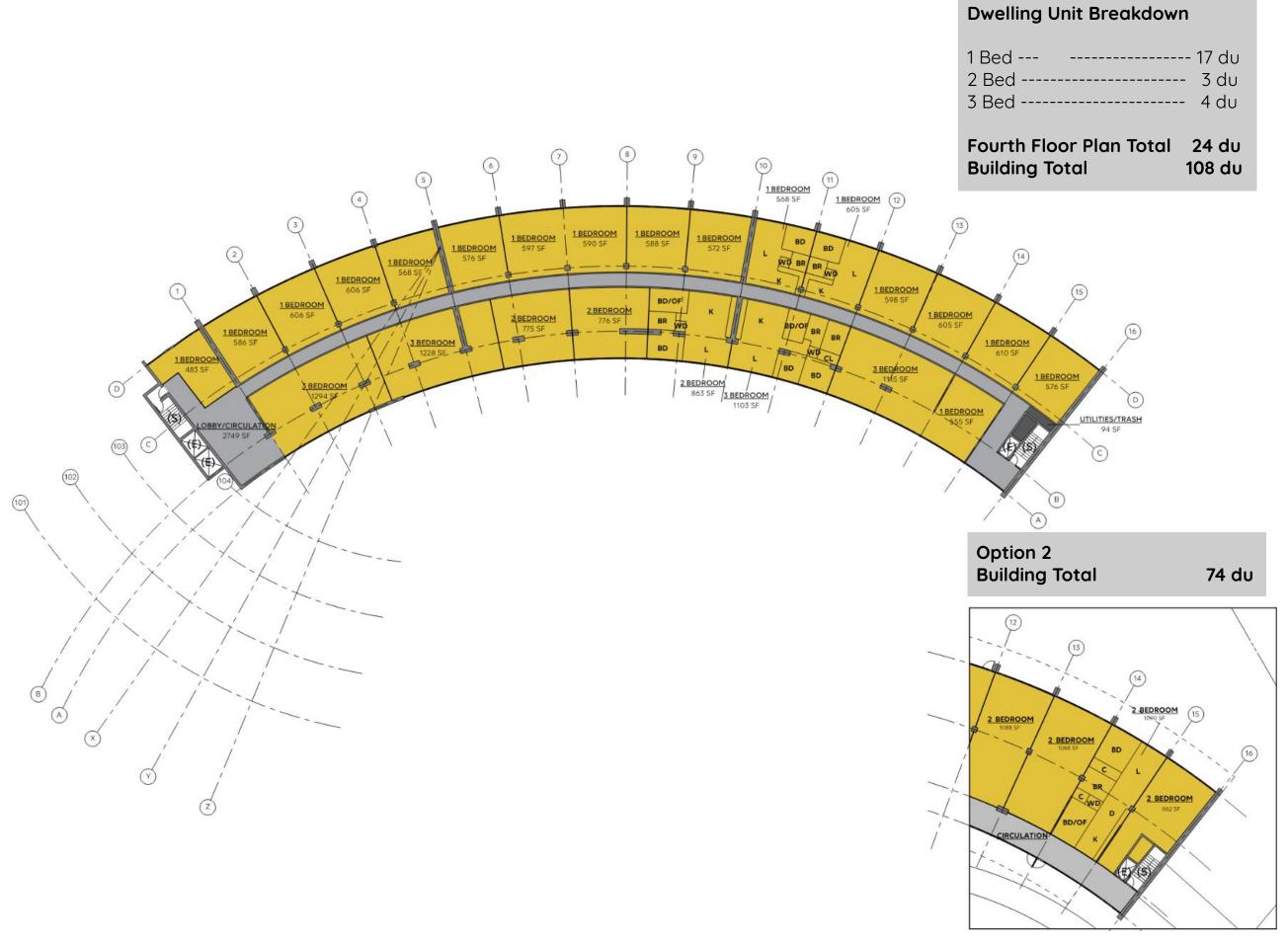
- Extension of sidewalks
- Extension of paseo
- Access from 1st and Mission streets
- Retail on 1st st.
- New building heights between 50 & 200 ft

