Notice of Finding of No Significant Impact and Notice of Intent to Request a Release of Funds

Date of Notice: October 28, 2026

California Department of Housing and Community Development
651 Bannon Street, Suite 400
Sacramento, CA 95811
(916) 263-2771

THESE NOTICES SHALL SATISFY TWO SEPARATE BUT RELATED PROCEDURAL REQUIREMENTS FOR ACTIVITIES TO BE UNDERTAKEN BY THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

REQUEST FOR RELEASE OF FUNDS

On or about November 13, 2026, the California Department of Housing and Community Development (HCD) will submit a request to the Department of Housing and Urban Development (HUD) for the release of Community Development Block Grant – Disaster Relief – Multifamily Housing Program (CDBG-DR-MHP) funds under Title II of the Cranston-Gonzales National Affordable Housing Act of 1990, as amended**,** 42 U.S.C. 12701 et seq**,** to undertake a project known as Brommer Street Apartments Project for the purpose of constructing the first 100 units of a 200-unit multi-family housing project proposed by Sponsor and Developer, Brommer Street Housing Associates, LP.

The Brommer Street Apartments Project site is a 3-acre portion of an 8-acre site comprising three parcels located at 855, 901 and 905 7th Avenue in unincorporated Santa Cruz, California (APN 026-261-16, -13 and -17). The site is bordered by 7th Avenue to the east, Brommer Street to the north, residences located along Stagg Lane to the south and the Santa Cruz Harbor RV Park/Santa Cruz Harbor to the west. The Site contains a single-family residence/garage on the 905 7th Avenue parcel. The remaining acreage currently consists of open space as well as three (3), gravel surfaced storage yards recently installed as staging areas in support disaster (wildfire) relief and public works projects.

The site is designated Community Commercial in the Santa Cruz County General Plan and zoned Community Commercial with a Designated Park Site Combining District (C-2-D) and a Ministerial Combining District (-Min), which is limited to the portion of the 8 acres to be developed as housing. The architectural program and site layout has not yet been developed; however, the units are anticipated to be large family apartments. The ground floor common space will likely include a community room for residents to gather for community events and services; a recreation room; a leasing office, property management office and mail room. The project will also include community laundry rooms, open space, bicycle storage and common area restrooms.

The project will be 100% affordable housing and will be subject to income and rent restrictions to ensure affordability for low-income income individuals and families. The project would likely provide housing for tenants meeting 30% and 60% Area Median Income (AMI).

The project will be entitled by the County of Santa Cruz. The estimated construction start for the project is January 2027 with an approximate construction schedule of 16 months. Total project costs are approximately $61,683,700 with $46,683,619 from HCD CDBG-DR-MHP grant program.

FINDING OF NO SIGNIFICANT IMPACT

The HCD 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 California Department of Housing and Community Development, 651 Bannon Street, Suite 400, Sacramento, CA 95811, and may be examined or copied weekdays 8:30 A.M to 4:30 P.M. An electronic copy is available upon request by contacting the phone number listed above and requesting to speak to the Certifying Officer Jessica Hayes.

PUBLIC COMMENTS

Any individual, group, or agency may submit written comments on the ERR to the HCD Federal Programs Branch. All comments received by November 12, 2026, will be considered by the HCD prior to authorizing submission of a request for release of funds. Comments should specify which Notice they are addressing.

ENVIRONMENTAL CERTIFICATION

The HCD certifies to HUD that Jessica Hayes, DFFA, in her capacity as Federal Recovery Branch Manager, 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 HCD to use Program funds.

OBJECTIONS TO RELEASE OF FUNDS

HUD will accept objections to its release of fund and the HCD'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 pertain to one of the following: (a) the certification was not executed by the Certifying Officer of the HCD; (b) the HCD 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 emailed to disasterrecovery@hud.gov or mailed to HUD San Francisco Regional Office at One Sansome Street, Suite 1200, San Francisco, CA 94104. Potential objectors should contact HUD to verify the actual last day of the objection period.

Jessica Hayes, DFFA Federal Recovery Branch Manager
California Department of Housing and Community Development