



**U.S. Department of Housing and Urban
Development**

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Washington, DC 20410
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Environmental Assessment Determinations and Compliance Findings for HUD-assisted Projects 24 CFR Part 58

Project Information

Project Name: 525 Water Street

Responsible Entity: City of Santa Cruz

Grant Recipient (if different than Responsible Entity): Santa Cruz County Housing Authority

State/Local Identifier: RE: 525 Water Street; HCD: B-21-DZ-06-0001

Preparer: R.L. Hastings & Associates, LLC

Certifying Officer Name and Title: Jessie Bristow, Development Manager, City of Santa Cruz
Jason Bradley, DFFA Branch Manager

Grant Recipient (if different than Responsible Entity):

Consultant (if applicable):

Direct Comments to:

If to City of Santa Cruz:

Jessie Bristow
Development Manager, Housing Division
City of Santa Cruz Economic Development Office
(831) 420-5126

Project Location

525 Water Street (APNs # 008-332-10 and 008-332-35)

City of Santa Cruz, CA 95060 – 0.75 acres

Description of the Proposed Project

The demolition and new construction project is in Santa Cruz at 525 Water Street at the northwest intersection of Water Street and Market Street. The site currently contains a vacant single-story commercial building and surface parking. The Project site is located in a “highest resource” opportunity area per the CTCAC/HCD Opportunity Maps and is within walking distance from many amenities. The site is zoned Community Commercial and is eligible for AB2011 state streamlining legislation to make the entitlement process ministerial and not subject to Council approval.

The project will consist of approximately 90 units, with 89 units designated for low-income households earning between 30-60% of the Area Median Income (AMI). The unit sizes will range from 1 to 4 bedrooms, with an additional 2-bedroom unit for the manager. The low-income units will primarily accommodate families except for 23 special needs VASH units allocated to formerly homeless veterans. Furthermore, 10 project-based voucher (PBV) units will be assigned to households on the Housing Authority of the County of Santa Cruz's Housing Choice Voucher (HCV) waitlist. Of the 90 units, 33 will be covered by project-based vouchers, meeting the 40% threshold for the Standard Project Cap. The project will also include approximately 32 parking spaces, a community room, a computer room, a bicycle parking area, a property management office, resident/supportive services space/office, an outdoor courtyard with a play structure, a laundry room, and may include some commercial space.

Construction equipment and materials staging will be onsite. Large capacity waste bins will be located onsite to collect construction material waste under contract with the local waste management service provider to pick up and dispose of all non-hazardous waste. Hazardous waste materials, if any, will be handled and disposed of following local, state and federal protocols using a licensed hazardous waste disposal company.

As there are no special site conditions requiring specialized equipment, standard construction equipment will be utilized including, but not limited to, skid-steer equipment, bulldozers, backhoes, graders, trenchers, roller soil compactors, lifts (both for workers and materials), water trucks, dump trucks, concrete trucks and various delivery trucks for material deliveries. There may be some cut and fill and minor leveling of the site with the average depth of ground to be approximately three (3) feet or less with the exception of main utilities which may be trenched up to eight (8) feet.

Construction is anticipated to last between 18 and 22 months, weather dependent, with the start date to be determined, but no later than the readiness deadline of 12.29.25.

The project will be financed through a combination of tax-exempt bonds allocated by CDLAC, 4% Low-Income Housing Tax Credits, State Tax Credits allocated by CTCAC, and CDBG-DR funds allocated by HCD. Additionally, the project has requested project-based vouchers, which are a crucial part of the project's financing. Securing the project-based vouchers will greatly enhance the project's competitiveness for other funding and the project's location in a “highest resource” area.

Description of the Area

The City of Santa Cruz (Spanish for 'Holy Cross') is the largest city and county seat of Santa Cruz County. The County is situated at the northern tip of Monterey Bay, with the City stretching along the coastline and inland to the coastal range, approximately 65 miles south of San Francisco, 35 miles north of Monterey, and 35 miles southwest of Silicon Valley. As of July 1, 2023, the U.S. Census Bureau estimated Santa Cruz's population at 61,501 while Santa Cruz County has approximately 261,547 residents.

Santa Cruz is known for its moderate Mediterranean climate with low humidity and sunshine 300 days a year, natural environment, coastline, redwood forests, alternative community lifestyles, and socially liberal leanings. It is also home to the University of California, Santa Cruz, a premier research institution and educational hub, and the Santa Cruz Beach Boardwalk, an oceanfront amusement park operating continuously since 1907.

The present-day site of Santa Cruz was the location of Spanish settlement beginning in 1791, including Mission Santa Cruz and the Pueblo of Branciforte. The City of Santa Cruz was incorporated in 1866 and chartered in April 1876. Important early industries included lumber, gunpowder, lime, and agriculture. In the 19th century, Santa Cruz established itself as a beach resort community.

Santa Cruz County is the Gateway to the Monterey Bay National Marine Sanctuary, has 29 miles of coastline and includes numerous state parks and beaches. Its quaint shops and restaurants, coupled with many cultural and recreational activities, including sailing, fishing, golfing, surfing, kayaking, hiking, and biking, provide a wealth of leisure activities. The State of California owns and maintains 42,334 acres of parks in the coastal and mountainous areas of the County. The County maintains an additional 1,593 acres of parks, not including the numerous city parks. Cultural amenities include the Santa Cruz County Symphony, the Cabrillo Music Festival, Shakespeare Santa Cruz, the McPherson Museum of Art and History, the University of California Performing Arts Center, and the Henry J. Mello Performing Arts Center.

Technology, agriculture, and tourism anchor the area's strong local economy. The school system includes Cabrillo Community College and the University of California, Santa Cruz. Santa Cruz also hosts the Long Marine Laboratory, the Lick Observatory, the National Marine Fisheries Service, and the Monterey Bay National Marine Sanctuary Exploration Center.

The San Jose International Airport, the San Francisco International Airport, Oakland International Airport, Monterey Peninsula Airport, and the Santa Cruz Municipal Airport serve the City. Union Pacific Railroad provides rail access, with a railhead at Santa Cruz Junction.

As of July 1, 2023, the City has an estimated population of 61,501, a per capita personal income of \$51,956, a median income of \$105,491 (in 2022 dollars), a median value for owner-occupied housing of approximately \$1,116,110, an estimated 18.7% in poverty per the U.S. Census Bureau Quick Facts for the City of Santa Cruz, and a median gross rent of \$2,232.

Description of the Surrounding Neighborhood

The project site is adjacent to the East Side Improvement District, just northeast of downtown Santa Cruz. Land to the north of the project site is zoned R-15 (Single-family Residence) and is comprised of single-family residences; land to the east, west, and south are zoned CC (Community Commercial) and includes small commercial uses along Water Street.

Construction and Design Description

The project's preliminary design features a 5-story building, consisting of 4 stories of wood frame Type 5 over a Type 1 concrete podium. The residential units are located on floors 1-5, and the ground floor inside the podium houses parking, commercial space, a computer room, bicycle parking, a property management office, and a resident/supportive services space/office. The 2nd floor podium level includes a courtyard, community room, and laundry. The building will have an elevator, be all-electric, ADA accessible, and comply with CBC and CTCAC requirements. Units will have Energy Star appliances (or sustainably comparable), including refrigerators, ovens with ranges, microwaves, dishwashers, and garbage disposals. Solar PV will be incorporated into the design and adhere to the City of Santa Cruz's objective design standards.

Currently Projected Permanent Sources of Project Funding:

1) Permanent Loan	\$ 16,912,379.00
2) CDBG-DR Loan	\$ 26,780,431.00
3) Deferred Developer Fee	\$ 8,053,596.00
4) LIHTC Equity - LP	\$ 45,858,841.00
Total Estimated Costs -	\$ 97,605,247.00

Development Partners will include:

- 1) Zen Development
- 2) Kingdom Development Inc.

Statement of Purpose and Need for the Proposal [40 CFR 1508.9(b)]:

The primary purpose of the proposed project is to develop up to 94 units of affordable housing in an area with high housing costs and limited affordable housing options compared to the need, with units for low-income households earning between 30-60% of the Area Median Income (AMI). Additionally, there will be designated units for homeless veterans.

The immense need for affordable housing in the County is epitomized by the 10,851 applicants currently on the Housing Authority of the County of Santa Cruz waiting list per a letter from the Housing Authority dated January 30, 2023. Additionally, a *Comprehensive Housing Market Analysis Santa Cruz-Watsonville, California*, prepared by the Office of Policy Development and Research of the U.S. Department of Housing and Urban Development, dated July 1, 2019, found the rental market to be "Extremely Tight" with a vacancy rate of only 1.9% and a demand for 570 new rental units over

the following 3 years and only 130 under development. Additional units have been under development since the issuance of this report, but the community needs far exceed the supply.

Per the market study prepared by Novogradac for an adjacent project: “The demographic data, demand analysis, existing supply of housing, and interviews with real estate professionals demonstrate an ongoing need for both market rate and affordable housing in the PMA over the foreseeable term. There are no vacancies reported among the LIHTC comparable data set. Additionally, the area’s market-rate housing also generally has high occupancy levels, and all of the affordable housing developments maintain extensive waiting lists. Therefore, we believe the development of the Subject is feasible within this market and will have a positive impact on the community.” Novogradac is currently finalizing a market study for this project.

The project is part of the City’s plan to redevelop the East Side areas, focusing on housing mixed with services, commercial facilities, and useful tenant and community amenities in a pedestrian-friendly environment, reducing the need for car usage in the urban core. The City plan is to redevelop areas in and near the city core where services are already built and available and near workplaces and with accessible community amenities to reduce urban sprawl and the cost of bringing services to new undeveloped areas while reducing the needs for cars with sites including and being located near amenities.

Existing Conditions and Trends [24 CFR 58.40(a)]:

The City of Santa Cruz has determined that the project is consistent with local planning documents and zoning ordinances. The property is adjacent to the East Side Improvement District designated area of the city on a commercial corridor (Water Street) through a primarily residential area. The City anticipates the commercial corridor will continue redeveloping with additional mixed uses, including housing.

The city’s goal is to continue redeveloping this area to further its goals of placing housing near services and transit, reducing car usage, and limiting further urban sprawl and the need for additional infrastructure investments. In the absence of this project, an alternative project may be proposed for the site at some time in the future. However, this may be difficult to achieve without some form of City assistance and may not include the much-needed affordable housing that this project proposes to develop.

Funding Information

Grant Number	HUD Program	Funding Amount
N/A	HUD Project-Based Vouchers	\$18,441,199 ¹
Pending	CDBG-DR	\$26,780,431
N/A	HUD 811 PRA	\$1,739,273

Estimated Total HUD Funded Amount: \$26,760,431 plus 20 years of PBVs with an projected value of \$18,441,199 and 9 HUD 811 with an estimated value of \$1,739,273.