CITY HALL - ADAPTIVE REUSE







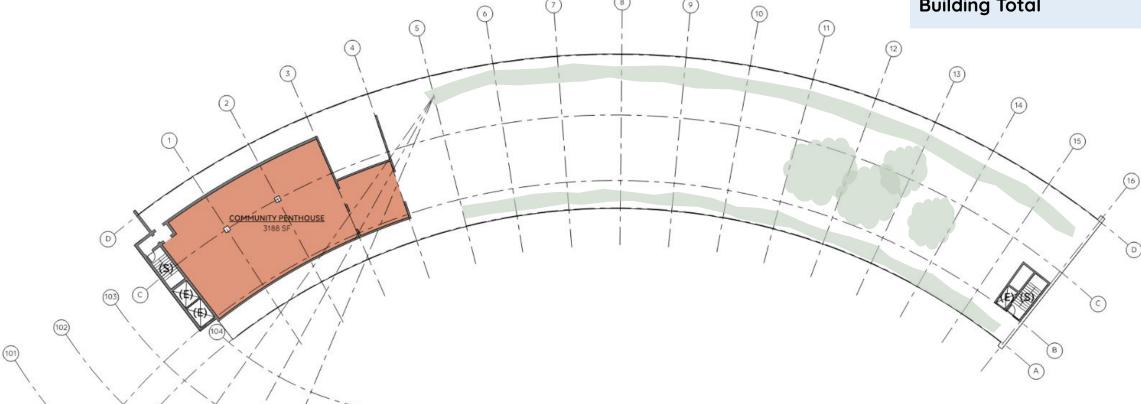


# Dwelling Unit Breakdown

1 Bed	/2 du
2 Bed	22 du
3 Red	14 du

