

# Notice of Exemption

To: County Clerk  
County of: Santa Clara  
70 West Hedding Street, 1<sup>st</sup> Floor  
San Jose, CA 95110

From: (Public Agency): City of Morgan Hill  
17575 Peak Avenue  
Morgan Hill, CA 95037

Project Title: Magnolias Affordable Housing Project

Project Applicant: First Community Housing, 75 East Santa Clara Street Suite 1300, San Jose, CA 95113

Project Location - Specific:

The project site consists of approximately 1.5 acres, located at 17965 Monterey Road in the City of Morgan Hill, California. The site is identified by Assessor's Parcel Number (APN) 764-12-006.

Project Location - City: Morgan Hill Project Location - County: Santa Clara

Description of Nature, Purpose and Beneficiaries of Project:

The Magnolias Affordable Housing Project (proposed project) would include the demolition of the existing on-site structures and construction of a five story multi-family building consisting of 66 units, with one unit dedicated for an on-site manager. The proposed project would be comprised of 16 studios, 16 one-bedroom units, 17 two-bedroom units, and 17 three-bedroom units. The development would also include an entry plaza, garden/recreation area, two roof decks, half-court basketball and recreation area, playground, clubhouse, laundry room, and bike room. In addition, the proposed project would provide 67 parking stalls. Several on-site trees would be removed or replaced during the proposed project. Because 100 percent of the units would be designated for households with incomes at 30 to 60 percent area median income (AMI), the proposed project qualifies for an 80 percent Density Bonus to allow for the 66 units overall. The proposed project would require a Conditional Use Permit for reduction of landscape, Design Review for the construction of three or more residential units, and Density Bonus for the proposed residential density. The Density Bonus, with concessions, has already been approved by City Council.

Name of Public Agency Approving Project: City of Morgan Hill

Name of Person or Agency Carrying Out Project: First Community Housing

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 code number: Section 15332, Class 32

Reasons why project is exempt:

Article 19 of the CEQA Guidelines, Sections 15300 through 15333, includes a list of classes of projects that have been determined to not have a significant effect on the environment, and are therefore exempt from CEQA. As demonstrated throughout the Initial Study prepared by the City, the proposed project qualifies for exemption under CEQA Guidelines Section 15332, Class 32. For example, given the applicable Density Bonus under Government Code Section 65915, the proposed project would be consistent with the General Plan land use and zoning designation of MU-F and, thus, would meet Criterion 15332(a). In addition, the project would meet Criterion 15332(b) by being surrounded by existing development. The project site does not provide habitat value for rare, threatened, or endangered species and, thus, meets Criterion 15332(c). Furthermore, the proposed project would not result in any significant environmental effects related to traffic, noise, air quality, or water quality. The project can be adequately served by all required utilities and public services. As such, the proposed project would meet Criterion 15332(d) and 15332(e). It should also be noted that none of the exceptions to the exemptions under CEQA Guidelines Section 15300.2 would apply to the proposed project. Therefore, the proposed project would be considered exempt under CEQA Guidelines Section 15332, Class 32.

Lead Agency

Contact Person: Gina Paolini, Principal Planner, City of Morgan Hill Development Services Department  
Area Code/Telephone/Extension: (408) 310-4676

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: *Gina Paolini* Date: November 24, 2021 Title: Principal Planner  
 Signed by Lead Agency  Signed by Applicant