¹ Based upon 20 years of the total gross rental amount

Estimated Total Project Cost (HUD and non-HUD funds) [24 CFR 58.32(d)]: **\$97,605,247** plus 20 years of PBVs with an projected value of \$18,441,199 and 9 HUD 811 with an estimated value of \$1,739,273.

Compliance with 24 CFR 50.4, 58.5, and 58.6 Laws and Authorities

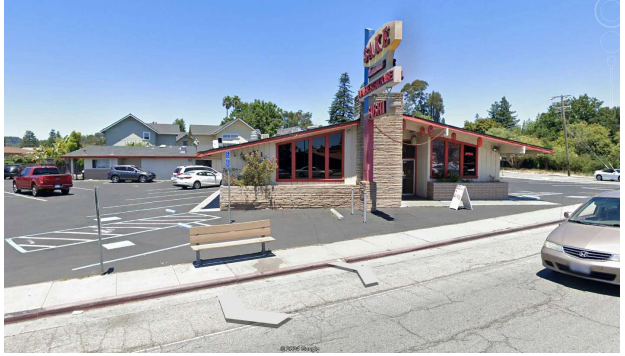
Record below the compliance or conformance determinations for each statute, executive order, or regulation. Provide credible, traceable, and supportive source documentation for each authority. Where applicable, complete the necessary reviews or consultations and obtain or note applicable permits of approvals. Clearly note citations, dates/names/titles of contacts, and page references. Attach additional documentation as appropriate.

Compliance Factors: Statutes, Executive Orders, and Regulations listed at 24 CFR §58.5 and §58.6	Are formal compliance steps or mitigation required?	Compliance determinations
STATUTES, EXECUTIVE ORDERS, AND REGULATIONS LISTED AT 24 CFR 50.4 and 58.6		
Airport Hazards 24 CFR Part 51 Subpart D	Yes No ☐ ☒	<i>The project site is not within an FAA-designated civilian airport Runway Clear Zone (RCZ), or within a military airfield Clear Zone (CZ) or Accident Potential Zone (APZ).</i> Only those airports designated by the FAA as "commercial civil airports" and part of the National Plan of Integrated Airports are subject to HUD regulation 24 CFR 51D. The nearest civilian airport to the project site is the Watsonville Municipal Airport, located approximately 12.9 miles east of the site. The FAA has not designated it a primary or commercial civil airport and is, therefore, not covered by 24 CFR Part 51 Subpart D. - There are no military airfields near the project site, and no other airports are located within 15 miles of it. - The project is in compliance with this Factor. Verified at: https://data.ca.gov/dataset/military-airport https://www.faa.gov/airports/planning_capacity/categories - See Attach A: Airport Hazards
Coastal Barrier Resources Coastal Barrier Resources Act, as amended by the Coastal Barrier Improvement Act of 1990 [16 USC 3501]	Yes No ☐ ☒	<i>There are no Coastal Barrier Resources in California.</i> - The project is in compliance with this Factor. - See Attach B: Coastal Barrier Resources

Flood Insurance Flood Disaster Protection Act of 1973 and National Flood Insurance Reform Act of 1994 [42 USC 4001-4128 and 42 USC 5154a]	Yes No ☐ ☒	<i>The project does not involve property acquisition, land management, construction or improvement within a 100-year floodplain (Zones A or V) identified by FEMA maps.</i> - According to FIRM map 06087C0332E dated May 16, 2012, the project site is located in Zone X “Area of Minimal Flood Hazard.” The project is not within the 500’ floodplain per FEMA maps. - Flood insurance is available but is not required. Verified at: https://msc.fema.gov/portal/home - The project is in compliance with this Factor. - See Attach C: Floodplain Management
STATUTES, EXECUTIVE ORDERS, AND REGULATIONS LISTED AT 24 CFR 50.4 & 58.5		
Clean Air Clean Air Act, as amended, particularly section 176(c) & (d); 40 CFR Parts 6, 51, 93	Yes No ☐ ☒	<i>The project site is located in an area which has no Federal criteria pollutants classified as Nonattainment.</i> -Verified by EPA Greenbook “Currently Designated Nonattainment Areas for all Criteria Pollutants at https://www3.epa.gov/airquality/greenbook/anc1.html#CALIFORNIA downloaded 8.21.24. - GHG emissions were not calculated for this project. The primary GHG emission footprint of the project is in the production of the building materials used to construct the project and the actual construction activities. GHG emissions produced during the operational phase of the project will be reduced due to the energy efficiencies in the design of the building in the windows, doors, heating, cooling and lighting used. - The City of Santa Cruz has been reducing GHG emissions over time to meet its goals with significant reductions on an overall and per capita basis since 1990 (overall up in 2005 from 1990 while per capita dropped with both dropping from 2005). - The project is in compliance with this Factor. - See Attach D: Clean Air

Coastal Zone Management Coastal Zone Management Act, sections 117(c) & (d)	Yes No ☐ ☒	<i>The project site is not located in the coastal zone and does not involve the placement, erection or removal of materials that may increase the intensity of use in the coastal zone.</i> - The project site is located outside of the Coastal Zone per attached County of Santa Cruz GIS Map. - The project is in compliance with this Factor. - See Attach E: Coastal Zone Management
Contamination and Toxic Substances 24 CFR Part 50.3(i) & 58.5(i)(2)	Yes No ☒ ☐	<i>The project involves new development for habitation; but is not located within one mile of an NPL ("Superfund") site, within 2,000 feet of a CERCLIS (SEMS) site, nor adjacent to any other known or suspected sites contaminated with toxic chemicals or radioactive materials that are likely to affect the site.</i> - AEI prepared Phase 1 Environmental Assessments dated February 3, 2025, and November 10, 2023, which identified no Recognized Environmental Conditions (RECs), Controlled Recognized Environmental Conditions (CRECs) or Historic Recognized Environmental Conditions (HRECs) in the course of its assessment. - AEI identified three (3) Other Environmental Conditions (OECs) which are <i>de minimis</i> conditions or other environmental considerations: • AEI noted two underground grease traps located adjacent to the west of the subject property building. Based on the non-hazardous nature of material entering the grease traps, these features are not expected to represent a significant environmental concern. However, prior to redevelopment activities, AEI recommends removal and/or closure of the grease traps per applicable local guidelines. • According to the subject property owner, demolition of the subject property building is planned for the near future. Regardless of building construction date, the EPA's NESHAP requires that a thorough asbestos survey be performed prior to demolition or renovation activities that may disturb ACMs. This requirement may be enforced by federal, state and local regulatory agencies, and specifies that all suspect ACMs be sampled to determine the presence or absence of asbestos prior to any renovation or demolition activities which may disturb them to prevent potential exposure to workers, building occupants, and the environment. • Due to the age of the subject property building, there is a potential that LBP is present. AEI understands that demolition activities of the subject property buildings are planned. AEI recommends that the property owner consult with a certified Lead Risk Assessor to determine

		options for control of possible LBP hazards. Stringent local and State regulations may apply to LBP in association with building demolition and worker/occupant protection. It should be noted that construction activities that disturb materials or paints containing any amount of lead may be subject to certain requirements of the OSHA lead standard contained in 29 CFR 1910.1025 and 1926.62. - AEI performed a vapor encroachment screening to determine if the site was subject to a Vapor Encroachment Condition (VEC) and did not identify evidence of a VEC. <i>LBP and ACM</i> - ACM and LBP testing shall be required as a Condition of Approval for the project. If either is found to be present, all local, state and federal requirements for handling and disposal will be required to be implemented. <i>Radon</i> - The CDC National Environmental Public Health Tracking Network has the following data for Santa Cruz County. The only data available for California is “Lab” data. A) Mean pre-mitigation levels in buildings over 10 years equaled 2.5 pCi/L B) Median pre-mitigation levels in buildings over 10 years equaled 1.2 pCi/L - Based on the mean pre-mitigation radon concentration being above 2.0 pCi/L, radon testing will be done post-construction and pre-occupancy with radon mitigation implemented if post-construction radon levels exceed 2.0 pCi/L. - See <i>Mitigation Measures and Conditions</i> section at the back of the EA. - See Attach F: Contamination & Toxics Substances
Endangered Species Endangered Species Act of 1973, particularly section 7; 50 CFR Part 402	Yes No ☐ ☒	<i>The project will not affect Federally listed or proposed threatened and endangered species, nor designated or proposed critical habitat.</i> - This is an urban infill project on a site currently fully built out with structures and hardscape that will be demolished to construct the project. The site is fully surrounded by urban development and sits at the intersection of two arterial roadways. There is no potential for critical habitat or endangered species on the project site.

		 - The USFW Critical Habitat Mapper identified no critical habitat on or near the site. - A search of the iPac website created a list of six birds, two reptiles, three amphibians, one fish, two insects, and four plants; however, the site does not provide suitable habitat for any species on the list. Verified at: https://ipac.ecosphere.fws.gov/location/QBCW2NNTOF EYBAGQWRYSUISGKM/resources https://www.fws.gov/species/california-least-tern-ster-na-antillarum-browni https://www.fws.gov/species/ohlone-tiger-beetle-cicindela-ohlone - The project is in compliance with this Factor. - See Attach G: Endangered Species
Explosive and Flammable Hazards 24 CFR Part 51 Subpart C	Yes No ☐ ☒	<i>The project will expose neither people nor buildings to above-ground explosive or flammable fuels or chemicals containers hazards.</i> This demolition and reconstruction project includes new housing construction, increasing the area's residential densities. According to the CalEPA database, one aboveground storage tank (AST) that stores flammable or combustible materials is located within one mile of the site. This facility is located approximately 0.9 miles from the project site and stores up to 5,999 gallons of used motor oil in an AST with an ASD of 583'. - The project is in compliance with this factor. Verified at: https://siteportal.calepa.ca.gov/nsite/map/help https://www.hudexchange.info/environmental-review/asd-calculator/ - See Attach H: Explosive and Flammable Hazards

Farmlands Protection Farmland Protection Policy Act of 1981, particularly sections 1504(b) and 1541; 7 CFR Part 658	Yes No ☐ ☒	<i>The project site contains Prime or Unique Farmland or other Farmland of Statewide or Local Importance as identified by the USDA and NRCS. 85% of site soil is defined as “Prime Farmland if Irrigated.” However, the project is an infill project on a fully developed site in a developed area of the City and is, therefore, exempt.</i> - 85% of site soil is in Map Unit Symbol h9fy (Soquel) and is considered “Prime Farmland if Irrigated.” The project, however, is an urban infill project in a developed area of the City and is, therefore, exempt. Verified at: https://casoilresource.lawr.ucdavis.edu/gmap/ https://tigerweb.geo.census.gov/tigerweb/ - The project is in compliance with this Factor. - See Attach I: Farmlands Protection
Floodplain Management Executive Order 11988, particularly section 2(a); 24 CFR Part 55	Yes No ☐ ☒	<i>The project does not involve property acquisition, land management, construction or improvement within a 100-year or 500-year floodplain (Zones A or V) identified by FEMA maps</i> - According to FIRM map 06087C0332E dated May 16, 2012, the project site is located in Zone X “Area of Minimal Flood Hazard.” The project is not located within the 100-year or 500-year floodplain. - HUD's update to its floodplain management regulations (24 CFR Part 55) expanded the definition of the regulatory floodplain from the traditional 100-year floodplain— or the 500-year floodplain for critical actions— to a forward-looking floodplain determined by the Federal Flood Risk Management Standard (FFRMS). The FFRMS introduces three concepts for identifying areas with increased flood risk: • The Climate Informed Science Approach (CISA), in which modeling on sea level rise is incorporated into flood risk mapping to provide floodplain boundaries that change over extended time horizons. • The 500-year floodplain approach, in which the 500-year floodplain serves as the regulatory floodplain instead of the 100-year floodplain • The Freeboard Value Approach (FVA), in which two feet, or three feet for critical actions*, is added to the 100-year flood elevation, and the floodplain is the area extending from the flooding source to that higher elevation Because neither HUD nor any other agency with jurisdiction has adopted an official tool or map to verify the CISA method in this area, this factor was analyzed utilizing the 500-year floodplain approach.