**Building Total** 

108 du

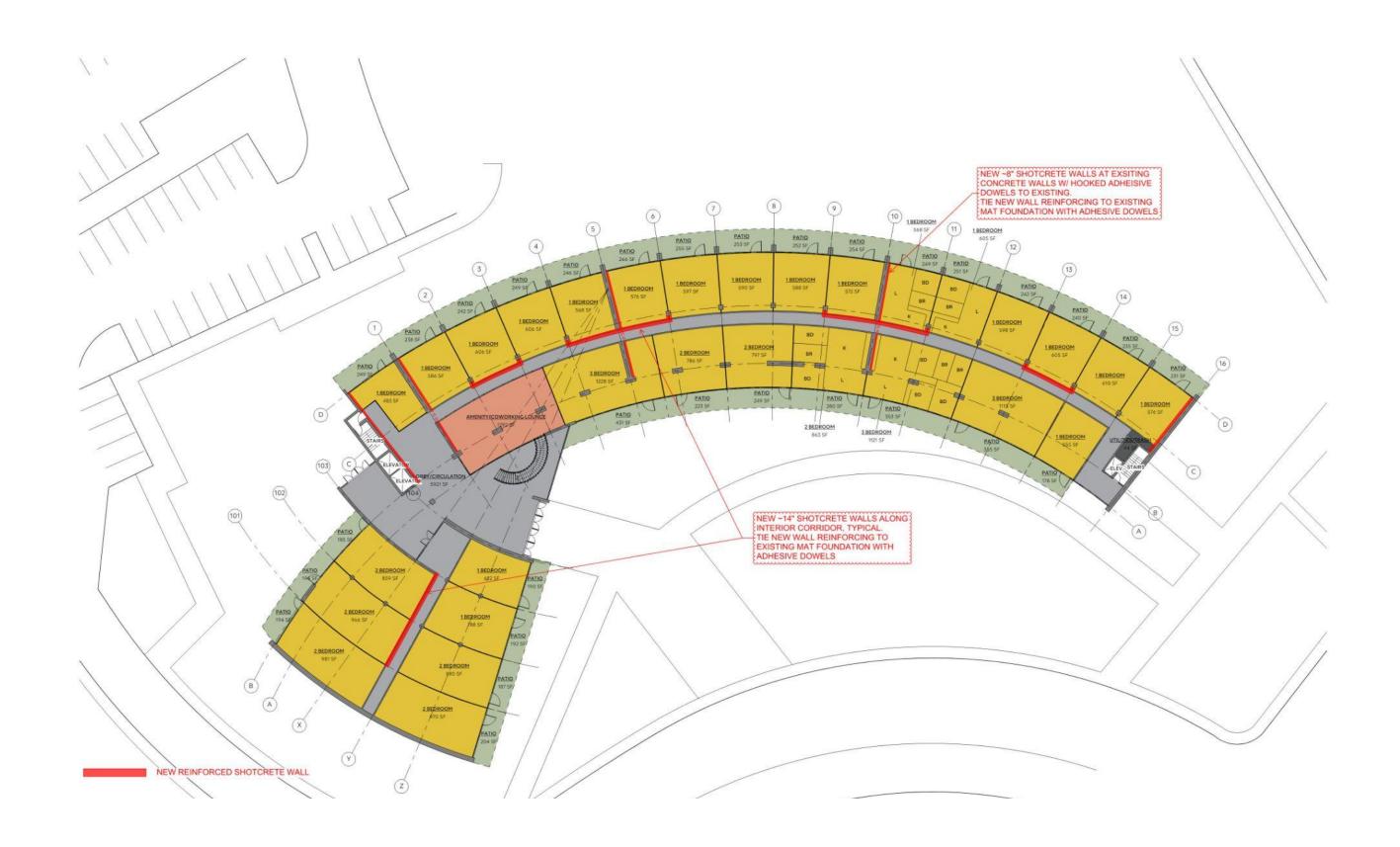




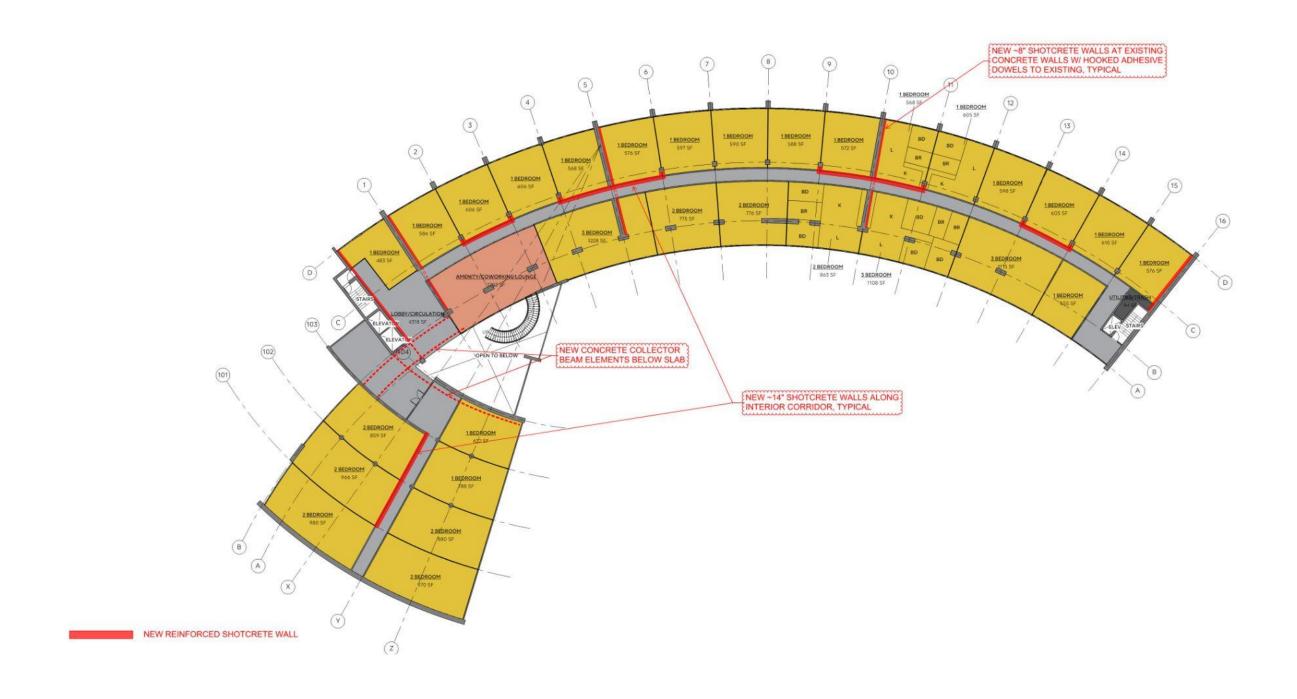


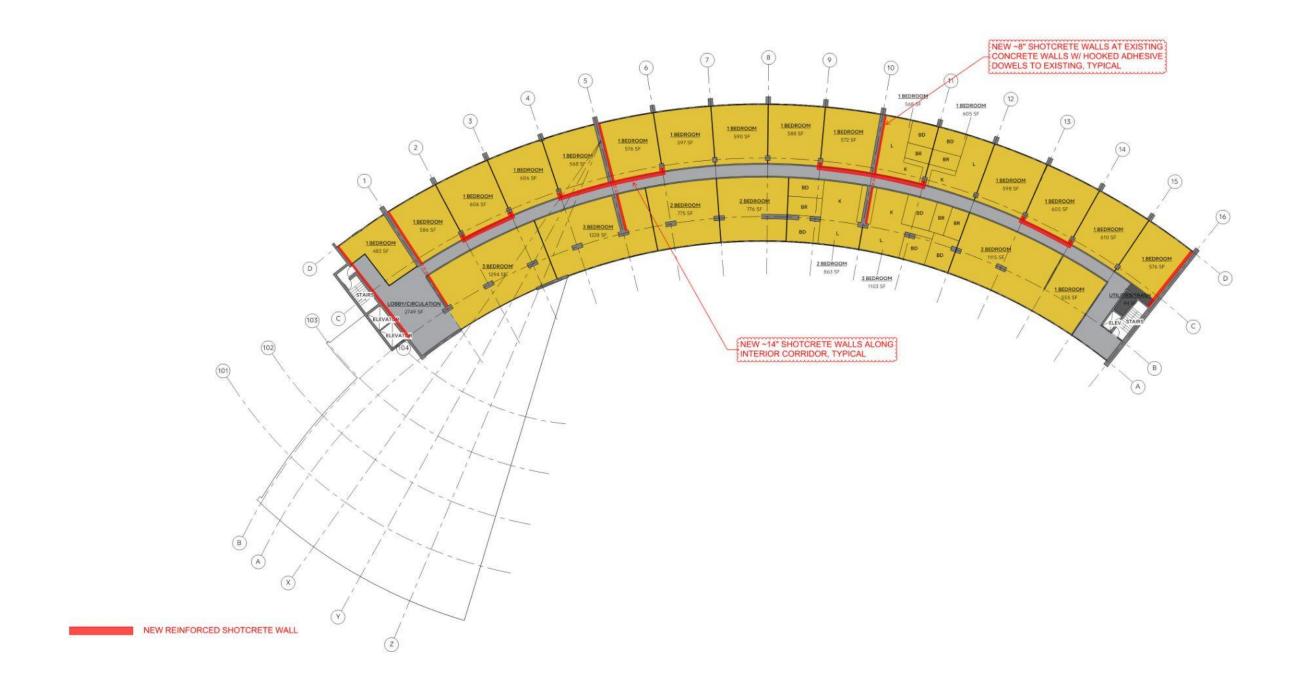


