

**NOTICE OF FINDING OF NO SIGNIFICANT IMPACT AND
NOTICE OF INTENT TO REQUEST RELEASE OF FUNDS**

July 17, 2020

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

Gallup Mesa LLC is proposing the 45-unit 100-percent affordable Gallup and Mesa Housing Project in San José, California. The project is intended to serve individuals earning 25 to 80 percent of the County Area Median Income (AMI) as shown in the table below:

AMI Level	No. of Units	Low	Very Low	Extremely Low
25%	15	0	0	15
30%	2	0	0	2
40%	11	0	11	0
50%	12	0	12	0
60%	2	2	0	0
80%	3	3	0	0
Market Rate	1	-	-	-
Total	45	5	23	17

The Santa Clara County Housing Authority (SCCHA) will be providing Section 8 housing assistance to the project in the form of Project Based Vouchers (PBVs) for 23 dwelling units (16 studios and 7 one-bedroom apartments), as authorized under Section 8 of the Housing Act of 1937, 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 \$13,422,960 (\$671,148 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.

The applicant proposes to develop the Gallup and Mesa Housing Project on an approximately 0.38-acre project site located at 1171 Mesa Drive and 5647 Gallup Drive in San José. The project site is currently vacant with grasses and scattered mature redwood trees. The applicant proposes to construct a five-story, approximately 55-foot-tall (excluding parapet, stairs, elevator room and other roof-top accessories, 41,888 square-foot affordable housing development on the project site. The proposed project would include 45 affordable residential units and one market-rate manager's unit, and service areas. Services include a neighborhood room, podium courtyard, residential community room, bike room, property management, mechanical, maintenance, and electrical rooms, mail room, an elevator, and stairs. An enclosed ground-floor garage and parallel parking spaces along an alley to the north would provide parking for project residents.

The proposed composition of the 45 affordable residential units includes 16 studios, 19 one-bedroom units, 6 two-bedroom units, and 5 three-bedroom units. The ground-level enclosed parking garage would accommodate 19 vehicles (two accessible, nine compact, and eight standard) with a single ingress/egress driveway on Gallup Drive. Infrastructure for electric vehicle charging stations would be provided in accordance with the California Green Building Standards (CalGreen). An additional six parallel parking spaces would be maintained along the adjacent alley on the north, which would be resurfaced with approximately 3,560 square feet of pervious concrete and permeable pavers. The bike room on the ground-floor would accommodate 20 bicycles. To encourage affordable housing residents to utilize the transit service in the Cambrian/Pioneer area of the proposed project, transit passes would be provided to residents. Building amenities would include laundry rooms, computer rooms, a podium courtyard, residential community room, and a neighborhood community room.

The neighborhood community room on the ground floor would include simple amenities such as a kitchen and would be available to residents of the surrounding community to reserve and use.

Landscape plans include low groundcover in landscaped areas with non-woody plants to allow for fire access. Landscape planting design would use water-conserving plant species that are accustomed to the local climatic conditions. Twelve trees within the property would be removed.

Shrub and ground cover would provide a visual separation between the proposed building and adjacent streets. Taller plants would be planted around the building perimeter and in some of the large open space areas. In addition, flowering shrubs and other ground cover plants would create a visually layered appearance. Composted, non-floatable mulch would be used in areas between stormwater treatment plantings. A rain garden would contribute to stormwater management on the west side of the building.

The podium courtyard would have lounge and dining areas with seats, tables, and planters. The planters would be landscaped with shrubs and ground covers.

Exterior lighting along the ground level of the project site is primarily along Gallup Drive and Mesa Drive streets and at entrances or places of potentially heavy foot-traffic such as stairwell entrances, trash areas, and garage driveway. A mix of lights such as recessed downlights, wall mounted lights, and bollard lights would be used to light the exterior. The recessed downlights and bollard lights would primarily be used along Gallup Drive and Mesa Drive. The podium courtyard would be illuminated using a mix of lights such as wall mounted lights, step lights, and bollard lights.

Off-site improvements include: planting of trees along Gallup Drive and Mesa Drive selected in accordance with the City of San José Street Tree Master Plan; street lighting; replacement sidewalks and curb accessibility ramps on portions of Gallup Drive and Mesa Drive; widening of the alley and updating its driveway; and replacing an existing mailbox along Mesa Drive.

Three fire hydrants are proposed on Mesa Drive, Gallup Drive and at the northwest corner of the property near the alley. Approximately 3,500 square feet of impervious asphalt in the alley to the north of the property would be resurfaced with permeable pavers and permeable concrete. To accommodate the proposed driveway into the parking garage, two street-level parking spaces along Gallup Drive would be removed.

The proposed project would begin construction as early November 2020. Construction is anticipated to take approximately 16 months. No demolition is proposed as there are no existing structures on-site. Construction staging and construction employee parking may be located in nearby parking lots and nearby streets.

Funding Sources:

- **HUD Funds:** Project-Based Vouchers through the Santa Clara County Housing Authority: \$671,148 annually
- **Estimated Total Project Cost:** \$37,594,418

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 www.sanjoseca.gov/NegativeDeclarations. To review hard copies of the documents, please contact Reema Mahamood at reema.mahamood@sanjoseca.gov 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 reema.mahamood@sanjoseca.gov. All comments received by 5:00 p.m. **August 5, 2020** 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 Rosalynn Hughey in her capacity as 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 RROFSFRO@hud.gov and todd.r.greene@hud.gov. Potential objectors should contact HUD to verify the actual last day of the objection period.

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Rosalynn Hughey, Director
Planning, Building and Code Enforcement
City of San José