



NOTICE OF EXEMPTION

To: County Clerk
County of Santa Clara County
70 West Hedding Street, East Wing
San José, California 95110
(408) 299-2481

From: Cassandra van der Zweep, Supervising Planner
Environmental Review Team
PBCE, Planning Division
200 East Santa Clara Street, T-3
San José, CA 95113 (408) 535-7659

Project File Number and Project Title: Project Homekey for Hotel Acquisition and Conversion into Interim or Permanent Supportive Housing, File No. ER20-169

Applicant, Address: City of San José, Housing Department, Residential Development Division, Attn: Isaac Orona, 200 East Santa Clara Street, San Jose, CA 95113 (408) 535-3859.

Project Location: 1488 North 1st Street, San José, CA

Description of Nature, Purpose, and Beneficiaries of Project: Public Project Exemption to accept and receive HomeKey Program funds to execute the purchase and sale agreement to acquire a 76-unit hotel located at 1488 North 1st Street and support the operation of the facility to serve extremely low income individuals, couples, and families experiencing homelessness on the site.

Name of Public Agency Approving Project: City of San José

Name of Person or Agency Implementing Project: Isaac Orona, City of San José, Housing Department

Exempt Status: (check one)

- Ministerial (Sec. 21080(b)(1); 15268);
Declared Emergency (Sec. 21080(b)(3); 15269(a));
Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
Categorical Exemption. State type and section number:
Statutory Exemptions. State code number: Health and Safety Code Section 50675.1.2

Reasons why project is exempt: This project includes the acceptance of the Project Homekey funds which would allow for the acquisition and purchase of the 76-unit hotel; none of the units would be acquired by eminent domain. The acquisition would be funded entirely through public funds. The site is currently operated by the Santa Clara Office of Supportive Housing and Abode Services and maintained in safe and sanitary conditions. No construction nor expansion is proposed with this action. The intent of the acquisition is to provide housing units for individuals and families who are experiencing homelessness or who are at risk of homelessness.

Based on the above, this action is exempt from the environmental review requirements of Title 21 of the San José Municipal Code, implementing the California Environmental Quality Act of 1970, as amended pursuant to Public Health and Safety Code Section 50675.1.2.

Lead Agency Contact Person: Cassandra van der Zweep

Telephone: (408) 535-7659

If filed by applicant:

- 1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? Yes No

Signature: [Handwritten Signature] Date: 10/21/2020 Title: Planner IV
Signed by Lead Agency Signed by Applicant

STATEMENT OF EXEMPTION

FILE NO. ER20-169

PROJECT TITLE Project Homekey for Hotel Acquisition and Conversion into Interim or Permanent Supportive Housing

LOCATION OF PROPERTY 1488 North 1st Street, San José, CA

PROJECT DESCRIPTION Public Project Exemption to accept and receive HomeKey Program funds to execute the purchase and sale agreement to acquire a 76-unit hotel located at 1488 North 1st Street and support the operation of the facility to serve extremely low income individuals, couples, and families experiencing homelessness on the site.

CERTIFICATION

Under the provisions of the Public Health and Safety Code Section 50675.1.2, as stated below, this project is found to be exempt from the environmental review requirements of Title 21 of the San José Municipal Code, implementing the California Environmental Quality Act of 1970, as amended.

PUBLIC HEALTH AND SAFETY CODE SECTION 50675.1.2

Notwithstanding any other law, the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) shall not apply to any project, including a phased project, funded pursuant to Section 50675.1.1 if all of the following requirements, if applicable, are satisfied:

- (1) No units were acquired by eminent domain.
- (2) The units will be in decent, safe, and sanitary condition at the time of their occupancy.
- (3) The project proponent shall require all contractors and subcontractors performing work on the project to pay prevailing wages for any rehabilitation, construction, or alterations in accordance with Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.
- (4) The project proponent obtains an enforceable commitment that all contractors and subcontractor performing work on the project will use a skilled and trained workforce for any rehabilitation, construction, or alterations in accordance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code.
- (5) The project proponent submits to the lead agency a letter of support from a county, city, or other local public entity for any rehabilitation, construction, or alteration work.
- (6) Any acquisition is paid for exclusively by public funds.
- (7) The project provides housing units for individuals and families who are experiencing homelessness or who are at risk of homelessness.

- (8) Long-term covenants and restrictions require the units to be restricted to persons experiencing homelessness or who are at risk of homelessness, which may include lower income, and very low income households, as defined by Section 50079.5, for no fewer than 55 years.
- (9) The project does not increase the original footprint of the project structure or structures by more than 10 percent. Any increase to the footprint of the original project structure or structures shall be exclusively to support the conversion to housing for the designated population, including, but not limited to, both the following:
 - a. Achieving compliance with local, state, and federal requirements.
 - b. Providing sufficient space for the provision of services and amenities.

ANALYSIS

Background

In response to the COVID-19 pandemic, the State of California Department of Housing and Community Development (HCD) announced on June 16, 2020 the availability of grant funding for Project Homekey, a statewide effort to quickly maintain and expand housing opportunities for individuals and families experiencing homelessness or at risk of homelessness and for those impacted by COVID-19. Project Homekey grants state funding to purchase and rehabilitate housing (including hotels, motels, vacant apartment buildings, and other buildings) and convert them into interim or permanent, long-term housing.

On August 10, 2020 the Housing Department submitted its applicant to HCD for Project Homekey for the acquisition of the Sure State Hotel by Best Western and an operating subsidy to help support the operational costs for two years. The property is located at 1488 North First Street and is improved with 76 units and a detached two-bedroom manager's unit and community room ("Project"). The Subject Property is currently in partnership with the County of Santa Clara Office of Supportive Housing under Project Roomkey and support services are provided by Abode Services and up to 73 of the 76 units are occupied.

Project Understanding

The project includes the acceptance of the Project Homekey funding to be used with other public funds to acquire the hotel property located at 1488 North First Street. The hotel property is currently operated by the Santa Clara County Office of Supportive Housing and used for supportive housing. The property is being purchased as-is.

Upon acquisition, the Housing Department would partner with the Santa Clara Office of Supportive Housing and the current service provider, Abode Services, to continue supportive housing operations and services. The Housing Department intends to later release a Request for Proposal ("RFP") for the solicitation and subsequent award of a service provider and property manager to provide continued services to the residents and manage the hotel property.

ENVIRONMENTAL ANALYSIS

Analysis

This project includes the acceptance of the Project Homekey funds which would allow for the acquisition and purchase of the 76-unit hotel; none of the units would be acquired by eminent domain. The acquisition would be funded entirely through public funds. The site is currently operated by the

The acquisition would be funded entirely through public funds. The site is currently operated by the Santa Clara Office of Supportive Housing and Abode Services and maintained in safe and sanitary conditions. No construction nor expansion is proposed with this action. The intent of the acquisition is to provide housing units for individuals and families who are experiencing homelessness or who are at risk of homelessness.

Based on the above, this action is exempt from the environmental review requirements of Title 21 of the San José Municipal Code, implementing the California Environmental Quality Act of 1970, as amended pursuant to Public Health and Safety Code Section 50675.1.2.

Rosalynn Hughey, Director
Planning, Building and Code Enforcement

Date 10/19/2020


Deputy

Environmental Project Manager: Cassandra van der Zweep