		This factor will not have an impact on, or be impacted by this project. - The project is in compliance with this Factor. - See Attach C: Floodplain Management
Historic Preservation National Historic Preservation Act of 1966, particularly sections 106 and 110; 36 CFR Part 800	Yes No ☐ ☒	<i>The City of Santa Cruz has determined that no historic properties will be affected by the project. The SHPO did not respond within 30 days of receipt of consultation packet.</i> - Attachment J contains the following supporting documentation: - SHPO consultation letter dated 3.19.25; SHPO response letter dated 5.6.25; CHRIS response, dated 8.2.24; NAHC response and contact list dated 9.5.25; Consultation responses received from The Amah Mutsun Tribal Band of San Juan Bautista and AMTB and from the Costanoan Rumsen Carmel Tribe; National Register of Historic Places (NRHP) internet search results for both the City and County of Santa Cruz, and an NRHP Aerial indicating no sites within 0.5 miles of the project site. <i>Tribal Responses</i> - Henry Munoz, Cultural Resource Officer/MLD/Traditional Builder of the Costanoan Rumsen Carmel Tribe responded via email on 2.24.25 stating the following: <i>We look forward to working hand in hand to protect and preserve our cultural resources. We would like to set up a consultation to this project to address any questions that may arise. And be able to set up mitigations as well as some requests due to the demolition and the disturbance of Mother Earth in ancestral homelands. Please let me know some dates and times that work best for you all.</i> - The City responded on 3.19.5 stating” <i>Thank you for your correspondence, we will take them into consideration. Currently, the project is still being evaluated by the city. We will reach out if we have any further questions.</i> - The City is reaching out to the Tribe again to get more information on the Tribe’s request to set up a consultation to the project and will work with the Tribe on its request. - Irenne Zwierlein of the Amah Mutsun Tribal Band of San Juan Bautista & AMTB responded without specifying whether the project area is within its Tribal

		area or any information on the potential for cultural resources on the site or in the area. The response was the standard monitoring solicitation response it has provided to the City in response to all projects in the area in which they have received a consultation request from the City. - The SHPO responded on May 6, 2025, 48 days after receiving the City's consultation letter, requesting additional information. As the SHPO did not respond within 30 days; per 36 CFR Part 800.4(d)(1), lack of objection within 30 days means Federal agency has completed its Section 106 responsibilities. - The project is in compliance with this Factor. - See Attach J: Historic Preservation
Noise Abatement and Control Noise Control Act of 1953, as amended by the Quiet Communities Act of 1978; 24 CFR Part 51 Subpart B	Yes No ☒ ☐	<i>The project involves the development of noise sensitive uses and is located within 1,000' of and within line-of-sight of an arterial or greater roadway but is not located within line-of-sight of an active railroad line.</i> - The project site is an urban site located on the outskirts of the city center and is located within 1,000' of two arterial roadways. The project site is located at the corner of Water Street and Market Street, both of which are arterial roadways. - There are no active railroad lines within the project site's line of sight. The project site is approximately 12.9 miles west of the nearest municipal airport in Watsonville. According to the attached Santa Cruz Airport Noise Contours Map, it is outside of all airport noise contours. - Two noise studies were prepared for the project by Illingworth & Rodkin, Inc. (I&R), one acoustic only study and one incorporating the HUD DNL Calculator. I&R reached the following conclusion: "Future noise levels at outdoor use areas of residences proposed at 525 Water Street would not exceed the City of Santa Cruz's limit of 65 dBA Ldn. The proposed building itself would create additional shielding from traffic noise. All residential units on the south facing building façade nearest to Water Street would require STC 33 or higher rated windows to meet the City's interior noise level requirement of 45 dBA Ldn. For all other residential units located on the property, standard construction materials would be suitable to meet the City's interior noise level requirement of 45 dBA Ldn. Forced-air mechanical ventilation systems will be provided." Verified at: https://cdi.santacruzcountyca.gov/Portals/2/County/Planning/SustainabilityUpdate/General_Plan/GeneralPlanAppe

		ndixH-AirportLandUseCompatibility_public_draft.pdf?ver=z8jb-b3wNFPjMDPql-6G1w%3D%3D - See Attach K: Noise Abatement and Control
Sole Source Aquifers Safe Drinking Water Act of 1974, as amended, particularly section 1424(e); 40 CFR Part 149	Yes No ☐ ☒	<i>The project is not located within an area designated by the EPA as being supported by a sole-source aquifer.</i> Verified by sole source aquifer map downloaded from: https://epa.maps.arcgis.com/apps/webappviewer/index.html?id=9ebb047ba3ec41ada1877155fe31356b on 8.22.24 - See Attach L: Sole Source Aquifers
Wetlands Protection Executive Order 11990, particularly sections 2 and 5	Yes No ☐ ☒	<i>The project does not involve new construction within or adjacent to a wetland(s) habitat.</i> - There are no wetlands located on or near the project site. - Verified by: Wetlands Map downloaded from https://fwsprimary.wim.usgs.gov/wetlands/apps/wetlands-mapper/ on 8.22.24 - See Attach M: Wetlands Protection
Wild and Scenic Rivers Wild and Scenic Rivers Act of 1968, particularly section 7(b) and (c)	Yes No ☐ ☒	<i>The project is not within one mile of a listed section of a Wild and Scenic River.</i> - The proposed project site is not located within one mile of any listed section of any Wild and Scenic River. There are no Wild & Scenic Rivers in Santa Cruz are County. Verified by the Wild and Scenic Rivers map downloaded from https://www.rivers.gov/river-app/index.html?state=CA on 8.22.24 - There are no National Rivers Inventory (NRI) rivers located in Santa Cruz County and, therefore, none within one mile of the project site. - See Attach N: Wild and Scenic Rivers

ENVIRONMENTAL JUSTICE		
Environmental Justice Executive Order 12898	Yes No ☐ ☒	<i>The project site is suitable for its proposed use and won't be adversely affected by a pre-existing environmental condition with mitigations addressed in the EA.</i> - The structure onsite to be demolished will be tested for ACM and LBP prior to demolition and, if LBP or ACM are found to be present, all local, state and federal requirements for handling, removal and worker protection are required to be adhered to, include permits, chain-of-custody, and disposal in a location approved for

		said materials. - Noise from traffic on Water Street produces noise levels above 65 dBA – mitigation to reduce interior noise levels of units facing Water Street to acceptable indoor noise levels complying with HUD and City standards will be implemented. - The AEI Phase I ESA prepared in November 2023 identified three (3) Other Environmental Conditions (OECs) which are <i>de minimis</i> conditions or other environmental considerations which will be required to be addressed. - The geotechnical has identified soil issues that will need to be addressed through project design and are addressed in the <i>Mitigation Measures and Conditions</i> section. As all issues will be mitigated, they will not present environmental issues for future residents. There are no other issues identified in the Environmental Assessment that would have an adverse effect on project residents and, therefore, there are no factors that will have environmental impacts disproportionately high for low-income and/or minority residents. - Regardless of population group served, the population will not be affected disproportionately by environmental issues. - Additionally, the project will benefit the minority and low-income populations by bringing much needed affordable housing units to the neighborhood and community. - See Attach O: Environmental Justice
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Environmental Assessment Factors [24 CFR 58.40; Ref. 40 CFR 1508.8 &1508.27] Recorded below is the qualitative and quantitative significance of the effects of the proposal on the character, features and resources of the project area. Each factor has been evaluated and documented, as appropriate and in proportion to its relevance to the proposed action. Verifiable source documentation has been provided and described in support of each determination, as appropriate. Credible, traceable and supportive source documentation for each authority has been provided. Where applicable, the necessary reviews or consultations have been completed and applicable permits of approvals have been obtained or noted. Citations, dates/names/titles of contacts, and page references are clear. Additional documentation is attached, as appropriate. **All conditions, attenuation or mitigation measures have been clearly identified.**

Impact Codes: Use an impact code from the following list to make the determination of impact for each factor.

