

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

March 18, 2025
City of Santa Cruz
337 Locust Street,
Santa Cruz, California 95060
(831) 420-5126

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

REQUEST FOR RELEASE OF FUNDS

On or about April 2, 2025 the City of Santa Cruz will authorize CRP Affordable Housing and Community Development to submit a request to the U.S Department of Housing and Urban Development (HUD) for the release of (25) Section 8 Project-Based Vouchers, under Section 8(o)(13) of the U.S. Housing Act of 1937 [42 U.S.C. 1437f (o)(13)], to undertake a project known as Banana Belt, located at 917, 919, and 923 Water Street in Santa Cruz, California, for the purpose of constructing an affordable housing community.

The project consists of proposed new construction of an 83-unit development located in the City of Santa Cruz, Santa Cruz County, California. The proposed Banana Belt will conveniently be situated along Santa Cruz METRO Routes.

Of note, 82 of the 83 units will be designated as “affordable housing”, with the remaining unit being utilized as an unsubsidized “manager’s unit.” There will be fifteen (15) units targeted for households making 70% of the Area Median Income (AMI), thirty-four (34) units targeted for households making 60% AMI, eight (8) units targeted for households making 30% AMI, and twenty-five (25) units targeted for households making 30% AMI with a layered Project-Based Voucher (PBV) subsidy. The unit mix will consist of thirty-four (34) one-bedroom units, twenty-four (24) two-bedroom units, and twenty-five (25) three-bedroom units. The proposed project will meet Green Point Rating design standards. The onsite amenities will include a community room, computer lab, common laundry room, bicycle storage room, E-Bike storage, and playground.

The Request for Release of Funds is proposed for the City of Santa Cruz for the (25) Project-Based Vouchers. The estimated value of the Project-Based Vouchers is over the term of the HAP Contract is \$11,524,500.

FINDING OF NO SIGNIFICANT IMPACT

The City 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 online or in-person at the City of Santa Cruz, 337 Locust Street, Santa Cruz, CA 95060.

<https://www.cityofsantacruz.com/government/city-departments/economic-development/housing-assistance-information/public-notices>

PUBLIC COMMENTS

Any individual, group, or agency may submit written comments on the ERR to the City of Santa Cruz, to the attention of Jessie Bristow, at the address above, or at jbristow@santacruzca.gov. All comments received by April 2, 2025, will be considered by the City 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 City of Santa Cruz certifies to HUD that Jessie Bristow, Development Manager, in his capacity as Certifying Officer, 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 CRP Affordable Housing and Community Development to use Program funds.

OBJECTIONS TO RELEASE OF FUNDS

HUD will accept objections to its release of fund and the City of Santa Cruz's certification for a period of fifteen (15) days following the anticipated submission date or its actual receipt of the request (whichever is later) only if they are one of the following bases:

- (a) the certification was not executed by the Certifying Officer of the City of Santa Cruz;
- (b) the City of Santa Cruz 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 Alison Brokke at alison.m.brokke@hud.gov. Potential objectors should contact HUD via email at alison.m.brokke@hud.gov, or MFW-Public-Notices@hud.gov, to verify the actual last day of the objection period.

Jessie Bristow
Development Manager
City of Santa Cruz Economic Development and Housing Department