SEISMIC UPGRADE



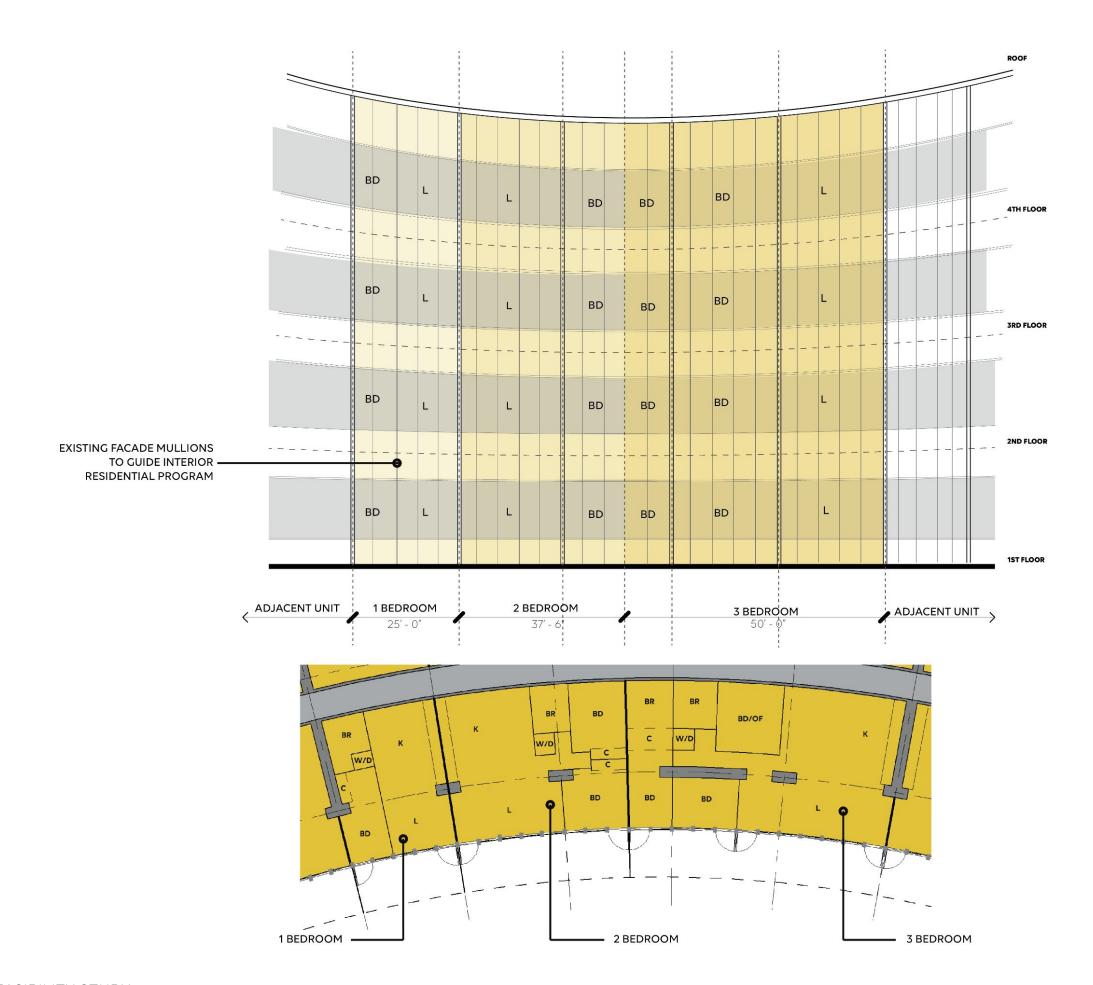
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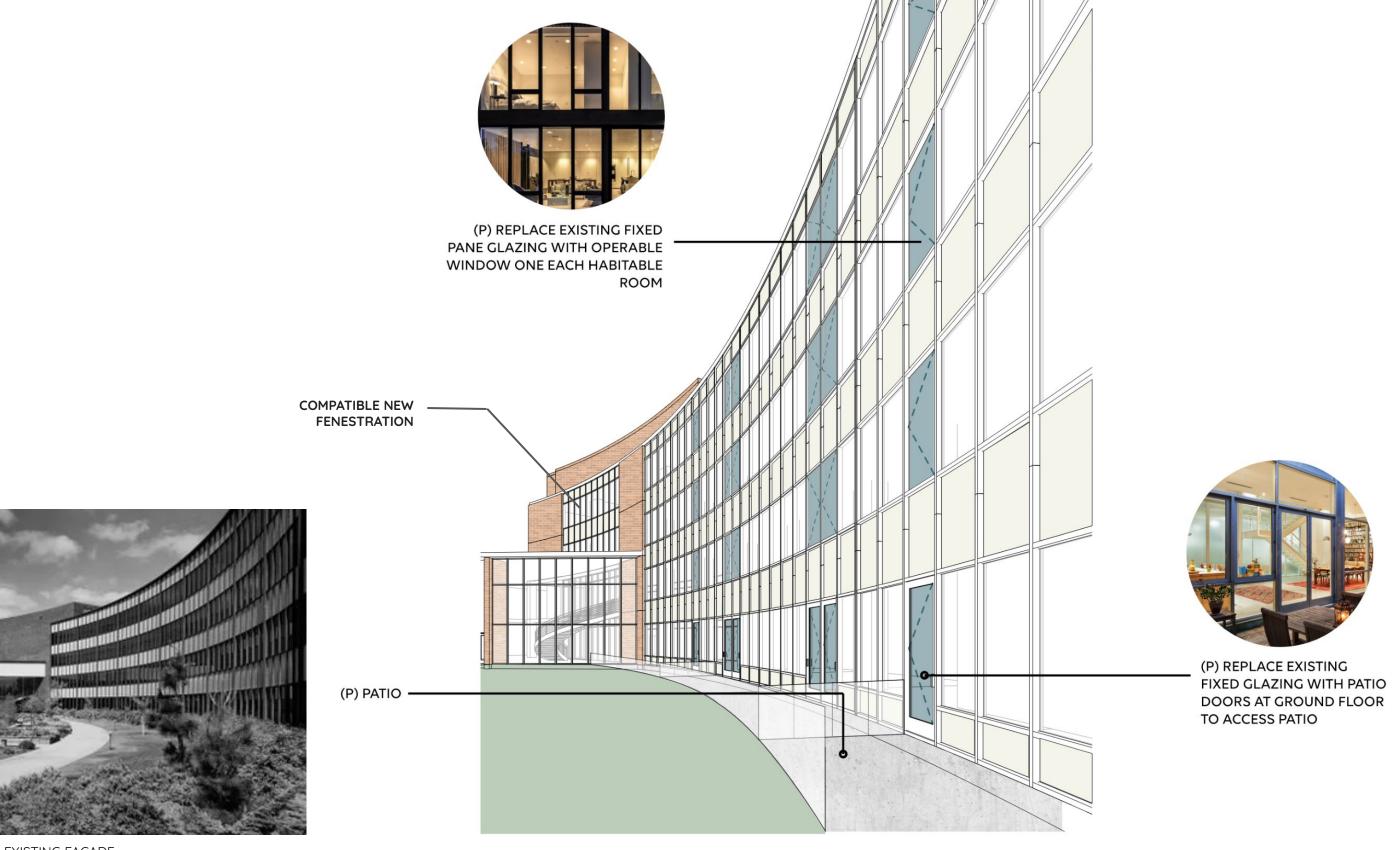