- (1) Minor beneficial impact
- (2) No impact anticipated
- (3) Minor Adverse Impact – May require mitigation
- (4) Significant or potentially significant impact requiring avoidance or modification which may require an Environmental Impact Statement

Environmental Assessment Factor	Impact Code	Impact Evaluation
LAND DEVELOPMENT		
Conformance with Plans / Compatible Land Use and Zoning / Scale and Urban Design	2	<i>The project is in conformance with the City of Santa Cruz General Plan and is a compatible land use consistent with zoning ordinances and is compatible in scale and urban design with surrounding uses and proposed uses.</i> - Zoning: CC (Community Commercial) - General Plan Land Use: CM (Community Commercial) Project Consistency: Consistent with approval of permits. The project will demolish the existing commercial building and parking to construct one six-story mixed-use building. The residential units will be located on floors 2-6, while the ground floor will house parking, commercial space, a computer room, bicycle parking, a property management office, and a resident/supportive services space/office. The City will review and approve the project design to ensure it is compatible with the neighborhood and meets all city design standards. - The project will produce no adverse urban impact as it is an urban redevelopment project within Santa Cruz. - See Attach P: Land Development

Soil Suitability/ Slope/ Erosion/ Drainage/ Storm Water Runoff	3	Soil Suitability - The City requires that a final geotechnical engineering report be prepared and submitted as part of the city review and permitting process and shall require that the recommendations presented in the Report be incorporated into the project plans and specifications and implemented during construction and all applicable State and local building codes and the City of Santa Cruz requirements are required to be complied with. Slope - The USDA NRCS slope rating for the site is “0 to 2 percent,” representing a level site with no slope; therefore, the slope is not an issue for the site's development. - Verified through Web Soil Survey downloads from the USDA, NRCS website at http://websoilsurvey.sc.egov.usda.gov/App/HomePage.html Erosion - An Erosion and Sediment Control Plan or Stormwater Pollution Prevention Plan prepared by a registered engineer or qualified stormwater pollution prevention plan developer will be required by the City to be submitted as an integral part of the grading plan. Additionally, all grading activities and placement of fill will be completed in accordance with the City’s Grading, Erosion, and Sediment Control Regulations. - The City will require that standard BMP’s be followed during construction to minimize construction related erosion from the site during construction activities. -Development of the proposed project will cover the entire site in hardscape and structures and will have no erosion potential. Storm Water Runoff and Drainage Per City requirements, a Stormwater Control Plan must be prepared for the project. - The project must comply with the City’s “Storm Water and Urban Runoff Pollution Control” (Chapter 16.19 of the city’s Municipal Code) which identifies prohibited discharges and required Best Management Practices (BMPs) for construction and new development. - The City’s regulatory requirements and BMPs, as detailed in the “Stormwater Best Management Practices Manual” published by the City’s Public Works Department, must be implemented, - The project is consistent with the City of Santa Cruz General Plan and will comply with all applicable City regulations and planning division conditions and those of the Regional and State Water Quality Control Boards.
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		- Per state requirements, post-construction runoff flows must be less than the pre-construction flows. Therefore, it is anticipated that the proposed project would not result in erosion, flooding or exceed water quality standards. - Storm Water runoff will not be commingled with sewage. - See Attach P: Land Development
Hazards and Nuisances including Site Safety and Noise	3	Earthquake Faults and Earthquake Potential - Per the Dees & Associates <i>Preliminary Geotechnical Investigation</i> (Dees): “The closest faults to the site are the San Andreas Fault, Zayante-Vergeles Fault, Monterey Bay-Tularcitos Fault and the San Gregorio Fault. The San Andreas Fault is the largest and most active of the faults in the site vicinity. However, each fault is considered capable of generating moderate to severe ground shaking. It is reasonable to assume that the proposed development will be subject to at least one moderate to severe earthquake from one of the faults during the next fifty years.” - Although the San Andreas Fault is located approximately 10.4 miles northeast of the site, the project is not within an Alquist-Priolo Earthquake Fault Zone. No known surface expression of fault traces is thought to cross the site; therefore, fault rupture hazard is not a significant geologic hazard. Landslide Potential - The site is relatively flat with a USDA NRCS slope rating of 0-2 percent; therefore, no landslide potential exists. Liquefaction Potential - Per Dees, “The results of our liquefaction analysis indicate sandy soils have a high potential for liquefaction. . . The full extent of potentially liquefiable soils was not determined in our borings and additional CPT testing is recommended at the site to further explore the subsoils. <u>Settlement</u> Total ground settlements associated with the design earthquake are predicted to be on the order of 9 inches. Differential settlements are expected to be on the order of 1 to 2 inches. <u>Loss of Soil Strength</u> Liquefied soils lose strength during and immediately following liquefaction. Foundations should not rely on the potentially liquefiable soils for support. A significant reduction in bearing capacity in the soils overlying the liquefied soils should be also be expected. <u>Lateral Spreading</u> Lateral spreading occurs when liquefied soil loses strength and the soil starts to flow and move sideways. Our analysis indicates there is a potential for over 7 feet of cumulative lateral spreading to occur in the liquefied soils.

Sand Boils

Sand boils are caused when water pressures are relieved at the ground surface and the upward movement of groundwater causes soil to rise to the ground surface creating a mound of soil at the surface. There is a moderate potential for sand boils to develop at the ground surface.

- Current building codes require lateral spreading (over 18 inches) to be mitigated with either deep foundations that penetrate the soil layers that are susceptible to lateral spreading or by modifying the soil to mitigate the lateral spreading potential. We do not have enough soil data to determine if deep piers are a viable option for mitigating lateral spreading. With the data we have to date, the piers would have to be founded below about 30 to 40 feet before they will have any resistance to lateral soil movement. Very large lateral forces would be exerted against the piers during lateral spreading. The piers will need to be embedded well below the aforementioned depths to resist lateral pressures.

Ground modification to mitigate liquefaction and lateral spreading is feasible at the site. Ground modification generally consists of densifying the soils or changing the make-up of the soil. Soil densification by compaction grouting or soil mixing to create cement-treated soil columns are potential options for mitigating the lateral spreading potential at the site.

The lateral spreading potential has to be mitigated regardless of the foundation type chosen, except in the case of very deep piles that are designed to resist lateral spreading forces. However, lateral spreading can be mitigated without having to mitigate all zones of liquefaction. The depth and extent of liquefaction mitigation will depend on the foundation type and anticipated loads of the proposed structure. In general, mat slab foundations will require liquefaction to be mitigated to a greater depth than spread footing foundations.

The surface soils consist of clay that have a relatively low bearing capacity. For preliminary purposes, an allowable bearing capacity of 350 psf may be assumed for mat slabs supported on the clayey surface soils in combination with full-depth liquefaction mitigation and an allowable bearing capacity of 1,500 psf may be assumed for shallow spread footings supported on the clayey surface soils in combination with partial liquefaction mitigation. Drilled piers, in combination with liquefaction mitigation, can also be used. Due to the presence of thinly layered clays and sands, it is difficult to develop a preliminary pier capacity with the information gathered so far. The capacity of piers will need to be based on a more in-depth soil investigation and laboratory testing program.

It is also possible to replace the upper clayey soils with imported granular soil that has a higher capacity than the on-site soils. The depth of replacement will depend on the foundation loads, but a depth of 5 to 10 feet is a reasonable assumption for preliminary purposes. There is groundwater at 10 feet and groundwater may need to be lowered to facilitate soil replacement and compaction. The side walls of any excavations will need to be sloped back or shored. Shoring, in the form of soil improvement, could be integrated into the liquefaction mitigation program.

Site drainage will be an important consideration for the proposed development. The surface soils have low permeability and are not suited for on-site retention

and the proposed improvements will occupy most of the site leaving limited room available for storing stormwater. Stormwater will most likely need to be directed to off-site facilities.

The site is located in a highly seismic region near several major fault zones. The proposed improvements will most likely experience strong seismic shaking during the design lifetime. Structures should be designed to resist seismic shaking in accordance with current building code requirements.

-The project will be required to comply with all City and State building codes and requirements set forth in the final geotechnical report to be prepared for the project to reduce the potential for liquefaction.

Verified at:

<https://gis.data.ca.gov/datasets/b70a766a60ad4c0688babdd47497dbad/about?layer=0>

- The City shall require that the recommendations presented in a final geotechnical report submitted to and approved by the City be incorporated into the project plans and specifications and implemented during construction. Furthermore, all applicable State and local building codes and City of Santa Cruz requirements are required to be complied with.

- Complying with the requirements stated above, the project is not expected to expose people or structures to substantial adverse effects, including the risk of loss, injury, or death as a result of geologic hazards, including earthquakes, strong seismic ground shaking, or seismic-related ground failure such as liquefaction.

- Verified at:

<https://www.usgs.gov/programs/earthquake-hazards/faults>
<https://maps.conservation.ca.gov/cgs/EQZApp/app/>

Geotechnical Investigation prepared by Stevens, Ferrone & Bailey Engineering Company, Inc., dated June 11, 2021, and Santa Cruz City GIS

Geotechnical Investigation prepared by Dees & Associates, Inc, dated January 2024

Tsunami and Seiches Potential

According to the California Department of Conservation's Tsunami Hazard Area Map, the project site is not located in a Tsunami-Inundation Hazard Area.

Additionally, the City periodically updates its emergency evacuation procedures for tsunami hazard areas and coordinates with other agencies, as outlined in the City's adopted Hazard Mitigation Plan, to respond to this concern.

- Verified at:

https://maps.conservation.ca.gov/cgs/informationwarehouse/ts_evacuation/

Noise

- The project will temporarily increase community noise levels during construction due to normal noises attributable to construction activities. Noise generated during construction would vary throughout the construction period and on any given day, depending on the construction phase and the type and amount of equipment used at the site. The highest noise levels would be generated during the grading of the site, with lower noise levels occurring during building construction and finishing. Overall, construction noise levels would be temporary, short-term, and fluctuate throughout the construction period.

- Development projects are reviewed on a case-by-case basis, and typical conditions of approval include limiting the day and times during which construction and/or heavy construction can be conducted, providing notification to neighbors regarding construction schedules, and implementing a process to receive and respond to noise complaints. These are some of the types of measures that the City would implement to manage and minimize construction noise impact.

- The City has determined that the temporary increase in noise levels generated by construction activity is less than significant.

The project will generate ongoing noise typical of a mixed-use project. However, noise levels will not exceed the City threshold of 65 CNEL for multifamily/mixed-use projects.

Wildland Fires Potential

- The project site is in an urbanized part of Santa Cruz with no wildland conditions. It is not located within a State-identified fire hazard zone, as indicated on the latest Fire Hazard and Severity Zone maps prepared by the California Department of Forestry and Fire Protection (CalFire).

Verified at:

<https://experience.arcgis.com/experience/03beab8511814e79a0e4eabf0d3e7247/>

Emergency Response & Access

- The project will not impair the implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan. It will also not affect surrounding roadways as it is the redevelopment of a developed parcel already incorporated into City emergency evacuation plans.

Hazardous Materials

- A Phase I ESA prepared on the project site identified no RECs and three Environmental Concerns which are addressed above in the *Contamination and Toxic Substances* factor.

