# Cal HFA California Housing Finance Agency

# FINDING OF NO SIGNIFICANT IMPACT, FINAL NOTICE AND PUBLIC EXPLANATION OF A PROPOSED ACTIVITY IN A FEDERAL FLOOD RISK MANAGEMENT STANDARD (FFRMS) FLOODPLAIN AND NOTICE OF INTENT TO REQUEST RELEASE OF FUNDS

May 8, 2025

California Housing Finance Agency 500 Capitol Mall, Suite 1400 Sacramento, CA 95814

This Notice shall satisfy the above-cited three separate but related procedural notification requirements for activities to be undertaken by California Housing Finance Agency.

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

On or about May 26, 2025, California Housing Finance Agency (CalHFA) will submit a request to the U.S. Department of Housing and Urban Development (HUD) for the reservation of approximately \$22,307,000 in funds from the Housing Finance Agency Risk-sharing: Section 542(c) program, as authorized by the Housing and Community Development Act of 1992 (12 U.S.C. 1707) and Section 235 of HUD's FY 2001 Appropriation Act, Public Law 106-377, as amended, a program of the U.S. Department of Housing and Urban Development (HUD), to undertake a project known as **Monterey Family Apartments** for the purpose of providing affordable housing.

The Finance Agency Risk-sharing: Section 542(c) Program provides new insurance authority independent of the National Housing Act. Section 542(c) provides credit enhancement for mortgages of multifamily housing projects whose loans are underwritten, processed, serviced, and disposed of by California Housing Finance Agency (CalHFA). HUD and CalHFA share in the risk of the mortgage.

ROEM Development proposes to develop the Monterey Family Apartments project on a 2.86-acre site comprised of three parcels (APNs 841-14-007, -008, and -009) with address 6630, 6680 and 6730 Monterey Road, Gilroy, Santa Clara County, California 95020. The site is currently occupied by three commercial units and one residential unit constructed in 1935, 1948 and 1950, respectively, that will be demolished prior to constructing the project. The project proposes four three-story buildings with 94 apartments and 111 parking spaces. There will be one electric vehicle (EV) charging station and one parking space for the U.S. Postal Service (USPS). The unit mix will be 60 two-bedroom units and 34 three-bedroom units. One of the three-bedroom units will be reserved for an onsite manager. The project amenities include a central laundry facility of 304 square feet and 1,848 square feet for community room, fitness room, computer room and common outdoor space. A total of 96 long-term bicycle parking spaces and 12 short-term spaces will be provided. The project includes demolition, reconstruction and trenching work required to provide utilities to the site and to upgrade any required facilities that may be in the public right-of-way, including curb, gutter and sidewalk as needed. The three parcels will be merged into one.

Sacramento Headquarters 500 Capitol Mall, Suite 1400 Sacramento, CA 95814 (916) 326-8000 The project is 100% affordable for families earning 30 to 70 percent of Area Median Income for Santa Clara County.

The total project cost is estimated to be \$67,986,152.

### FINAL NOTICE AND PUBLIC EXPLANATION OF A PROPOSED ACTIVITY IN A 100-YEAR FLOODPLAIN

This is to give notice that California Housing Finance Agency has conducted an evaluation as required by Executive Order 11988, in accordance with HUD regulations at 24 CFR 55.20 Subpart C Procedures for Making Determinations on Floodplain Management and Wetlands Protection. The activity is funded under the US HUD Risk-Sharing Loan Program for Housing Finance Agencies. The entire project site is designated by FEMA as the 1 percent annual chance floodplain. A two foot freeboard is applicable per the Freeboard Value Approach.

The project will elevate the buildings outside of the floodplain with the placement of fill on the site.

The project must consist of affordable land and be able to accommodate enough units to make the project feasible from a financial standpoint. Alternatives considered included alternative site designs and various building configurations. The project has been designed to minimize adverse impacts. The no action alternative was considered but rejected as this would not provide affordable housing.

California Housing Finance Agency has reevaluated the alternatives to building in a floodplain and has determined that it has no practicable alternative. Environmental files that document compliance with Executive Order 11988, are available for public inspection, review and copying upon request at the times and location delineated in the last paragraph of this notice for receipt of comments.

There are three primary purposes for this notice. First, people who may be affected by activities in floodplains and wetlands and those who have an interest in the protection of the natural environment should be given an opportunity to express their concerns and provide information about these areas. Second, an adequate public notice program can be an important public educational tool. The dissemination of information and request for public comment about wetlands and floodplains can facilitate and enhance Federal efforts to reduce the risks and impacts associated with the occupancy and modification of these special areas. Third, as a matter of fairness, when the Federal government determines it will participate in actions taking place in floodplains, it must inform those who may be put at greater or continued risk.

