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Google nears end of first demolitions for downtown San Jose village

Patty's Inn, vacant industrial building are all gone, old bakery will be partly salvaged



(SITELAB urban studio, Google)

Gathering areas and towers within the Downtown West neighborhood, a transit village that Google is developing near the Diridon train station and SAP Center in downtown San Jose, concept.



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TRENDING NATIONALLY



A corner and two remaining walls of the former Sunlite Bakery Bread Depot building at 145 South Montgomery Street in downtown San Jose, February 2023. (George Avalos/Bay Area News Group)

SAN JOSE — Google has largely completed the first demolition of multiple buildings ahead of the initial phase of its downtown San Jose transit village — even as the tech titan begins to reassess the project's potential timeline.

Patty's Inn, a longtime downtown San Jose watering hole is totally gone. An adjacent industrial building on South Montgomery Street is completely removed. On Wednesday, flat ground marked their decades-long sites near the Dirodon train station and SAP Center.

Across the street at 145 South Montgomery Street, only the front section of the Sunlite Bakery Bread Depot building, constructed in 1936, remained early this week. The roof and the vast majority of the building were removed.

Google intends to salvage and relocate much of the front of the building, which features an entryway crafted in an Art Moderne design. Google aims to use the rescued remnant somewhere in the future transit village.



Patty's Inn building at 102 South Montgomery Street in downtown San Jose, February 2023. The image was captured soon before the building was bulldozed during the same month.



The former site of the now-bulldozed Patty's Inn at 102 South Montgomery Street in downtown San Jose, which is adjacent to the location of another demolished structure, February 2023. (George Avalos/Bay Area News Group)

The tech titan has proposed a new mixed-use neighborhood of office buildings, homes

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The tech titan has proposed a new mixed-use neighborhood of office buildings, homes, shops, restaurants, cultural amenities, entertainment hubs, hotel facilities and open spaces where Google intends to employ up to 25,000 tech workers.

Early this week, workers for Webcor, the veteran construction firm that's been tasked with this initial demolition project, operated machinery and proceeded with ongoing early-stage work at sites for the future village.

To be sure, this work provides visible signs that Google is pushing ahead with the very early preliminary stages of the vast development, known as Downtown West.

Yet the demolitions and site preparation have proceeded with a disquieting backdrop of a tech company that is attempting to recalibrate its operations and scale back its real estate footprint.

In recent weeks, Google:

- announced it would cut 12,000 jobs worldwide
- sketched out plans to lay off 1,600 workers in the Bay Area
- told Wall Street analysts it would incur \$500 million in costs to terminate leases for unused or under-utilized office space, mostly in the Bay Area
- revealed to this news organization that it had launched a reassessment of Downtown West in San Jose.



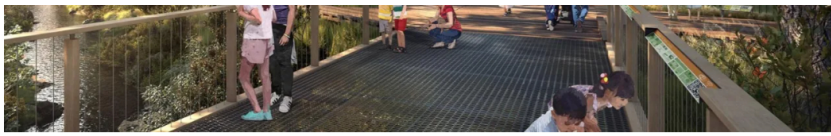
Entryway and front wall of the former Sunlite Bakery Bread Depot building at 145 South Montgomery Street in downtown San Jose, with construction equipment visible in the background, February 2023. (George Avalos/Bay Area News Group)

"We're assessing how to best move forward with Downtown West," Sheela Jivan, Google's Downtown West Development Director, said on Feb. 13 in comments the company emailed to this news organization.

The tech titan's eventual pace for the project, construction of which has always been expected to take many years, could affect many other plans for the downtown district.

Downtown San Jose's vitality has been sapped by business shutdowns — some of them related to the pandemic — as well as recent trends toward remote work throughout Silicon Valley.





Creek bridge and nature areas near Diridon train station in Google's Downtown West project in downtown San Jose, concept. (SITELAB urban studio, Google)

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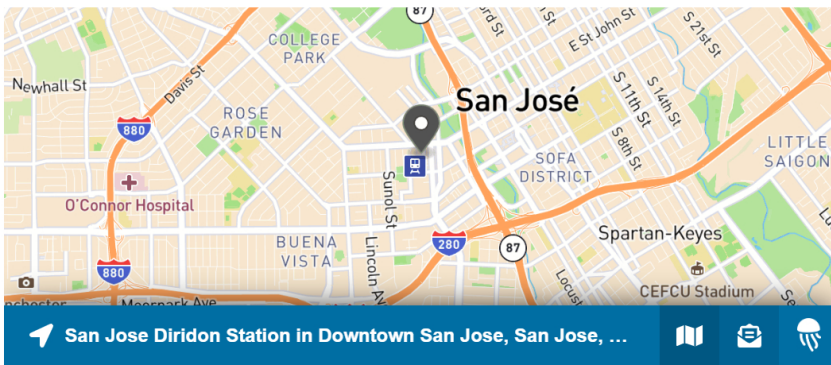
Google ready to launch downtown San Jose village

The city's approval of the Downtown West neighborhood was accompanied by Google's agreement to provide an array of community benefits to the city of San Jose totaling \$200 million.

In May 2022, Google completed an early payment of \$7.5 million for a community benefits program. The company will pay the rest of the public benefits as the Downtown West development proceeds. Thus, the speed of the project's progress might affect the pace at which Google dispenses the benefits.



Even so, in the face of all this uncertainty, Google executives state they remain committed to the downtown San Jose transit village — as well as to the city for which the new neighborhood would be nothing less than an economic game changer.

"We're still committed to San Jose for the long term and believe in the importance of the development," Jivan said.



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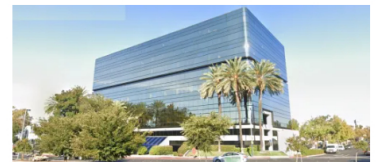
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