- The project itself will have normal hazardous materials on site that would be commonly found in commercial and personal cleaning supplies and the medical offices will generate some hazardous materials in the form of used medical devices or materials. These offices will be RCRA generators and require proper

		storage and disposal of hazardous materials in conformation with City and State regulations. - See the Contamination and Toxic Substances factor above and <i>Mitigation Measures and Conditions</i> section at the end of this document. - Verified by Phase I ESA prepared by AEI, dated November 10, 2023 Construction Site Safety - Following general construction safety practices, the project site will be fenced during construction and will have signs limiting unauthorized access and the potential for injury. - See Project Description; Attach F: Contamination and Toxic Substances; and Attach P: Land Development.
Energy Consumption	1	- The project will be a 100% electric building in compliance with the recently adopted City of Santa Cruz ordinance: Chapter 6.100, effective July 1, 2020, and the project will comply with Title 24 requirements for energy efficiency. - Units will have Energystar appliances including refrigerators, oven and ranges, and dishwashers. The Santa Cruz Water District has developed water efficiency requirements for single-family and multifamily housing that the project is required to implement to reduce water use within the project site. . Specifically, the project will install fixtures that protect the area's water resources through more efficient water use efficiency requirements, examples of which are listed below: • All installed toilets use 1.28 gallons per flush or less. • Kitchen faucets use a maximum of 1.8 gallons per minute. • Residential bathroom faucets use a maximum of 1.5 gallons per minute or are WaterSense qualified. • Showerheads use a maximum of 2.0 gallons per minute or are WaterSense qualified. • Clothes washing machines are Energy Star qualified. • Dishwashing machines are Energy Star qualified. • Separate meters are required for each multi-family residential unit. • Dedicated landscape water meters. • Landscaping turf must be a water conserving species and may not be used in areas less than 10 feet wide or on slopes greater than 12%. • Turf, moderate to high water use plants and water features are limited to no more than 25% of the landscaped area. - See Project Description

Environmental Assessment Factor	Impact Code	Impact Evaluation
SOCIOECONOMIC		
Employment and Income Patterns	1	- The project will create temporary construction employment, some of which will likely be drawn from the local employment base. - Additionally, the project is anticipated to create 5 FTE new permanent jobs to operate the project and commercial uses and will create additional continuing contracting opportunities for local businesses that may also lead to some job creation, most likely for existing area residents but the effect will be less than significant. - Locating the project in a mixed-use residential/commercial area may lead to job opportunities for residents of the project by placing them closer to job opportunities. - The project will not result in the displacement of existing jobs. The existing commercial structure is unoccupied.
Demographic Character Changes, Displacement	2	- The project is too small to instigate any demographic character changes in the community. Additionally, the project is designed to serve existing residents of the project area rather than to attract and bring in new residents. - The project will not result in the displacement of existing jobs. The existing commercial structure is unoccupied. - See Attach Q: Socioeconomic
Environmental Justice	1	- As discussed in the <i>Environmental Justice</i> factor above, no adverse environmental impacts were identified in the project's environmental review that would disproportionately affect this project's residents. The project is an affordable housing development seeking funding from State and Federal funding sources, each with rent, income and occupant requirements: The property will consist of 90 units, with 89 units designated for low-income households earning between 30-60% of the Area Median Income (AMI). The unit sizes will range from 1 to 4 bedrooms, with an additional 2-bedroom unit for the manager. The low-income units will primarily accommodate families, except for 23 special needs VASH units allocated to formerly homeless veterans. Furthermore, 13 project-based voucher (PBV) units will be assigned to households on the Housing Authority of the County of Santa Cruz's Housing Choice Voucher (HCV) waitlist. Of the 90 units, 36 will be covered by project-based vouchers, meeting the 40% threshold for the Standard Project Cap. The project will also include approximately 36 parking spaces, a community room, a computer room, a bicycle parking area, a property management office, resident/supportive services space/office, an outdoor courtyard with a play structure, a laundry room, and around 2,500 square feet of commercial space as required by the City of Santa Cruz. This partial permanent supportive housing project is proposed to provide housing and supportive services to an underserved, low-income population, including those with special needs, providing

		both housing and supportive services onsite, and connecting residents as necessary with services and job opportunities offsite. Climate change is not anticipated to affect the project or its population in any specific manner other than how it will affect all residents of the region. The project will bring low-income households, including formerly homeless, low-income households with special needs into a holistic environment that will provide both stable, safe and healthy affordable housing, and support for their needs to assist them in healing, accessing health care and other benefits.
Environmental Assessment Factor	Impact Code	Impact Evaluation
COMMUNITY FACILITIES AND SERVICES		
Educational and Cultural Facilities	2	Educational Facilities The proposed project commercial space, which will not impact educational facilities, and up to 90 units of multi-family housing for low-income residents of the City of Santa Cruz, which could impact educational facilities, are anticipated to have minimal effect on surrounding educational facilities. - Schools and educational services are provided to City residents by the Santa Cruz City Schools (SCCS), as well as several private schools, for grades K through 12. SCCS comprises two separate districts: the Elementary District (K-6) and the High School District (7-12), governed by a common board and administration. The Elementary District draws students from the City of Santa Cruz and from County locations, including Davenport and Soquel. It includes six schools serving approximately 2,000 students. The second district includes two middle schools, three high schools, and an Alternative Family Education (AFE) independent home study school program. - SCCS schools, including DeLaveaga Elementary, Branciforte Middle School, and Harbor High School, would serve the proposed project. The capacity of each school serving the project is provided in the City's General Plan EIR (City of Santa Cruz 2012). The SCCS study found that enrollment was under capacity and is forecasted to decline over the next ten years (Decision Insite, 2016). The study incorporated current enrollment capacity, feeder district data, county birth rates, and plans for new housing in the forecasting methodology. Current enrollment data, as reported by the State Department of Education, was compared to capacity as reported in the City's General Plan. The middle and high schools have enrollments that are under capacity based on data reported by the state (California Department of Education, 2017). - Per the California School Dashboard, De Laveaga ES, enrollment was 602 in 2017 dropping to 488 in 2023; Branciforte MS declined from 508 to 389 in the same period while Harbor HS increased from 902 to 1,023. Harbor HS has open enrollment. - Local school districts are empowered under state law to impose school impact fees, which local governments collect at the time of building permit issuance. The

		Santa Cruz City Elementary and High School Districts currently charge school impact fees. - Verified by: City of Santa Cruz Downtown Plan Amendments Draft Environmental Impact Report, dated July 2017 Cultural Facilities The proposed project may potentially increase demand for cultural facilities in the City of Santa Cruz and the surrounding areas of the County. However, due to the relatively small project size and the proposed use by existing area residents, the increased demand is not expected to exceed the capacity of existing facilities. There are adequate cultural facilities in the City and surrounding areas to accommodate any potential increased usage generated by the project. - The City of Santa Cruz, along with the County of Santa Cruz and other nearby communities, showcase talent through its art galleries, museums, festivals, and outdoor theater performances. Premier cultural events like Open Studios, Santa Cruz Shakespeare, the Scotts Valley Art & Wine, the Capitola Art & Wine Festival, Capitola Twilight Concerts, Cabrillo Festival of Contemporary Music, the Santa Cruz Film Festival, and others draw visitors to this vibrant, eclectic area. The City and County offer countless cultural events and venues offering live music, outdoor theater, and more - The City of Santa Cruz is known as a tourist attraction. It is located on Monterey Bay with another major tourist attraction with numerous cultural facilities, Monterey/Carmel, to the south. These and other nearby cities offer a wealth of cultural activities. There are also miles of nature trails around the Santa Cruz coastal wetlands. - The Santa Cruz County Fairgrounds, located in the south of the County in the City of Watsonville, shares its location with the Agricultural History Museum and the Sierra Azul Sculpture Garden and Nursery. Cabrillo Community College is located in Aptos, just outside of Santa Cruz, while the University of California, Santa Cruz, is in the City. There are 22 properties in the City and 47 in the County of Santa Cruz listed in the National Register of Historic Places. - “The City has approximately 35 City-listed historic landmarks and approximately 600 listed historic structures, some of which may also be considered scenic resources depending on the visual prominence and the character of the building (City of Santa Cruz, April 2012, DEIR volume). In downtown, the Civic Center and Town Clock are identified as visual landmarks in the City’s General Plan. The Boardwalk and Santa Cruz Wharf are identified as landmarks in the beach area, . . .” - Extracted from City of Santa Cruz Downtown Plan Amendments Draft Environmental Impact Report, dated July 2017
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		- Additionally, adequate public transportation is available to serve these cultural facilities. - See Attach Q: Community Facilities & Services
Commercial Facilities	1	- The proposed project will potentially benefit nearby businesses as a result of increased business. Additionally, placing residents in more affordable housing provides more disposable income for spending on hard and soft goods. - The project will include commercial space on the ground floor. - Additionally, the project is not expected to negatively impact other businesses farther out from the project by significantly reducing the current demand for their services. Commercial facilities near the project site and further out are reasonably accessible to residents by private or public transportation. The City has a robust public transportation network includes the pending construction of a new central Metro bus terminal with buses serving the entire City, County and surrounding counties. - See Attach Q: Community Facilities and Services
Health Care and Social Services	2	Health Care The proposed project is not expected to significantly impact the demand for health care services in the area. Sufficient health care services are available in the City of Santa Cruz and surrounding areas to handle any potential increased demand. Due to the relatively small size of the project (90 units), the net impact will be low and less than significant. Additionally, the City anticipates that the majority of future project residents currently reside in the area, and, therefore, there is anticipated to be little to no net increase in demand for health care services. - The Santa Cruz Community Health Center, is located at 250 Locust Street, approximately .7 miles from the project site, and provides acupuncture, behavioral health, chiropractic, health education, pediatrics, prenatal, primary care, optometry, and women's health services. - Dominican Hospital of Dignity Health is a full service hospital located at 1555 Soquel Drive, approximately 2.4 miles from the project site. Dominican provides financial assistance as needed, providing \$29 million in fiscal year 2020 for patient financial assistance and community benefit programs. - See included maps depicting the many medical facilities and offices in the area. Social Services - Due to the relatively small size of the proposed project (90 units), the project is not expected to significantly increase demand for social services. - Additionally, as noted previously, the project is expected to provide affordable housing for households already residing within the project area and would have

		little increase in demand for services. For any potential increase in demand generated by the project, required services are available from a wide variety of public agencies and private non-profit agencies in both the City of Santa Cruz and County of Santa Cruz. - Social Service agencies and programs in the area include Santa Cruz Child Support Services, Court Community Service Program, Encompass Community Services, Santa Cruz County CalFresh, Santa Cruz Child Protective Services, Salvation Army, Housing Matters, Santa Cruz Supported Living, Mental Health Client Action Network, Hope Services, Head Start and more. - See Attach Q: Community Facilities & Services
Solid Waste Disposal / Recycling	2	- Solid waste collection and disposal, including recycling services, are provided by the City of Santa Cruz to residents, businesses and institutions within the City's boundaries, is provided at the Resource Recovery Facility (RRF), which includes a sanitary landfill, recycling center, green waste drop-off area, and Household Hazardous Waste Drop-Off Facility. The City owns and operates this facility, including a Class III sanitary landfill, which is located approximately three miles west of the City off Highway 1 on Dimeo Lane. The site covers 100 acres with approximately 70 acres available for disposal use, and the City's RRF. The RRF only accepts municipal solid waste and serves as a sorting facility to remove any recyclable or composting materials. The Recycling Center accepts a variety of recyclable materials. - In the mid-1990s the permitted disposal area of the landfill increased from 40 to 67 acres. The additional acreage was designed with a liner system that meets EPA requirements for new municipal solid waste landfills. The new area replaced the former leachate evaporation ponds, which were cleaned and closed in 1997. The expansion increased the life of the landfill by approximately 30 years at that time, but the lifespan has been increased through implementation of additional waste reduction measures (City of Santa Cruz, April 2012, DEIR volume). - The City of Santa Cruz met the state-mandated waste diversion goals of 25% of their 1990 waste-streams from landfill disposal by 1995 and 50% by 2000 through community education and the implementation of expanded curbside recycling programs. In the year 2000, the City established a Zero-Waste goal with the ultimate intention of eliminating the City's need for a landfill. As of 2015, the City had achieved a diversion rate of 65-68%, which exceeds the state requirements (City of Santa Cruz, April 2012, DEIR volume). - Assuming growth trends similar to the past 10-15 years in the City of Santa Cruz, the RRF has more than adequate capacity to accommodate all municipal solid waste generated by City residents, visitors and businesses. Based on continued waste reduction, annual aerial surveys, and calculations, the landfill is estimated to have capacity through the year 2056 (City of Santa Cruz, April 2012, DEIR volume). State law requires that facilities begin planning for future waste disposal/reuse facilities at least 15 years in advance of existing landfill closure dates, which would be around the year 2043. <i>- Extracted from the City of Santa Cruz Downtown Plan Amendments Draft Environmental Impact Report, dated July 2017</i>