Written comments must be received by CalHFA via E-mail at the following address on or before May 23, 2025 to Elizabeth Brown, <u>eabrown@calhfa.ca.gov</u>. A copy of the Environmental Review Record can be accessed via the following URL: <u>https://www.calhfa.ca.gov/about/press/public-notice/index.htm</u>

### FINDING OF NO SIGNIFICANT IMPACT

Acting as the Responsible Entity under a Lead Agency Agreement with the Housing Authority of the County of Sacramento, California Housing Finance Agency 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 (NEPA) of 1969 is not required. Additional project information is contained in the Environmental Review Record (ERR). The ERR will be made available to the public for review electronically. Please submit your request by email to Elizabeth Brown, <u>eabrown@calhfa.ca.gov</u>.

The ERR can be accessed online at the following website:

### https://www.calhfa.ca.gov/about/press/public-notice/index.htm

### PUBLIC COMMENTS

Any individual, group or agency disagreeing with this determination or wishing to comment on the project may submit written comments to Elizabeth Brown, , Loan Administrator, California Housing Finance Agency, via email to <a href="mailto:eabrown@calhfa.ca.gov">eabrown@calhfa.ca.gov</a>. All comments received on or before May 23, 2025 will be considered by California Housing Finance Agency prior to submission of a request for release of funds. Comments should specify which Notice they are addressing.

### ENVIRONMENTAL CERTIFICATION

The California Housing Finance Agency certifies to HUD that Rebecca Franklin, Chief Deputy Director, in her capacity as NEPA 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 California Housing Finance Agency to use Program funds.

### OBJECTIONS

HUD will accept objections to the Responsible Entity's (RE) Request for Release of Funds and Environmental Certification 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 or other officer of the California Housing Finance Agency approved by HUD; (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 participants 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 emailed to <u>MFW-Public-Notices@hud.gov</u>. Potential objectors should contact HUD via email at <u>MFW-Public-Notices@hud.gov</u> to verify the actual last day of the objection period.

Rebecca Franklin, Chief Deputy Director and NEPA Certifying Officer

# **Environmental Assessment**

# Monterey Family Apartments

6630, 6680 and 6730 Monterey Road, Gilroy, Santa Clara County, California 95020



Determinations and Compliance Findings for HUD-assisted projects 24 CFR Part 58

# May 2025



# Environmental Assessment

# Determinations and Compliance Findings for HUD-assisted projects

# 24 CFR Part 58

project Identification: Monterey Family Apartments

Responsible Entity: California Housing Finance Agency

Preparer:

Bay Desert, Inc.

Month/Year:

May 2025

# Table of Contents

Table of Contents	3
Project Information	9
Project Location	10
Description of the Proposed project	12
Statement of Purpose and Need for the Proposal	17
Need	17
Existing Conditions and Trends [24 CFR 58.40(a)]:	
Trends	
Employment	
Income	
Median Home Sales Price	19
Rental Prices and Affordability	20
Funding Information	21
Estimated Total HUD Funded Amount:	21
Estimated Total project Cost	21
Compliance with 24 CFR 50.4, 58.5, and 58.6 Laws and Authorities	22
STATUTES, EXECUTIVE ORDERS, AND REGULATIONS LISTED AT 24 CFR 50.4 and 58.6	22
Airport Hazards	22
Coastal Barrier Resources	22
Flood Insurance	22
Clean Air	23
General Conformity	23
Setting	25
Construction-related Emissions	25
Operational Emissions	27
Exposure of Residents to Toxic Air Contaminants	27
Analysis	29
BAAQMD Best Management Practices	29
Greenhouse Gas Emissions (GHGs)	
Construction Greenhouse Gas Emissions	31
Operational Greenhouse Gas Emissions	



Conclusions	32
Conclusion	32
Coastal Zone Management	32
Contamination and Toxic Substances	
Phase I Environmental Site Assessment (ESA)	
Findings and Opinions	
Phase II	
Soil Management Plan	
Endangered Species	42
Federally-Listed Endangered and Threatened Species	42
Site Conditions	43
project Impacts	43
Finding	43
Explosive and Flammable Hazards	45
Existing ASTs	45
Planned ASTs	48
Conclusion	48
Farmlands Protection	48
Floodplain Management	48
Historic Preservation	49
Undertaking	49
Area of Potential Effects	50
Evaluation	50
Archaeology	50
Native American Contacts	51
Conclusion	51
Consultation	52
Noise Abatement and Control	52
Regulatory Background	52
NEPA Noise Assessment	53
Sound Notation	53
Significance Criteria	54



