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**Moving Day for the Historic Pallesen Apartments**

***Building Saved from Demolition to be Relocated and Converted to Affordable Ownership Housing***

***3-block move to take place on Sunday morning, March 28<sup>th</sup>***

**SAN JOSE, CALIF.** (March 24, 2021)— After an 18-month effort to save it from demolition – a fate which still looked eminent just a few months ago – the storied Pallesen Apartments building is officially scheduled for its moving day this Sunday morning, March 28, 2021.

Though it is a short move – just three blocks from its current address at 14 E. Reed Street to its new home at the corner of Fourth and Reed Streets – it will be no small lift of the 4-unit building to get there. When the Pallesen’s former owner, local developer KT Urban and Scape San Jose, LLC, sought to develop a new high-rise housing project in the Pallesen’s current location, the Preservation Action Council of San Jose (PAC\* SJ) campaigned to save the building. When they approached Habitat for Humanity East Bay/Silicon Valley – longtime affordable homebuilder – the two organizations developed a plan that would be not only be the historic building’s salvation, but an opportunity at homeownership for four families earning low incomes.

KT Urban/Scape signed on to the plan, agreeing to donate the Pallesen building to Habitat East Bay/Silicon Valley. The City of San Jose played a crucial role, with Councilmember Peralez and Mayor Liccardo standing behind the project, facilitating financing and the transfer of city-owned land to Habitat for a \$1 price tag. Last night, the San Jose City Council unanimously approved a resolution to provide \$250K in loan-based funding towards the cost to restore the building for eventual sale to qualified buyers. The four homes will be sold at less than half their market value, making them truly “affordable.”

The critical factor remaining for the building’s relocation is the aggressive fundraising needed to cover the costs of the move. Early this month, PAC\* SJ launched a \$300,000 community fundraising campaign



in an urgent bid to save the Pallesen, by moving it to make way for a new housing development. The community responded. Nearly 200 individuals have chipped in toward the move, from those that contributed the \$25 it costs to move the building an inch, to Marianne and Carl Salas, who have committed an additional \$100,000 to the endeavor. “I delight in giving useful life to things that would otherwise be thrown away,” said Marianne Salas, “so Carl and I jumped on the opportunity to collaborate with the community on saving a beautiful and historic building while at the same time creating four housing units. We are encouraging others to join us to make a difference for our community by giving generously, and soon.” The Salas family’s support brings relocation campaign nearly to its goal, and an anonymous \$75,000 matching challenge leaves it just \$35,000 short.

“This is a remarkable example of collaboration at its best,” said Janice Jensen, President and CEO of Habitat East Bay/Silicon Valley. “It has taken collective will and quite a bit of generosity to get us to this moment. And though we have our work cut out for us, this is a wonderful opportunity to develop the housing stock we already have, preserve a piece of history, and empower four families through affordable homeownership.” After a period of site development and raising support for the building process, Habitat will enlist the help of volunteers to complete a full renovation of the Pallesen, preserving its unique historical character while upgrading the building’s mechanical, electrical, and plumbing systems, and updating elements like windows and fixtures.

“PAC\*SJ has advocated for saving this historic building at every forum where its fate was considered, including the Historic Landmarks and Planning Commissions, City Council and community meetings,” said Mike Sodergren, the organization’s Board Vice President. “We encourage developers to see the value to the occupants of their planned commercial office, residential or other projects of preserving as much of San Jose’s historic fabric as possible. We are thankful to Scape North America CEO Andrew Flynn and KT Urban Principal Mark Tersini for helping to make all of this possible. This is a place that has made history every day for a very long time, so we are excited for what this project symbolizes. It is our sincere desire that our collective efforts as a community will be a key step in ensuring that more of the people who work here have a sense of place and the opportunity call San Jose their home.”

In another first, PAC\*SJ, in partnership with FARO Technologies, PointZ Taken and Digital Building Services, has digitally captured the Pallesen Apartment building in 3D, and has made this available via PAC\*SJ’s press/media webpage.

PAC\*SJ’s efforts have been instrumental in raising the awareness and support to save the Pallesen Apartments – a beautiful 110-year old Wolfe and McKenzie-designed Mission Revival building currently eligible for listing on the National Register of Historic Places – from the fate that so many other historical buildings have faced when in the path of new development.



The City's Departments – from Housing, to the Office of Economic Development, to Planning, to the Public Works and Transportation – have all contributed to making the project possible.

"I am proud to have fought and advocated for the preservation of the Pallesen Apartment Building which was no small feat and in large thanks to the community who worked collaboratively with the City to create this genuine opportunity to save this beautiful historic building and provide affordable housing units," said Raul Peralez, the City Councilmember representing District 3. Peralez's vocal support of the effort has been instrumental to the building's preservation.

The three-block move will be executed by a team of engineers led by Jim Salata of Garden City Construction and take place the morning of Sunday, March 28<sup>th</sup>, 2021. The project involves street and sidewalk closures on Reed Street between First and Fourth Streets, and closures to all north- and south-bound traffic on Second and Third Streets at Reed. After the building is set in place on box cribbing at the receiver site, Habitat will lay a permanent foundation and install utility connections, while raising the additional funds and recruiting volunteerism to complete the renovations that will ready the building for its new homeowners.

Comprehensive press resources are available at PAC\* SJ's press/media page at [www.preservation.org/pallesen-press](http://www.preservation.org/pallesen-press), including media contacts for various project partners, supporting memoranda from the City of San Jose, project photographs, 3D scans of the Pallesen's interior and exterior, and a video with further information about the move. Contact PAC\* SJ and Habitat to arrange virtual and on-site interviews.

#### **HABITAT FOR HUMANITY EAST BAY/SILICON VALLEY**

We believe that everyone deserves a decent place to live. By creating, preserving and expanding access to affordable housing we provide families with the opportunity to transform their lives, gaining the strength, stability, and self-reliance they need to build a better future. Our innovative model maximizes impact by building partnerships with families who contribute sweat equity, volunteers who give their time, and donors who contribute financially. Families gain economic stability and build a foundation for the future—for themselves, their children, and generations to come.

#### **PRESERVATION ACTION COUNCIL OF SAN JOSE**

Founded in 1990, the Preservation Action Council of San Jose is a dynamic nonprofit 501(c)(3) membership organization dedicated to preserving our unique and diverse architectural and cultural heritage. Through advocacy, education, and civic engagement, we promote historic preservation as an essential tool for fostering equitable, distinctive, sustainable, and prosperous communities.

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