		- Per the above, the proposed project will generate additional solid waste but is not expected to exceed the City's ability to collect or recycle solid waste. - The project is expected to comply with statutes and regulations related to solid waste, similar to other residential developments in the area. No known project elements would create unusual solid waste conditions. - During construction: "All refuse and recycling activities . . . shall be done in accordance with Chapter 6.12 of the Santa Cruz Municipal Code. Be aware that private companies offering refuse or debris box services cannot operate within the City limits, except under certain limited circumstances detailed in Chapter 6.12.160."
Waste Water / Sanitary Sewers	2	- The City of Santa Cruz will treat project-generated wastewater. The project will not exceed the wastewater treatment requirements established by the Regional Water Quality Control Board. - The City of Santa Cruz owns and operates a regional wastewater treatment facility (WWTF), located on California Street adjacent to Neary Lagoon, that provides secondary level of treatment. The City treats sewage from domestic and industrial sources. It discharges the treated effluent into the Pacific Ocean under the provisions of a waste discharge permit (NPDES No. CA0048194) issued by the California RWQCB, Central Coast Region (Order No. R3 - 2005 - 0003). - The WWTF has a permitted wastewater treatment capacity of 17.0 million gallons per day (mgd) with average daily flows of less than 10 mgd. In 2016, the WWTP treated 3.3 billion gallons of wastewater effluent at an average daily rate of 9.04 mgd (Ibid.). The Santa Cruz County Sanitation District has treatment capacity rights of 8 mgd at the City of Santa Cruz WWTF. The City contributes approximately 5.0 mgd with a remaining capacity of 4.0 mgd. The Sanitation District contributes 5.5 mgd with a remaining capacity of 2.5 mgd. Approximately 50% of the wastewater treated at the plant is generated within the City of Santa Cruz. The total remaining treatment plant capacity, therefore, is 7.5 mgd. - The project will not require or result in the relocation or construction of new public or private utilities and service facilities. - <i>Extracted from the City of Santa Cruz Downtown Plan Amendments Draft Environmental Impact Report, dated July 2017 with additional information from the Santa Cruz City website</i>
Water Supply	2	- The City of Santa Cruz will supply water to the project and has adequate water supplies available to serve the proposed project. - Per the City's 2020 Urban Water Management Plan, "The City is safeguarding against future water shortages by actively implementing future water projects as described in Chapter 6, Section 6.8 [of the Plan]. Implementation of this project is assumed in the City's water supply planning process."

		“Under this supply and demand reliability assessment, the City projects have sufficient water supply available in normal and single dry years to serve anticipated demand throughout the 2025 – 2045 planning period. Under multi-year drought conditions in the near term (2025), with proposed water rights modifications but before implementation of the ASR and planned infrastructure projects, available supplies would meet projected demand in years one through four of the multi-year drought scenario, but would fall short of demand by 27 percent in year five.” - In reality, the amount of rainfall in any given year, the number of non-drought years in succession, and the number of drought years in succession cannot be predicted with accuracy, so modeling is done using the best data available. Additionally, although the population in the area has been increasing, gross water usage has been dropping. - City Conditions of Approval for the project will require the following: “Adequate provisions shall be made to supply water to the premises covered by this application. The design of water facilities shall be to standards of the Water Department, and plans therefore must be submitted to the Water Department Director for review and approval prior to the issuance of a building permit.” - See Attach Q – Community Facilities and Services
Public Safety - Police, Fire and Emergency Medical	2	Public Safety - Police - The City of Santa Cruz Police Department provides crime protection and prevention activities throughout the City, including patrols, response to calls, education, and community outreach. Its services include patrol, investigations, traffic, parks unit, neighborhood enforcement team, gang unit, dive team, hostage negotiation team, tactical team, and School Resource officer. The City has mutual aid agreements with county law enforcement (Sheriff’s Office, Capitola, Scotts Valley, Watsonville, California Highway Patrol, State Parks, and UCSC Police Departments). - The Police Department operates out of one police station/headquarters, located in downtown at 155 Center Street. The city is divided into five patrol beats that are designed to maximize coverage and provide efficient response to calls for service: West, East, Beach, Central, and Downtown (City of Santa Cruz Police Department, 2015). The Department has divided the City into five main beats, and handled 103,592 calls in 2015. Approximately 40% of the annual calls are for service in the Downtown area in 2017 (Martinez, personal communication, May 2017). The average response time is four minutes and 22 seconds, which is under the department’s target of four minutes and 30 seconds. Dispatching services are provided through the Santa Cruz Consolidated Emergency Communications Center. Although the project has been proposed to provide affordable housing for existing City residents, it could potentially result in an increased population that could increase police protection service demands. However, this project and other future

developments and growth are not anticipated to result in the need to construct new or expanded police facilities.

- *Extracted from the City of Santa Cruz Downtown Plan Amendments Draft Environmental Impact Report, dated July 2017, and Santa Cruz Police Department website*

Public Safety - Fire

-The City of Santa Cruz Fire Department will serve the project. The City of Santa Cruz Fire Department is an all-hazard emergency response and fire protection agency that serves the City, the University of California at Santa Cruz (UCSC) and participates in mutual aid responses within the County and State. The Fire Department also provides various contract services within the County. Agreements include a long-term contract for full fire protection services with UCSC, specialized arrangements for seasonal lifeguards with the City of Capitola and the Santa Cruz Port District, and an automatic aid agreement with County Fire/CalFire into Paradise Park. The City of Santa Cruz Fire Department maintains mutual aid agreements with all surrounding fire agencies to provide and receive aid on an as-needed basis. The department is also a participant in the California Fire Assistance Agreement (CFAA) which allows for statewide mutual aid.

The Fire Department provides various services, including fire protection, marine rescue, technical rope/cliff rescue, advanced life support/paramedic, and hazardous materials emergency response. In addition, the department serves the community through a wide array of nonemergency interactions by providing fire prevention, community risk reduction, public education, disaster preparedness training, and ongoing emergency management preparation.

- Fire Station #2 is located at 1103 Soquel Avenue which is approximately 0.8 miles from the project site.

- “The number of service calls received by the fire department in 2016 was approximately 8,200 calls. The majority of the calls are for non-fire emergencies, with about 65% of the calls being for medical assistance. Average response times from each of the four fire stations is approximately 5 minutes. The Department’s goal is to respond to emergency medical calls in less than five minutes 90% of the time and to fire emergency calls within eight minutes 90% of the time.”

Public Safety – Emergency Medical Services

- As discussed above under *Public Safety – Fire*, emergency medical services are provided by the City of Santa Cruz Fire Department and the marginal increase in demand this project may produce will have the same limitations and impacts as discussed above.

Parks, Open Space and Recreation	2	- The City of Santa Cruz provides its residents with many parks, open spaces, beaches, trails, and recreational opportunities. The city maintains and operates a variety of neighborhood parks, community/regional parks, community facilities, and recreational programs. The majority of these parks, facilities, and programs are managed by the City Parks and Recreation Department, with some being operated in collaboration with community organizations. - The city is responsible for managing, maintaining, and operating over 30 parks, covering more than 1,700 acres of parkland and open space, including various community and recreational facilities. - The City imposes a “Parks and Recreation Facilities Tax” (pursuant to Chapter 5.72 of the Municipal Code) on new residential development (including mobile homes) within the City, payable at the time of issuance of a building permit. The collected taxes are placed into a special fund and are “used and expended solely for the acquisition, improvement and expansion of public park, playground and recreational facilities in the city” (section 5.72.100). - City residents also have the opportunity to access many state and county park facilities. - The County of Santa Cruz Department of Parks, Open Space, and Cultural Services operates a total of 49 parks, which total over 1,200 acres of parkland in unincorporated Santa Cruz County. County parks include dog parks, garden plots to rent, surf schools and an adopt-a-beach program. Coastal access points within the County are shown on the County website along with a list of parks and a listing of all the features at each park. Pinto Lake Park, which is located along Green Valley Road. The park is approximately 294 acres in size. The County manages a 216-acre portion in the northern portion of the park and the City of Santa Cruz manages a 78-acre portion. See Attach Q: Community Facilities and Services
Transportation and Accessibility	2	Accessibility - The project is required to and will meet all Federal, State, and Local regulations governing accessibility. - The Santa Cruz Metropolitan Transit Districts (SCMTD) (the Metro) provides fixed-route and commuter bus service for the City of Santa Cruz, Santa Cruz County and to points outside the County throughout the year. SCMTD Routes 1, 2, 18, and 19 all serve the project site and include two bus stops immediately in front of and across the street from the proposed development. See Attach Q: Community Facilities and Services Transportation <i>Temporary Impacts</i>

		- There will be a temporary increase in traffic from contractors building the project; however, this impact does not constitute a permanent impact. <i>Permanent Impacts</i> - As previously stated, due to the nature of the project and the population served, significant permanent impacts on the transportation system are not expected. - A Traffic Impact Study is required at the Building Permit review stage and a Traffic Impact Fee will be assessed by the Public Works Department and shall be paid prior to issuance of the building permit. See Attachment 1_Project Information
Environmental Assessment Factor	Impact Code	Impact Evaluation
NATURAL FEATURES		
Unique Natural Features, Water Resources	2	Unique Natural Features - The project site is flat with no unique natural features and currently contains commercial buildings and parking. - <i>See Project Information, Aerial photos and USGS Map</i> Water Resources - The project will be connected and served by the City's water system and any minimal landscaping will be irrigated with domestic water or reclaimed water. Implementation of the project would not deplete groundwater supplies or interfere with groundwater recharge resulting in groundwater loss. - <i>See Water Supply factor above</i> - See "Soil Suitability/ Slope / Erosion/ Drainage / Storm Water Runoff" factor above for information on the issue of stormwater runoff. - See the "Waste Water / Sanitary Sewers" factor above for wastewater collection and treatment information. The project will not utilize an on-site septic system.
Vegetation, Wildlife	2	Vegetation The project site is located in a built-up urban area at the intersection of two main streets. It is fully developed with structures and hardscape, with no vegetation other than a couple of trees. Wildlife Due to the site being located downtown and fully developed with structures and hardscape, with no vegetation on the site, the development of the project will not affect wildlife.

