

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

April 27, 2020

County of Santa Cruz Planning Department  
701 Ocean St., Room 418  
Santa Cruz, CA 95060

(831) 454-2332

**These notices shall satisfy two separate but related procedural requirements for activities to be undertaken by the Housing Authority of the County of Santa Cruz.**

### **REQUEST FOR RELEASE OF FUNDS**

On or about May 18, 2020, the County of Santa Cruz will authorize the Housing Authority of the County of Santa Cruz (“Recipient”) to submit a request to the U.S. Department of Housing and Urban Development (HUD) for the release of Section 8 Project-Based Rental Assistance funds under Section 8(o)(13) of the U.S. Housing Act of 1937 (42 U.S.C. 1437f (o)(13)), as amended, to award 40 Project-Based Vouchers (PBVs) to a project known as **1500 Capitola Road Mixed Use** to support construction of 57 affordable apartments and associated improvements (the “Housing Project”) on a 2.4 acre site located at 1412, 1438, 1500 and 1514 Capitola Road, Santa Cruz, in unincorporated Santa Cruz County, CA. The total value of the HUD Section 8 funding is estimated at \$10.08 million, and total development cost of the Housing Project is \$41.7 million, including local and state funds from the County of Santa Cruz and State of California, and other non-federal and private-sector funding. The Housing Project, to be owned and operated by an affiliate of MidPen Housing Corporation, will include 56 affordable apartments, a manager's unit, a community room, homework center, laundry room, restroom, leasing office, bike storage, maintenance shed, surface parking, circulation, and landscaped open space with tot lot, barbecue areas and garden. The apartments will consist of 26 one-bedroom, 14 two-bedroom, and 17 three-bedroom units within four, three-story apartment buildings with a total floor area of 61,300 square feet, including common amenity rooms. The 2.4-acre Housing Project site comprises the rear portion of the 3.7-acre Mixed Use Project site, where two community health clinics with a total floor area of 30,350 square feet and associated parking, circulation and open space will be constructed along the street frontage. Additional project details are available in the ERR at the link below. One or both of the health clinics may seek and/or obtain other federal funds for construction of the clinics, including but not limited to CDBG funds through the State of California, however no such funds have been awarded yet.

### **FINDING OF NO SIGNIFICANT IMPACT**

The County of Santa Cruz has determined that the project will have no significant impact on the human environment. Therefore, an Environmental Impact Statement under the National Environmental Policy Act of 1969 (NEPA) is not required. Additional project information is contained in the Environmental Review Record (ERR) on file at the Planning Department and available for review online at:

<http://www.sccoplanning.com/PlanningHome/Environmental/CEQAInitialStudiesEIRs.aspx>.

The Planning Department office is currently closed to the public through at least May 3, 2020 due to the Shelter in Place order issued by the County Health Officer on March 31, 2020 due to

the COVID-19 Pandemic, and Executive Order N-33-20 of the Governor of California dated March 19, 2020. Review of the ERR will be available only online via the above link for the duration of the Shelter in Place orders to minimize public health risks. When the Planning Department is reopened to the public, on or after May 3, 2020, the ERR may be examined or copied Mondays through Thursdays from 8:00 A.M to 3:30 P.M. at the Planning Department, County of Santa Cruz Government Center, 701 Ocean St., 4<sup>th</sup> Floor, Santa Cruz, CA 95060. Interested parties may call the Department at (831) 454-2580 or see [www.sccoplanning.com](http://www.sccoplanning.com) for updates on the Department's office closure due to COVID-19.

## **PUBLIC COMMENTS**

Any individual, group, or agency may submit written comments on the ERR to the County of Santa Cruz Planning Department, Attn: Stephanie Hansen, 701 Ocean St., Room 418, Santa Cruz, CA 95060 or by email to [CEQA-NEPA@santacruzcounty.us](mailto:CEQA-NEPA@santacruzcounty.us). All comments received by May 18, 2020 will be considered by the County of Santa Cruz prior to authorizing submission of a request for release of funds. Comments should specify which Notice they are addressing.

## **ENVIRONMENTAL CERTIFICATION**

The County of Santa Cruz certifies to HUD that Kathy Molloy in her capacity as Planning Director consents to accept the jurisdiction of the Federal Courts if an action is brought to enforce responsibilities in relation to the environmental review process and that these responsibilities have been satisfied. HUD's approval of the certification satisfies its responsibilities under NEPA and related laws and authorities and allows the Housing Authority of the County of Santa Cruz to use Program funds.

## **OBJECTIONS TO RELEASE OF FUNDS**

HUD will accept objections to its release of funds and the County of Santa Cruz's certification for a period of fifteen days following the anticipated submission date or its actual receipt of the request (whichever is later) only if they are on one of the following bases: (a) the certification was not executed by the Certifying Officer of the County of Santa Cruz Planning Department; (b) the County of Santa Cruz Planning Department has omitted a step or failed to make a decision or finding required by HUD regulations at 24 CFR part 58; (c) the grant recipient or other participants in the development process have committed funds, incurred costs or undertaken activities not authorized by 24 CFR Part 58 before approval of a release of funds by HUD; or (d) another Federal agency acting pursuant to 40 CFR Part 1504 has submitted a written finding that the project is unsatisfactory from the standpoint of environmental quality. Objections must be prepared and submitted in accordance with the required procedures (24 CFR Part 58, Sec. 58.76) and shall be addressed to HUD by email to [RROFSFRO@hud.gov](mailto:RROFSFRO@hud.gov) and [SFCPDMail@hud.gov](mailto:SFCPDMail@hud.gov). Potential objectors should contact HUD to verify the actual last day of the objection period.

Responsible Entity Certifying Officer:  
Kathy Molloy, Director, County of Santa Cruz Planning Department