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ENVELOPE



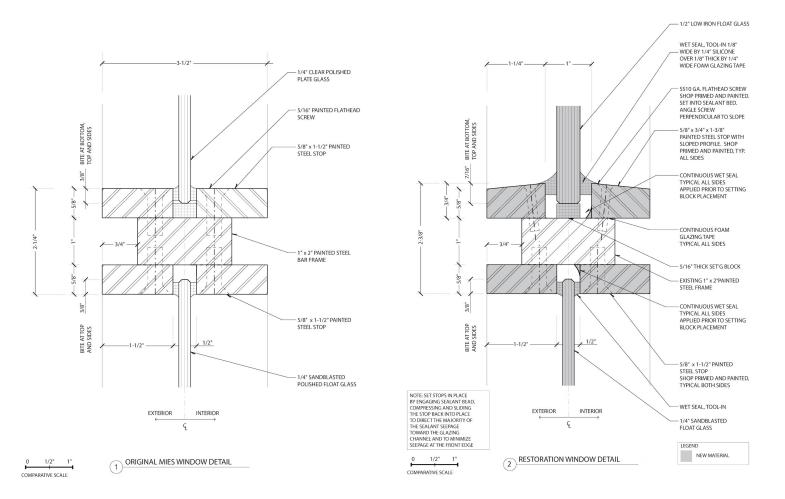


EXISTING FACADE

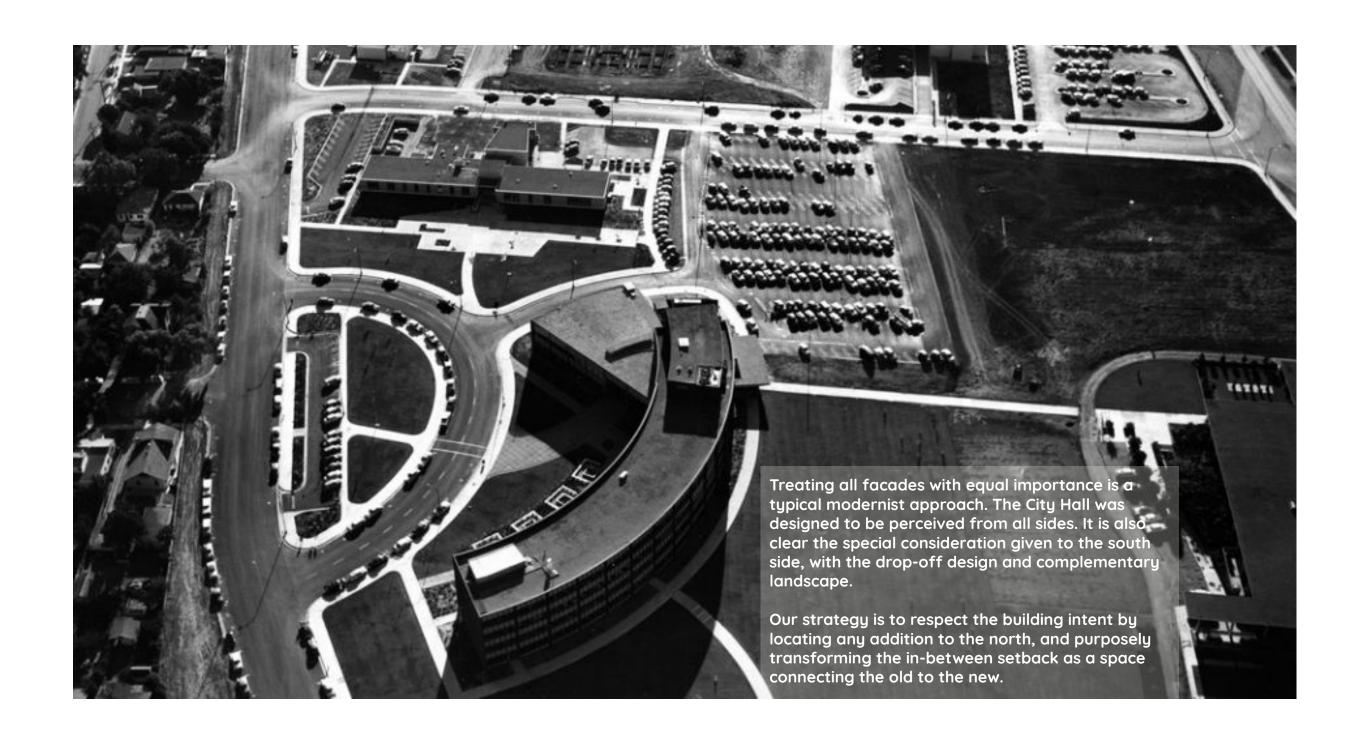




CROWN HALL - MIES VAN DER ROHE (1956) | KRUECK SEXTON PARTNERS (2005)