		- See Attach 2_Maps Aerials and Photos
Other Factors	--	- N/A
Climate Change Impacts	2	- The area is not generally subject to hurricanes or extreme storms and is in a temperate area not subject to extreme heat or cold. It is outside any state- or County-designated wildfire hazard zones and has no potential for landslides. The most significant issues related to climate change that may potentially affect this project or be affected by this project are drought (water resources) and seismicity. The project site is outside a tsunami zone and any projections for rising sea levels. The site is located in the north Monterey Bay Area, which is subject to earthquakes that may cause strong ground shaking. Still, every property in the area, as well as most of California, faces very similar risks of drought and earthquakes. Many of the project's residents would live on the street or in other, likely less safe structures if not for the project. Similarly, they would be more at risk for each of those factors. <i>Drought (Water Resources)</i> – California and the western United States are currently experiencing drought conditions, and California has for the majority of the last 10 years. This project is not proposing to bring new residents into the area, negatively affecting water resources. Instead, the project will provide safe, affordable housing for currently homeless and/or at-risk people already residing (unsheltered or in unstable/unsafe housing) within the County, selected from the County Continuum of Care's Coordinated Entry list. Construction of the project is not anticipated to result in any additional effect on drought conditions and water resources in the region or California. In addition, as noted above, the project will meet state and local requirements for water efficiency in the project's plumbing fixtures and landscape design. <i>Seismicity</i> – As noted above, the project site is located in the northern Monterey Bay Area, a seismically active region, and is likely to be subject to strong ground shaking. To address this, the project will be built in accordance with the CBC to address the issue. While there is no established connection between climate change and large earthquakes, there has been research establishing a connection between water load on the earth's surface and absorbed, and micro-seismicity (earthquakes too small to be felt) and localized earthquakes tied to water level fluctuation in dams. There is some research suggesting that there may be a connection to long-term drought and excessive groundwater pumping and seismicity. Still, a firm understanding of any connection to large earthquakes has not yet been reached. <i>EPA EJScreen Climate Change Factors</i> The EPA EJScreen includes a section on Climate Change that examines four (4) Factors for this site: the 100-year floodplain, Sea Level Rise, Wildfire Risk, and Flood Risk. The following are the EJScreen Climate Change Factors for the project site. 100-Year Floodplain – This factor indicates that the site is projected to be in the 100-Year Floodplain; however, FEMA data indicates it is not. The site is within the FFRMS.

		Flood Risk – Related to the above, this factor estimates that the site is in the 90th percentile for flood risk. Currently, 90% of properties are at flood risk. Sea Level Rise – This factor estimates the effects of sea level rise in one foot increments from 1’ to 6’. The factor does not estimate any level within this range affecting the site. - The City of Santa Cruz has also mapped sea level rise and estimates no effect of sea level rise by the Year 2100. Wildfire Risk – Indicates that the entire site is estimated to be at the 0 percentile currently and to remain there in 30 years – no properties at Wildfire Risk. The project site is currently not classified as being in a fire hazard severity area by Cal Fire. Additionally, the site and structures will be built to meet all local and state fire codes and requirements to reduce susceptibility to fire danger and loss. - See Attach R – Climate Change
Energy Efficiency	1	The project has the potential to help reduce greenhouse gases due to the site being conveniently located near a transit line that provides access to the entire region, reducing the need for travel by car. The project will also include secured bicycle parking spaces to encourage bicycle use. The site is within walking distance of many services. Additionally, the supportive services provided on-site to residents will reduce the need to travel off-site for such services. As such, the site meets the City’s standards for residential vehicle miles traveled, as it is within convenient walking, biking, and public transit distance of many local employment opportunities, shopping and retail services, and schools. - The project will be a 100% electric building in compliance with the recently adopted City of Santa Cruz ordinance: Chapter 6.100, effective July 1, 2020, and the project will comply with Title 24 requirements for energy efficiency. - Units will have Energystar appliances, including refrigerators, ovens and ranges, and dishwashers. - The project site is located in a moderate temperate zone near the ocean, with multiple city parks and public beaches near the project site. The Santa Cruz Water District has developed water efficiency requirements for single-family and multifamily housing that the project must implement to reduce water use within the project site. Specifically, the project will install fixtures that protect the area’s water resources through more efficient water use efficiency requirements, examples of which are listed below: • All installed toilets use 1.28 gallons per flush or less. • Kitchen faucets use a maximum of 1.8 gallons per minute. • Residential bathroom faucets use a maximum of 1.5 gallons per minute or are WaterSense qualified. • Showerheads use a maximum of 2.0 gallons per minute or are WaterSense qualified. • Clothes washing machines are Energy Star qualified.

		• Dishwashing machines are Energy Star qualified. • Separate meters are required for each multi-family residential unit. • Dedicated landscape water meters. • Landscaping turf must be a water conserving species and may not be used in areas less than 10 feet wide or on slopes greater than 12%. • Turf, moderate to high water use plants and water features are limited to no more than 25% of the landscaped area.
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Additional Studies Performed:

No additional studies were prepared and utilized for the preparation of this NEPA other than those referenced in specific factors and below.

Field Inspection (Date and completed by):

Field Inspections were done by the preparers of reports used in this NEPA including:

- AEI – Phase I Environmental Site Assessment – October 31, 2023
- Dees & Associates, Inc. – Preliminary Geotechnical Investigation – November 258, 2023
- Mid Coast Engineers – A.L.T.A., N.S.P.S., Land Title Survey

List of Sources, Agencies and Persons Consulted [40 CFR 1508.9(b)]:

The following were used for each item as applicable:

- USGS, Santa Cruz West Quadrangle 7.5-Minute series topographic map
- Google Earth and Google Maps

STATUTES, EXECUTIVE ORDERS, AND REGULATIONS LISTED AT 24 CFR 50.4 and 58.6

Airport Hazards

- 24 CFR Part 51 Subpart D
- Santa Cruz GIS Airport Zones Map
- NEPAassist Airport Map
- Google Earth

Coastal Barrier Resources

- Coastal Barrier Resource System Mapper

Flood Insurance

- FIRM map 06087C0332E dated May 16, 2012

STATUTES, EXECUTIVE ORDERS, AND REGULATIONS LISTED AT 24 CFR 50.4 & 58.5

Clean Air

- EPA Greenbook “Currently Designated Nonattainment Areas for all Criteria Pollutants at <https://www3.epa.gov/airquality/greenbook/ancl.html#CALIFORNIA> downloaded

Coastal Zone Management Act

- California Coastal Zone Map downloaded from <https://www.coastal.ca.gov/maps/czb/>

Contamination and Toxic Substances

- Environmental Investigation Services, Inc. – Phase I ESA, dated July 10, 2023
- Environmental Investigation Services, Inc. – Phase II Limited Soil and Groundwater Investigation Report, dated June 6, 2017

Endangered Species Act

- USFWS – Critical Habitat for Threatened & Endangered Species

Explosive and Flammable Hazards

- CalEPA Database: <https://siteportal.calepa.ca.gov/nsite/map/help>
- HUD Exchange, ASD Tool at <https://www.hudexchange.info/environmental-review/asd-calculator/>
- Google Earth

Farmlands Protection

- USDA, NRCS website at <https://websoilsurvey.nrcs.usda.gov/app/HomePage.html>
- TIGERweb

Floodplain Management

- FIRM map 06087C0332E, dated May 16, 2012

Historic Preservation

- Ms. Julianne Polanco, State Historic Preservation Officer
- California Historical Resources Information System
- Native American Heritage Commission
- Consultation letters to all on the NAHC Contacts List [No TDAT list for Santa Cruz County]
- National Register of Historic Places (NRHP) Records Search
- The USGS, Santa Cruz Quadrangle 7.5-Minute series topographic map
- Google Aerial Photos

Noise Abatement and Control

- Watsonville Airport Noise Contours Map
- NEPAassist Railroad Map
- City of Santa Cruz Noise Ordinance
- Illingworth & Rodkin, Inc. – 525 Water Street, Affordable Housing Project NEPA Noise Assessment
- Illingworth & Rodkin, Inc. – 525 Water Street, Affordable Housing Project Noise Assessment
- Google Earth

Sole Source Aquifers

- EPA Region 9 Sole Source Aquifers Map downloaded from <https://fwsprimary.wim.usgs.gov/wetlands/apps/wetlands-mapper/>

Wetlands Protection

- Wetlands Map downloaded from <https://fwsprimary.wim.usgs.gov/wetlands/apps/wetlands-mapper/>

Wild and Scenic Rivers Act

- Wild and Scenic Rivers list downloaded from <https://www.rivers.gov/river-app/index.html?state=CA>

Environmental Assessment Factors

- NEPAssist
- City of Santa Cruz General Plan 2030 Draft EIR, dated September 2011
- City of Santa Cruz Draft EIR, Downtown Plan Amendments, dated July 2017
- City of Santa Cruz Noise Ordinance
- City of Santa Cruz Website – various department websites
- City of Santa Cruz GIS
- County of Santa Cruz GIS
- City of Santa Cruz Public Works Website
- City of Santa Cruz Wastewater System
- Santa Cruz City Schools Websites
- California School Dashboard
- City of Santa Cruz Zoning Lookup for Street Addresses within the City
- City of Santa Cruz General Plan Housing Element
- City of Santa Cruz Parks Master Plan
- County of Santa Cruz Website – Parks
- City of Santa Cruz 2015 Urban Water Management Plan
- City of Santa Cruz Water Conservation Master Plan, dated January 2017
- USDA, NRCS website at <https://websoilsurvey.nrcs.usda.gov/app/HomePage.htm>
- California Department of Conservation regulatory maps viewed or downloaded from:
<http://maps.conservation.ca.gov/cgs/informationwarehouse/index.html?map=regulatorymaps>
- California Emergency Management Agency – Tsunami Inundation Map for Emergency Planning
- Cal Fire – FRAP FHSZ Viewer
- USFWS – Critical Habitat for Threatened & Endangered Species
- Santa Cruz Metropolitan Transit District (METRO) website
- Google Earth
- Google Maps

List of Permits Obtained:

No permits obtained at this time. Standard construction-related permits will be obtained prior to the commencement of construction.

