

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

*City of Santa Cruz  
337 Locust Street  
Santa Cruz, CA 95060*

These notices shall satisfy two separate but related procedural requirements for activities to be undertaken by the City of Santa Cruz, California on behalf of the Santa Cruz Housing Authority.

**REQUEST FOR RELEASE OF FUNDS**

On or about May 1, 2025, the City of Santa Cruz will authorize the Santa Cruz Housing Authority to submit a request to the U.S. Department of Housing and Urban Development (HUD) for the release of 24 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 the 150 Felker Street Apartments for the purpose of constructing a 44-unit affordable housing community. The demolition and new construction project in Santa Cruz at 150 Felker Street is near the intersection of Ocean Street and Highway 1 and adjacent to the Santa Cruz Riverwalk.

The project will consist of one five-story elevator-served building containing 44 one- and two-bedroom units. The building will be of wood frame construction on a concrete podium slab containing a one-story parking garage encompassing 21 parking stalls and 54 bicycle parking spaces. The first floor of the building will have space for the lobby, leasing/management office, and a shop area with a janitor's sink. The second floor will contain a community room with kitchen space, a computer room, staff services offices with private meeting rooms, and a shared laundry room.

All of the units will be LIHTC-restricted to households earning at or below the 30, 40, 50 and 60 percent AMI levels, with the exception of one employee unit. Twenty-two (22) one-bedroom units at 30 and 40 percent AMI will be set aside for homeless veterans and have Veterans Affairs Supportive Housing (VASH) Project Based Vouchers (PBV). Additionally, two other one-bedroom units at 30 percent AMI will have PBVs. All vouchers will be from the Housing Authority of the County of Santa Cruz (HACSC) and assist tenants with rent and utility costs.

Supportive services for the project will be managed through collaboration between the VA and HUD. HUD will provide Section 8 Housing Choice Vouchers, and the VA will provide case management services. The HUD-VASH case management team of social workers, psychologists, Substance Use Disorder (SUD) Specialists, Peer Support, Housing Specialists, Recreational Therapists, and Occupational Therapists use a housing-first approach to case management delivery. HUD-VASH case managers are independently licensed social workers, as well as social workers working under the supervision of licensed clinicians. Case managers assist Veterans with program entrance and orientation, completing a psychosocial assessment and client-centered goals plan, obtaining housing, stabilization of physical and mental health, as well as providing access to VA and community-based income, employment, legal support, and all other resources necessary to stabilize permanent housing.

The Request for Release of Funds will include the following HUD funding sources/amounts: for the City of Santa Cruz on behalf of the Housing Authority – 24 Project-Based Vouchers with a current estimated value of \$16,578,280 over the term. Projected non-HUD project financing includes: Permanent Loan – Tranche A: \$1,740,544; Permanent Loan – Tranche B: \$5,369,508; California HCD Multifamily Housing Program: \$13,886,768; General Partner Equity: \$100; and Low-Income Housing Tax Credit Equity (LIHTC): \$22,500,000. Total current projected development cost: TDC = \$43,496,920.

## **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 at <https://www.cityofsantacruz.com/government/city-departments/economic-development/housing-assistance-information/public-notice> or in-person at the City of Santa Cruz, 337 Locust Street, Santa Cruz, CA 95060.

## **PUBLIC COMMENTS**

Any individual, group, or agency may submit written comments on the ERR to the City of Santa Cruz to the attention Jessie Bristow at the address above or at [jbristow@santacruzca.gov](mailto:jbristow@santacruzca.gov). All comments received by April 30, 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 Economic Development and Housing Department, 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 the City of Santa Cruz and the Santa Cruz Housing Authority to use Program funds.

## **OBJECTIONS**

HUD will accept objections to the City of Santa Cruz's Request for Release of Funds and Environmental Certifications for a period of fifteen days following the submission date specified above or the actual receipt of the request (whichever is later) only if they are on the following bases: (a) the certification was not executed by the Certifying Officer of the RE; (b) the RE has omitted a step or failed to make a determination or finding required by HUD regulations at 24 CFR part 58 or by CEQ regulations at 40 CFR 1500-1508, as applicable; (c) the RE has omitted one or more steps in the preparation, completion or publication of the Environmental Assessment or Environmental Impact Study per 24 CFR Subparts E, F or G of Part 58, as applicable; (d) the grant recipient or other participant in the development process has committed funds for or undertaken activities not authorized by 24 CFR Part 58 before release of funds and approval of the environmental certification; (e) another Federal, State or local agency 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 mailed or emailed to Alison Brokke; if by mail to HUD San Francisco Regional Office, One Sansome Street, Suite 1200, San Francisco, CA 94104, and if by email to Alison Brokke at [Alison.M.Brokke@hud.gov](mailto:Alison.M.Brokke@hud.gov). Potential objectors should contact HUD via email at [Alison.M.Brokke@hud.gov](mailto:Alison.M.Brokke@hud.gov) to verify the actual last day of the objection period.

Jessie Bristow, Certifying Officer, City of Santa Cruz  
Posted: April 15, 2025