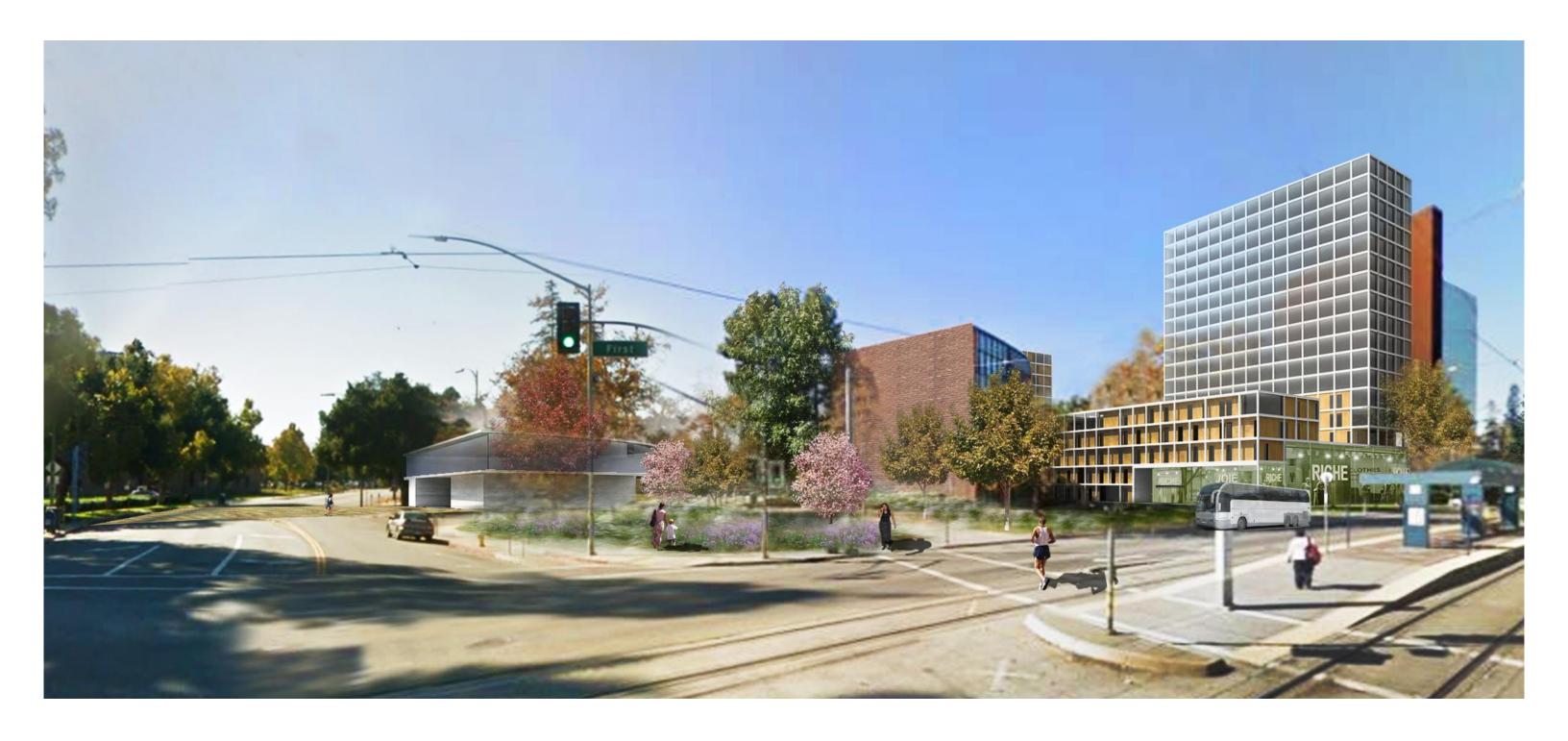


PROPOSED ADDITION
-THE PODIUM-













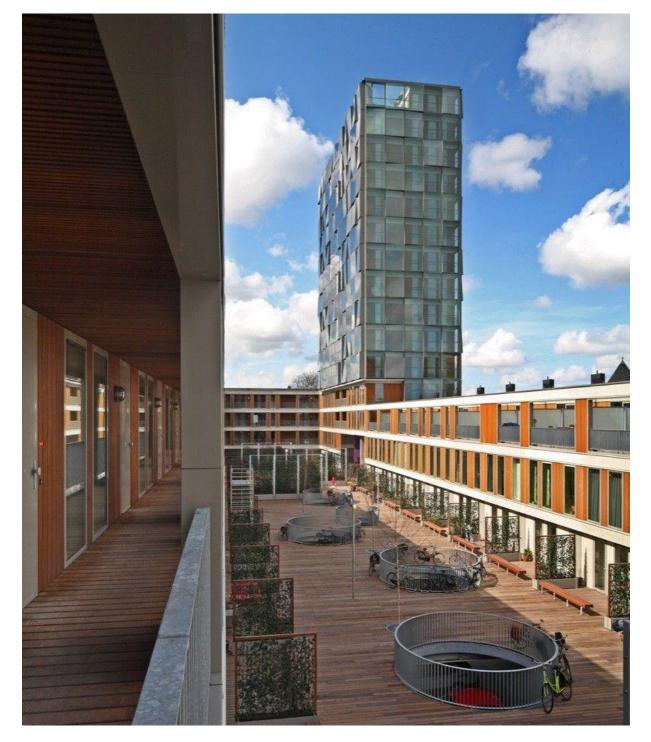


A structural grid defines the new builts, uniting the different blocks in a monolithic look, while allowing a texture of glass, wood and fabric to shape behind it.

The grid provides flexibility in unit size or building use with minimal change to the elevations, providing a multitude of options in response to the market shifting needs.



