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More High-rise Housing Planned for San José ***Project adds more affordable homes and retail to the Heart of Downtown***

San José --- The San José City Council approved a Redevelopment Agency agreement today to develop a mixed-use residential high-rise project that will add nearly 500 new homes in the heart of downtown San José.

The development agreement is between the Redevelopment Agency, City Front Square, LLC, and Casa Del Pueblo Preservation Partners, LLC, for a 1.48-acre parcel owned by the Agency at 281 South First Street, at the corner of South First, San Carlos and Market Streets, commonly referred to as “Block 8” in downtown San José. City Front Square and Casa Del Pueblo Preservation Partners will pay \$28.62 million for the land. The property is adjacent to numerous San José landmarks such as the Hotel Sainte Claire, Original Joe’s and the Hotel Montgomery as well as the Fairmont Hotel, Plaza de Cesar Chavez and the new Marriott Hotel.

“This project reflects the growing excitement by developers about the bright future for downtown San José,” said Mayor Ron Gonzales. “New homes, more parking, and more retail is an excellent combination that will be good for residents and businesses in a thriving urban environment.”

City Front Square plans to build two for-sale, high-rise market-rate residential towers with total of 414 units. Casa Del Pueblo Preservation Partners will construct a single high-rise residential building with 245 new affordable units, 165 of which will replace the existing and aging Casa Del Pueblo project, and 62 units in the new project will be reserved for those earning less than 30 percent of the median income. The City of San José through its Housing Department will provide a \$6.6 million loan for the expansion of the Casa Del Pueblo project to include 80 new apartments for non-elderly individuals and small families.

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The three buildings will be built above 34,000 square feet of ground-floor retail space and a new three-level underground garage with more than 900 new parking spaces, which will include public parking.

“We look forward to building the finest high-rises on this prime real estate,” said Mike Kriozere, with UrbanWest Associates of San Diego. “San Jose will be able to offer luxury living comparable to any big city.” UrbanWest is a leading partner in the City Front Square consortium. UrbanWest recently began construction on its Rincon Hill project in San Francisco. In its first week of marketing, UrbanWest received offers on nearly 70 percent of all the units.

The new affordable high-rise building will replace the existing Casa Del Pueblo apartments, a federally subsidized housing project for very low-income senior citizens located next to the project site on Block 8.

“By increasing the size of the Casa Del Pueblo units by 50 percent, we will be introducing a much more modern product with far more amenities for both seniors and the new residents of the small family units,” said William Szymczak, Managing Partner for Preservation Partners Development.

The Block 8 project increases the number of homes planned or underway in downtown San José high-rises to approximately 2500. Estimated cost of the project will be \$300 million to build the two 25-story towers and \$80 million for the low-income housing tower.

Other high-rise housing projects planned or under construction in downtown San José include: Park View Towers (across from St. James Park), Central Place (San Fernando Street, between 2nd and 3rd Streets), 360 Residences (just south of the California Theatre), City Heights (St. James Street), San Jose Condos (Notre Dame Ave), 200 Park Avenue (Park & Almaden), First United Methodist Church (5th and Santa Clara Streets), and the North San Pedro project.

The San Jose Redevelopment Agency is dedicated to improving the quality of life for all who live and work in San José. Together the City and the Redevelopment Agency facilitate and oversee comprehensive programs for development to revitalize the City’s Downtown, neighborhoods, and industrial areas.

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