Public Outreach [24 CFR 50.23 & 58.43]:

- No public outreach to date with community meetings planned for Fall 2024.

Cumulative Impact Analysis [24 CFR 58.32]:

No Factors in this Environmental Assessment were found to be significant on a stand-alone basis; and there are no other activities functionally or geographically related to this project requiring aggregation with this action – i.e., there are no other activities that are similar, connected and closely related, or that are dependent upon other activities and actions, and, therefore would need to be aggregated and evaluated with this activity

(See 40 CFR 1508.25(a)); and; there are no cumulative impacts when considering all factors as a whole that would result in the Finding being other than **No Significant Impact**.

Alternatives [24 CFR 58.40(e); 40 CFR 1508.9]:

After researching potential sites in the City and County, the developer concluded that this was the only available site that met the established conditions for project feasibility including size of site and per unit cost, would allow a sufficiently long escrow period, was adjacent to transit, mostly level and not subject to special construction challenges, and has no historical resources or existing residents who would be displaced. Five other sites were considered before choosing this site:

1. 3212 Mission Dr. at Thurber Ln., Live Oak, Unincorporated County of Santa Cruz. Passed due to:
 - a. Site would only yield 40 or so units
 - b. Seller would not entertain a sufficient escrow period
2. 125 Walnut Ave, City of Santa Cruz. Passed due to:
 - a. Site would yield less than 50 units
 - b. Cost per unit too high
3. 1930 Ocean Street Extension, City of Santa Cruz. Passed due to:
 - a. Environmental issues
 - b. Accessibility issues
4. 1313 Seabright Avenue, Unincorporated County of Santa Cruz. Passed due to:
 - a. Historical resources on the site
 - b. Insufficient unit yield
5. 980 17th Ave, Unincorporated County of Santa Cruz. Passed due to:
 - a. Unresponsive broker/seller
 - b. Would require lengthy rezoning

No Action Alternative [24 CFR 58.40(e)]:

There are few benefits to be obtained by not developing the site as proposed. The project will increase the much-needed supply of housing in the project area with existing public infrastructure and without significantly impacting existing public services. Not developing this particular project will delay the development of much needed affordable housing needed in the community and may not provide affordable housing as this project will do.

Additionally, the developer submitted the project to the City for review as an AB-211 entitlement review project so the City had limited ability to review and require revisions. That being said, the City is general supportive of affordable housing in the community as demonstrated by the City's recently awarded "Prohousing" designation by the State.

Summary of Findings and Conclusions:

The City of Santa Cruz finds that the project will have no significant effect on the quality of the human environment. In several areas, implementation of City and other agency required measures during construction, along with other conditions required for City approval of the project, will not only result in the project having no significant impact on the quality of the human environment but will have a beneficial

impact in several areas including the provision of affordable housing for city residents in the city core near services and transportation.

The project will benefit the City of Santa Cruz and low-income residents needing affordable rental housing by providing quality low-income housing without exposing residents to hazardous environmental conditions and will improve their quality of life.

Mitigation Measures and Conditions [40 CFR 1505.2(c)]

Summarize below all mitigation measures adopted by the Responsible Entity to reduce, avoid, or eliminate adverse environmental impacts and to avoid non-compliance or non-conformance with the above-listed authorities and factors. These measures/conditions must be incorporated into project contracts, development agreements, and other relevant documents. The staff responsible for implementing and monitoring mitigation measures should be clearly identified in the mitigation plan.

Law, Authority, or Factor	Mitigation Measures and Conditions
Clean Air Clean Air Act, as amended, particularly section 176(c) & (d); 40 CFR Parts 6, 51, 93	<i>- During ground-disturbing activities, including demolition and grading, construction, sensitive receptors will potentially be subject to increased pollutant concentrations, primarily from blowing dust associated with ground disturbances and construction equipment emissions. The effect will be mitigated by requiring the developer to comply with the City's dust control program and Monterey Bay Unified Air Pollution Control District regulations.</i>
Contamination and Toxic Substances 24 CFR Part 50.3(i) & 58.5(i)(2)	<i>PVEC</i> <i>- Prior to issuance of permits, an updated Phase 1 Environmental Assessment shall be completed.</i> <i>LBP and ACM</i> <i>- If any structures were built prior to 1978, ACM and LBP testing shall be required as a Condition of Approval for the project. If either is found to be present, all local, state and federal requirements for handling and disposal will be required to be implemented.</i> <i>Radon</i> <i>- Based on the mean pre-mitigation radon concentration being above 2.0 pCi/L, radon testing will be done post-construction and pre-occupancy with radon mitigation implemented if post-construction radon levels exceed 2.0 pCi/L.</i>

Historic Preservation National Historic Preservation Act of 1966, particularly sections 106 and 110; 36 CFR Part 800	<i>Condition of Approval</i> - Plans submitted for building permit issuance shall include the following note: Any person exercising a development permit or building permit who, at any time in the preparation for or process of excavating or otherwise disturbing earth, discovers any human remains of any age or any artifact or any other object which reasonably appears to be evidence of an archaeological/cultural resource or paleontological resource, shall: a. Immediately cease all further excavation, disturbance, and work on the project site; b. Cause staking to be placed completely around the area of discovery by visible stakes not more than ten feet apart forming a circle having a radius of not less than one hundred feet from the point of discovery; provided, that such staking need not take place on adjoining property unless the owner of the adjoining property authorizes such staking; c. Notify the Santa Cruz County sheriff-coroner and the city of Santa Cruz planning director of the discovery unless no human remains have been discovered, in which case the property owner shall notify only the planning director; d. Grant permission to all duly authorized representatives of the sheriff-coroner and the planning director to enter onto the property and to take all actions consistent with this section. <i>Condition of Approval</i> - The City will work cooperatively with the Costanoan Rumsen Carmel Tribe to set up appropriate consultation with the Tribe prior to and while implementing the project.
Noise Abatement and Control Noise Control Act of 1953, as amended by the Quiet Communities Act of 1978; 24 CFR Part 51 Subpart B	<i>Mitigation</i> - All residential units on the south facing building façade nearest to Water Street would require STC 33 or higher rated windows to meet the City's interior noise level requirement of 45 dBA Ldn. For all other residential units located on the property, standard construction materials would be suitable to meet the City's interior noise level requirement of 45 dBA Ldn. Forced-air mechanical ventilation systems will be provided.

Hazards and Nuisances Including Site Safety and Noise

Condition of Approval

- The City shall require the Applicant to incorporate the following construction noise best management practices into all applicable project bid, design, and engineering documents:

1) Construction work hours shall be limited to the hours of 7 AM to 10 PM.

2) The sign shall also provide a contact name and phone number for the job site and the project's representative for addressing noise concerns.

3) Heavy equipment engines shall be covered and exhaust pipes shall include a muffler in good working condition.

4) Stationary equipment such as compressors, generators, and welder machines shall be located as far away from surrounding residential land uses as possible. The project shall connect to existing electrical service at the site to avoid the use of stationary, diesel- or other alternatively-fueled power generators, if feasible.

5) Impact tools such as jack hammers shall be hydraulically or electrically powered wherever possible to avoid noise associated with compressed air exhaust from pneumatically powered tools. When use of pneumatic tools is unavoidable, it shall be ensured the tool will not exceed a decibel limit of 85 dBA at a distance of 50 feet. Pneumatic tools shall also include a noise suppression device on the compressed air exhaust.

6) No radios or other amplified sound devices shall be audible beyond the property line of the construction site.

7) Prior to the start of any construction activity, the Applicant or its contractor shall prepare a Construction Noise Complaint Plan that identifies the name and/or title and contact information (including phone number and email) of the Contractor and District-representatives responsible for addressing construction-noise related issues and details how the District and its construction contractor will receive, respond, and resolve to construction noise complaints. At a minimum, upon receipt of a noise complaint, the Applicant and/or Contractor representative identified in the Plan shall identify the noise source generating the complaint, determine the cause of the complaint, and take steps to resolve the complaint.

Soil Suitability/ Slope/ Erosion/ Drainage/ Storm Water Runoff	<i>- An Erosion and Sediment Control Plan or Stormwater Pollution Prevention Plan prepared by a registered engineer or qualified stormwater pollution prevention plan developer will be required by the City to be submitted as an integral part of the grading plan. Additionally, all grading activities and placement of fill will be completed in accordance with the City's Grading, Erosion, and Sediment Control Regulations.</i>
Soil Suitability/ Slope/ Erosion/ Drainage/ Storm Water Runoff	<i>- Additional CPT testing is required per the recommendation of the soils report to further explore the subsoils and determine liquefaction potential and appropriate mitigations which will be required to be implemented.</i> <i>- The lateral spreading potential is required to be mitigated regardless of the foundation type chosen, except in the case of very deep piles that are designed to resist lateral spreading forces. However, lateral spreading can be mitigated without having to mitigate all zones of liquefaction. The depth and extent of liquefaction mitigation will depend on the foundation type and anticipated loads of the proposed structure. In general, mat slab foundations will require liquefaction to be mitigated to a greater depth than spread footing foundations. Appropriate levels and type of will be required based on foundation type used and approved in advance by the City.</i> <i>- The project is required to comply with all applicable City regulations and planning division conditions including those of the Regional and State water quality control boards.</i> <i>- The project is required to comply with Santa Cruz Municipal Code – Chapter 16.19: Storm Water and Urban Runoff Pollution Control – Chapter 16.19, including the implementation of Best Management Practices contained in Section 16.19.140, and Chapters 4 and 6B of the Best Management Practices Manual for the City's Storm Water Management Program.</i> <i>Section 16.19.140 Best Management Practices for Construction Activity</i> <i>- Any construction project, including those undertaken under any permit or approval granted pursuant to</i>

	<i>Titles 15, 18, and 24 of this code, shall implement best management practices (BMPs) including the city's mandatory BMPs as detailed in the latest BMP manual published by the city's public works department. BMPs shall be maintained in full force and effect during the duration of the project.</i>

Determination:

☒ **Finding of No Significant Impact** [24 CFR 58.40(g)(1); 40 CFR 1508.27]

The project will not result in a significant impact on the quality of the human environment.

☐ **Finding of Significant Impact** [24 CFR 58.40(g)(2); 40 CFR 1508.27]

The project may significantly affect the quality of the human environment.

Preparer Signature: Roy Hastings Date: 9.4.25

Name/Title/Organization: Roy Hastings / Owner / R.L. Hastings & Associates

Certifying Officer Signature: [Signature] Date: 9.4.2025

Name/Title: Jessie Bristow / Development Manager, Housing Division

This original, signed document and related supporting material must be retained on file by the Responsible Entity in an Environmental Review Record (ERR) for the activity/project (ref: 24 CFR Part 58.38) and in accordance with recordkeeping requirements for the HUD program(s).