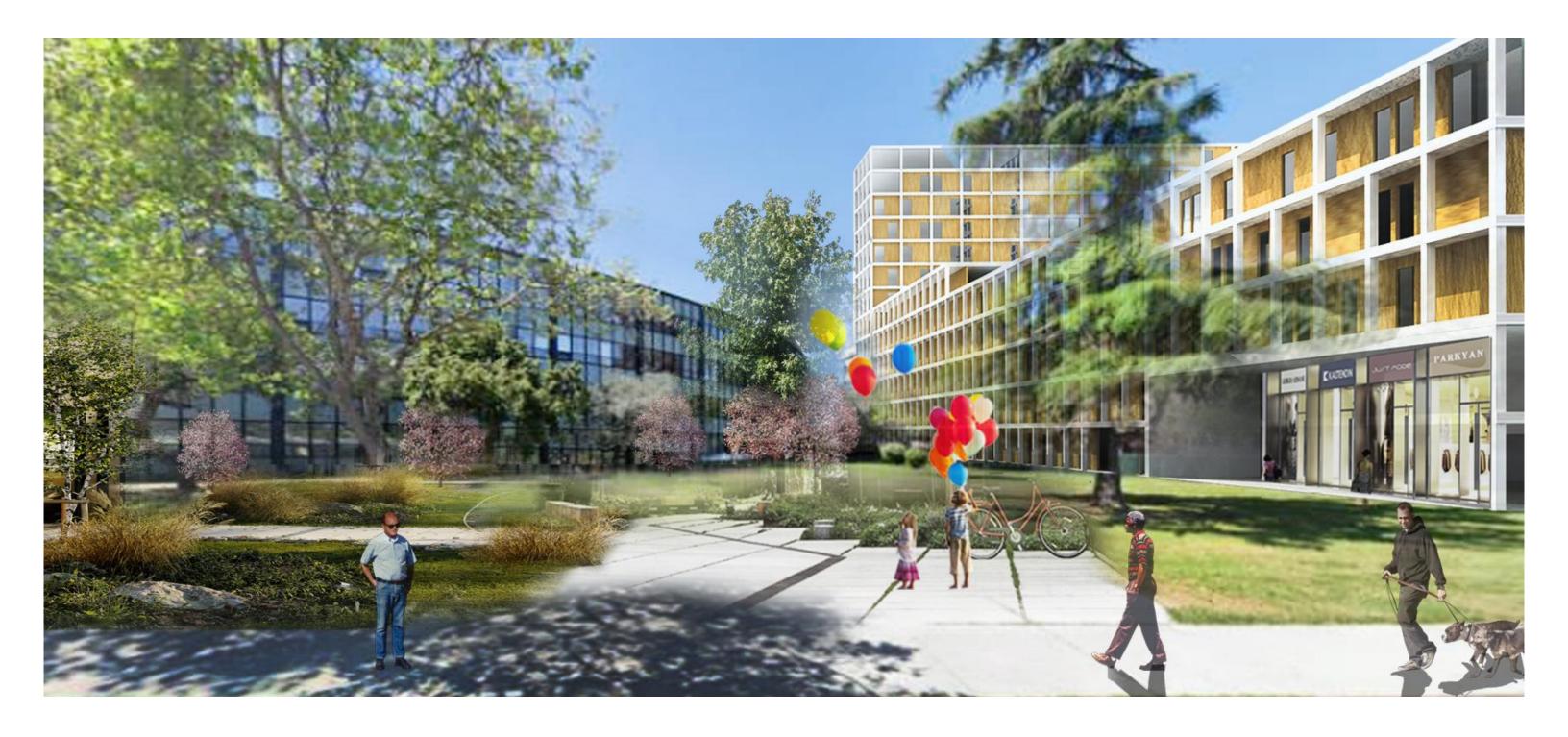




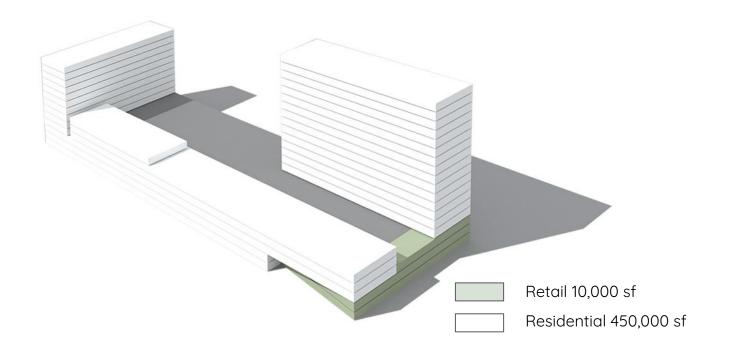


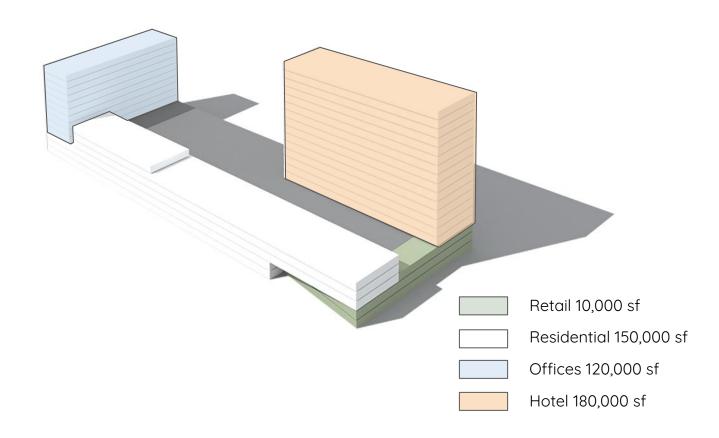


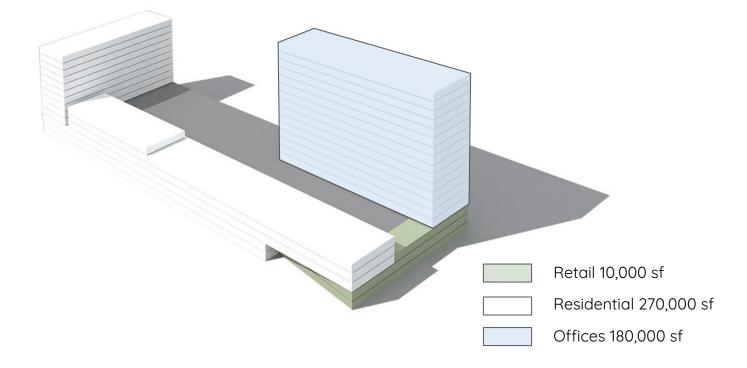




FLEXIBILITY







The project allows for a maximum flexibility. Each building block has an autonomy in terms of accessibility, vertical circulation, MEP, and fire life safety systems, which allows each to function independently from the rest.

ROUGH ORDER OF MAGNITUDE

_		Exi	sting Cit	ty F	lall	Sit	Project Total		
Description	SF	\$/SF			\$ Total	SF	\$/SF	\$ Total	
Foundations, Structure, and									
Roofing									
New Operable Windows	230	\$	8,500	\$	1,955,000				
Envelopen Repair (sealant,			322						
paint and scaffold	38,000	\$	37	\$	1,406,000				2
Buildout Residential	(e)	a)	7		×				
(Finishes, MEP, Furnishings,									
Equipment)	113,430	\$	280	\$	31,760,400				
AG Parking Buildout		100							
Site (Landscaping)						123	\$ 66	4	12
Site Utilities & Hardscape						•	\$ 13	<u>.</u>	-
Core & Shell Improvements	113,430	\$	60	\$	6,805,800				
Voluntary Seismic Retrofit to									
achieve minimum code									
compliance	113,430	\$	71	\$	8,000,000				
Subtotal				\$	49,927,200.00				\$ -
GC Markup - 15%		ď		\$	7,489,080.00				
Grand Building, Parking,									
Site, GC Markup				\$	57,416,280.00				
Grand \$/SF				\$	506				
Add Alternates Obside Classic	çe	6)	1						
Add Alternate: Glazing film	00.000	_	00	_	4 000 500				
for energy performance	38,000	\$	29	\$	1,092,500				

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				ling 1	he Podium		S	-	Project Total		
Description	SF	\$/SF		*	\$ Total	SF	\$/SF	3	\$ Total		
Foundations, Structure, and Roofing	650,000	\$	132	\$	85,800,000		3				
Exterior Envelope	650,000	\$	200	\$	130,000,000			2			
Buildout Residential (Finishes, MEP, Furnishings, Equipment)	650,000	\$	371	\$	241,098,000		2				
AG Parking Buildout	200,000 SF or 600 stalls	The second second second	2/Stall	\$	367,200						
Site (Landscaping)						175,000	\$ 66	\$	11,550,000	\$	11,550,000
Site Utilities & Hardscape		2				175,000	\$ 15	\$	2,541,000	\$	2,541,000
Subtotal				\$	457,265,200					\$	471,356,200
GC Markup - 15%				\$	68,589,780					\$	70,703,430
Grand Building, Parking, and Site										\$	542,059,630
Grand Building, Parking, and Site  Grand \$/SF				\$	809					\$	542,059,6

