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Google buys downtown San Jose fire training site needed for transit village

Search giant Google spending tops \$350 million for downtown San Jose properties

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SAN JOSE — Google has topped the \$350 million mark for what it's spent to collect downtown San Jose properties needed for the tech titan's transit-oriented village near the Diridon train station, following the purchase of a key property that had been owned by the city.

In the most recent transaction, Google paid \$41.2 million for a site occupied by a fire training station operated by the San Jose Fire Department, according to Santa Clara County property documents.

Mountain View-based Google paid cash for the property in the sale by the city of San Jose, county public records that were filed June 6 show.

The fire training complex, which includes a burn tower, is located at 255 S. Montgomery St. just north of West San Carlos Street.

The search giant began to buy sites in December 2016 that it needs for a huge mixed-use development on the western edges of downtown San Jose.

Google's buying activity is occurring in a neighborhood dominated by an array of vacant properties, old industrial and commercial sites, retail outlets, nightspots, parking lots, and office buildings.

Since the purchases began more than two years ago, Google has paid \$360.7 million to buy sites from private property owners and government agencies that include the city of San Jose.

Google has obtained these parcels through a combination of purchases made directly by the company or through a real estate partnership it established with developer Trammell Crow.

The company also has obtained options for future purchases of sites, including large surface parking lots, and sites currently occupied by Poor House Bistro, World of Sports, and a church.

The amount spent so far by Google in completed purchases from the city and affiliated government entities totals \$110.3 million, county documents show.

The transaction for the training center site, which would be among numerous parcels to be bulldozed for the anticipated transit village, was part of a previously approved agreement between the city and the search giant for the sale of an array of properties.

As part of this month's purchase, the city obtained a deal to lease the fire training property for roughly three years through a rental agreement that expires in June 2022, county documents show.

San Jose intends to use the proceeds from the sale of the fire training complex to find a new similar facility elsewhere in the city.

"The city now has the resources to relocate and rebuild the fire training center, including the burn tower," said Kim Walesh, deputy city manager and director of economic development.



The transit-oriented community proposed by Google would consist of office buildings, homes, restaurants, shops, and open spaces where 25,000 people would work, including 15,000 to 20,000 of the search giant's employees.

The numerous rail links at Diridon Station, both those that exist now and are expected in the future, are among the major draws for Google.

At present, the train station is a hub for Caltrain, ACE Train, Capitol Corridor, Amtrak, and light rail lines, and in the future, BART intends to operate a stop at the Diridon depot. It's also possible that someday, a high-speed rail line could connect to the train complex.

Over the next several months, specific concepts for the transit village should begin to emerge, city officials believe.

"We are still expecting Google to submit more details and project information by sometime in the fall," Welsh said.

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