

# NOTICE OF FINDING OF NO SIGNFICANT IMPACT AND NOTICE OF INTENT TO REQUEST RELEASE OF FUNDS

May 10, 2021

City of San José 200 E. Santa Clara Street San José, CA 95113 408-535-6872

These notices shall satisfy two separate but related procedural requirements for activities to be undertaken by the City of San José.

### REQUEST FOR RELEASE OF FUNDS

MidPen Housing Corporation (MidPen) proposes to construct a new 100% affordable housing project at 1710 Moorpark Avenue, San José, Santa Clara County, California 95128 (APN 282-44-027). The project will be developed in conjunction with the owner of the property, Immanuel Evangelical Lutheran Church of San José. The total estimated project cost is \$73,050,000. The Santa Clara County Housing Authority (SCCHA) will be providing assistance to the project in the form of Section 8 Project Based Vouchers (PBVs) for 97 studio apartment units as authorized under Section 8 of the Housing Act of 1937 of 1990, as amended. PBV housing assistance will be provided for an initial contract term of 20 years, with a possible automatic renewal of an additional 20 years, subject to annual appropriations from the federal government and SCCHA's determination that the owner is in compliance with the Housing Assistance Payment contract and other applicable HUD requirements, for a total of forty (40) years. The estimated total funding for rental subsidy is \$57,054,624 (\$2,852,731 annually) for the initial 20-year term of the Housing Assistance Payment contract and contingent upon the availability of Section 8 funds as allocated by the federal government. Please note that the actual funded amount may be up to \$5,000,000 more to account for market fluctuations.

The Church will ground lease 0.7 acre of the site to MidPen for the development of the affordable housing. An existing one-story building on the site will be demolished. The Church operates a chapel and sanctuary adjacent to the site and will spilt the adjacent parcel to create the new 0.7-acre site for MidPen to develop. The existing chapel and sanctuary will remain on the site. A portion of the new building will contain a 2,000-square-foot community serving space that will be leased to the church.

The project includes a two-phase demolition of an existing one-story structure (church fellowship hall and fireside lounge), on the northern end of the parcel, and the new construction of a four-story type V-A over a one-story, Type I-A building, to accommodate 106 studio units of a resident services facility (supportive housing), and two on-site manager units. A total of 37 parking spaces will be provided on-site, as well as 54 bicycle parking spaces. The ground floor will contain the parking garage, lobby, and multi-function space with kitchen. Site amenities include courtyard, second floor terrace, community room, and laundry facilities.

The residential supportive housing development will be built over podium parking, lobby, and approximately 2,000 square feet of private community gathering space. The southern portion of the existing church structure will be retained and will not be demolished.

## FINDING OF NO SIGNIFICANT IMPACT

The City of San José has determined that the project will have no significant impact on the human environment. Therefore, an Environmental Impact Statement under the National Environmental Policy Act of 1969 (NEPA) is not required. Additional project information is contained in the Environmental Review Record (ERR) available online at <a href="www.sanjoseca.gov/NegativeDeclarations">www.sanjoseca.gov/NegativeDeclarations</a>. To review hard copies of the documents, please contact Reema Mahamood at <a href="mailto:reema.mahamood@sanjoseca.gov">reema.mahamood@sanjoseca.gov</a> or at 408-535-6872.

#### **PUBLIC COMMENTS**

Any individual, group, or agency may submit written comments on the ERR to Reema Mahamood, City of San José, Department of Planning, Building and Code Enforcement, T-3, 200 E. Santa Clara Street, San José, CA 95113, or via email at <a href="mailto:received-by-5:00">received-by-5:00</a> p.m. May 28, 2021 will be considered by the City of San José prior to authorizing submission of a request for release of funds. Comments should specify which Notice they are addressing.

#### **ENVIRONMENTAL CERTIFICATION**

The City of San José certifies to HUD that Chu Chang in his capacity as Acting Director of Planning, Building and Code Enforcement for the City of San José consents to accept the jurisdiction of the federal Courts if an action is brought to enforce responsibilities in relation to the environmental review process and that these responsibilities have been satisfied. HUD's approval of the certification satisfies its responsibilities under NEPA and related laws and authorities and allows the name of grant recipient to use Program funds.

## **OBJECTIONS TO RELEASE OF FUNDS**

HUD will accept objections to its release of fund and the City of San José certification for a period of fifteen days following the anticipated submission date or its actual receipt of the request (whichever is later) only if they are on one of the following bases: (a) the certification was not executed by the Certifying Officer of the City of San José; (b) the City of San José has omitted a step or failed to make a decision or finding required by HUD regulations at 24 CFR part 58; (c) the grant recipient or other participants in the development process have committed funds, incurred costs or undertaken activities not authorized by 24 CFR Part 58 before approval of a release of funds by HUD; or (d) another Federal agency acting pursuant to 40 CFR Part 1504 has submitted a written finding that the project is unsatisfactory from the standpoint of environmental quality. Objections must be prepared and submitted in accordance with the required procedures (24 CFR Part 58, Sec. 58.76) and shall be

addressed to Department of Housing and Urban Development, Office of Public Housing, and sent to the following email address <a href="mailto:RROFSFRO@hud.gov">RROFSFRO@hud.gov</a> and <a href="mailto:todd.r.greene@hud.gov">todd.r.greene@hud.gov</a>. Potential objectors should contact HUD to verify the actual last day of the objection period.

Chu Chang, Acting Director

Planning, Building and Code Enforcement

City of San José