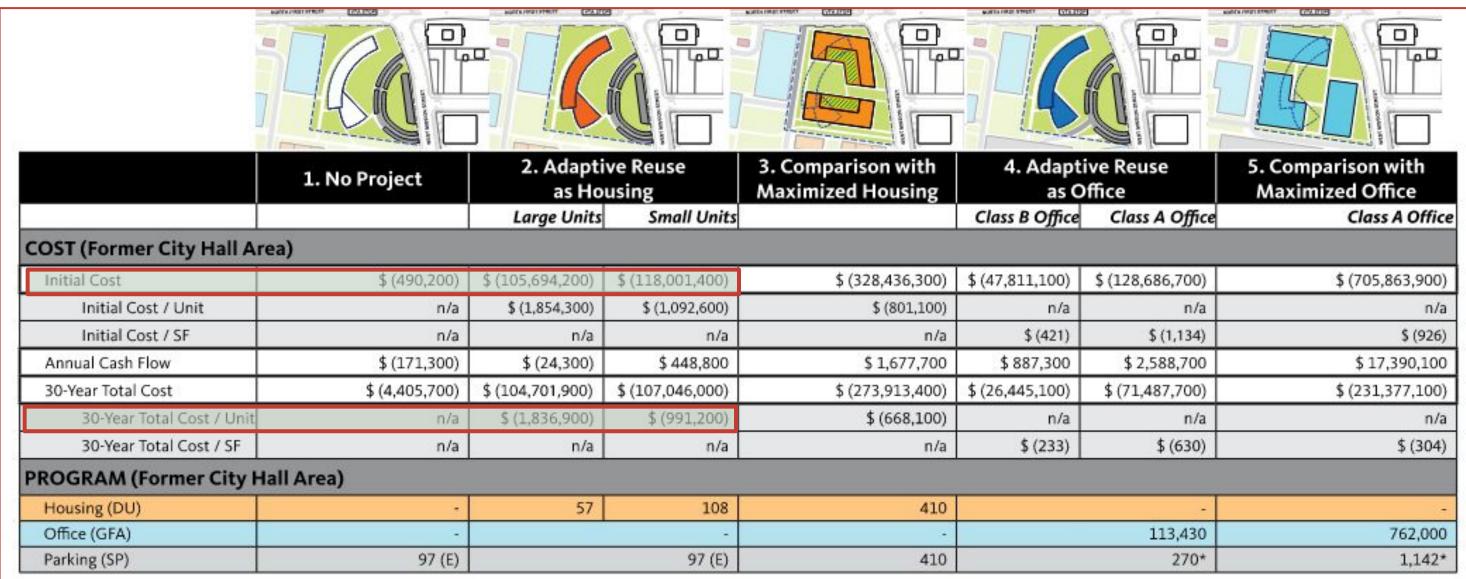
	30	% AMI Rent Cap	60	% AMI Rent Cap	Market	- 643	ew Construction % AMI Rent Cap		ew Construction % AMI Rent Cap	Ne	w Construction Market
One Time Stabilization	\$	(541,700.00)	\$	(541,700.00)	\$ (541,700.00)	\$	59	\$	-		0
Construction	\$	(57,416,280.00)	\$	(57,416,280.00)	\$ (57,416,280.00)	\$	(91,765,739.00)	\$	(91,765,739.00)	\$	(91,765,739.00)
Soft Costs (35% of Construction Costs)	\$	(20.095.698.00)	\$	(20.095.698.00)	\$ (20.095.698.00)	\$	(20,095,698.00)	\$	(20,095,698.00)	\$	(20,095,698.00)
Initial Cost	\$	(78,053,678.00)	\$	(78,053,678.00)	\$ (78,053,678.00)	\$	(111,861,437.00)	\$	(111,861,437.00)	\$	(111,861,437.00)
Operating Cost (Utilities + O&M)	\$	(553,000.00)	\$	(553,000.00)	\$ (553,000.00)	\$	(553,000.00)	\$	(553,000.00)	\$	(553,000.00)
Revenue	\$	1,385,856.00	\$	2,772,144.00	\$ 3,465,720.00	\$	1,385,856.00	\$	2,772,144.00	\$	3,465,720.00
Annual Cash Flow	\$	832,856.00	\$	2,219,144.00	\$ 2,912,720.00	\$	832,856.00	\$	2,219,144.00	\$	2,912,720.00
30 Year Cost	\$	(53,067,998.00)	\$	(11,479,358.00)	\$ 9,327,922.00	\$	(86,875,757.00)	\$	(45,287,117.00)	\$	(24,479,837.00)
30-Year Total Cost/Unit	\$	(491,370.35)	\$	(106,290.35)	\$ 86,369.65	\$	(804,405.16)	\$	(419,325.16)	\$	(226,665.16)
Revenue:											
1 bedroom	\$	1,011.00	\$	2,022.00	\$ 2,418.00	\$	1,011.00	\$	2,022.00	\$	2,418.00
2 bedroom	\$	1,137.00	\$	2,275.00	\$ 2,868.00	\$	1,137.00	\$	2,275.00	\$	2,868.00
3 bedroom	\$	1,263.00	\$	2,527.00	\$ 3,687.00	\$	1,263.00	142.00	2,527.00	\$	3,687.00
Unit Counts											
1 bedroom		72		72	72		72		72		72
2 bedroom		22		22	22		22		22		22
3 bedroom		14		14	14		14		14		14

<sup>-</sup> City of San Jose Housing rent for 30% & 60% of area median income based upon published rates dated 5/20/2022

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<sup>-</sup> Market rent based on City of San Jose HOME Program rent comparison dated 6/15/2022



- a) Numbers in parentheses are net costs;
- b) Initial Cost include Construction Cost and 5-Year Stabilization Cost; The two possible stabilization treatment options have similar costs;
- c) Construction Costs are based on today's value and do not include any escalation;

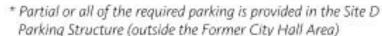
Spring 2020

d) Annual Cash Flow includes Operating Cost and Potential Revenue; Revenue Assumptions (monthly): Housing: \$ 773/du

Class A Office: \$ 5.0/sf

Class B Office: \$ 2.5/sf

- e) 30-Year Cost: Total Cost of Ownership (Present Value);
- f) All costs are rounded to the nearest hundred, except Cost / SF.





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#### Former City Hall - Adaptive Reuse to 108 du

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Initial Cost \$ 78,053,678

30-Year Total Cost / Unit \$ 491,370 (30% AMI Rent Cap)

- Seismic Retrofit: pricing is based on a preliminary study provided by Degenkolb Engineering
- Skin Retrofit: studies include the addition of operable windows, curtain wall repair and glazing films
- Soft Costs: set to 35%
- Rental Income Projections: based upon the City of San Jose's current affordable housing rental studies and market rates

#### Former City Hall - Adaptive Reuse to 108 du

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Initial Cost \$ 118,001,400 30-Year Total Cost / Unit \$ 991,200

- Seismic Retrofit: pricing might be based on a \$/sqft and not on a specific structural design. (Not clear in the feasibility)
- Skin Retrofit: studies might include a total replacement of the curtain wall system (Not clear in the feasibility)
- Soft Costs: set to 54%
- Rental Income Projections: (Not clear in the feasibility)

SUMMARY

Omgivning in partnership with Swinerton Builders, Degenkolb, and Architectural Resource Group has developed this feasibility study for preserving the Former City Hall, and adding a new construction to maximise the site built-out.



## Takeaways:

- Adaptive reuse of City Hall to include 100 du
- New construction of 650,000 sf of residential and parking spaces, with a flexibility for commercial or mixed-use
- The proposed scheme is comparable in sqft and number of dwelling units to the Maximized for Housing scheme proposed by Gensler
- The City Hall adaptive reuse cost show approximately 35% savings compared to Gensler's study
- The City Hall 30-year total cost show approximately 50% savings compared to Gensler's study

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