Exsting Noise Environment	54
Future Noise Environment	56
Common Outdoor Space	57
Project Traffic Increase	58
Conclusion	59
Sole Source Aquifers	60
Wetlands Protection	60
Project Impacts	61
Wild and Scenic Rivers	61
Environmental Justice	61
Environmental Assessment Factors	62
Conformance with Plans / Compatible Land Use and Zoning / Scale and Urban Design	62
Soil Suitability/ Slope/ Erosion/ Drainage/ Storm Water Runoff	63
Soil Suitability	63
Subsurface Profile	63
Subsurface Soil Classification	63
Conclusion	63
Slope	64
Erosion	64
Drainage/ Storm Water Runoff	64
Hazards and Nuisances including Site Safety and Noise	67
Site Safety	67
Seismic Hazards	67
Seismic Design Parameters	67
Conclusion	68
Noise	69
Energy Consumption	71
Building Energy Demand	71
SOCIOECONOMIC	72
Employment and Income Patterns	72
Demographic Character Changes, Displacement	73
Demographic Character Changes	73



Displacement73
COMMUNITY FACILITIES AND SERVICES
Educational and Cultural Facilities74
Educational Facilities74
Cultural Facilities
Commercial Facilities
Health Care and Social Services77
Health Care77
Social Services
Solid Waste Disposal / Recycling
Wastewater / Sanitary Sewers
Water Supply79
Public Safety - Police, Fire and Emergency Medical79
Police
Fire and Emergency Medical80
Parks, Open Space and Recreation81
Transportation and Accessibility83
Transportation
Public Transit
Project Vehicle Trips
Discussion
Accessibility
NATURAL FEATURES
Unique Natural Features, Water Resources
Vegetation, Wildlife
Other Factors
Climate Change
Wildfire
Top regional hazards for Gilroy, CA, according to the 2018 National Climate Assessment
Additional Studies Performed:
Site Visits
List of Sources, Agencies and Persons Consulted87



List of Permits Obtained	87
Public Outreach	87
Cumulative Impact Analysis	87
Alternatives	87
No Action Alternative	87
Summary of Findings and Conclusions	88
Mitigation Measures and Conditions	89
Air Quality	
Contamination	
Endangered Species Act	90
Historic Preservation Act	91
Noise Abatement	91
Soil Suitability	91
Determination:	92
Monterey Family Apartments	93
Source Documentation – May 2025	93

# Figures:

Figure 1 Conceptual Site Plan	13
Figure 2 Elevations	14
Figure 3 Elevations	15
Figure 4 Elevations	16
Figure 5 Regional Home Prices Over Time, 2001–2020	20
Figure 6 Noise Measurement Locations	54
Figure 7 Required Window Sound Transmission Class (STC) Upgrades	57
Figure 8 Nearby grocery stores (red cart icons - site is blue bubble)	76
Figure 9 Airports within 15 miles of the subject site	97

## Maps:

Map 1 Vicinity Map (courtesy Evans & De Shazo, Inc.)	10
Map 1 Assessor parcel map (subject property shaded in yellow)	12

# Tables

Table 1 Gilroy RHNA, 2023–2031	_ 17
Table 2 Average Annual Population Growth Rate	_ 17



Table 3 Employment Trends, Gilroy	18
Table 4 Median Household Income by Tenure, 2019	19
Table 5 Average Monthly Rent by Unit Size, 2021	20
Table 6 De Minimus Thresholds	24
Table 7 Construction-related Criteria Air Pollutant Emissions	26
Table 8 Operational Criteria Air Pollutant Emissions	27
Table 9 Stationary Source Screening Information	28
Table 10 Construction-related Greenhouse Gas Emissions	31
Table 11 Operational-Related Greenhouse Gas Emissions	31
Table 12 Subject Property Information	33
Table 13 Surrounding Properties	35
Table 14 Above Ground Storage Tanks (ASTs)	45
Table 15 Summary of Short-Term Noise Measurements (dBA)	55
Table 16 Major Active Faults	67
Table 17 Summary of Seismic Parameters - CBC 2019 (Site Coordinates 36.9965°N, 121.5634°W)	68
Table 18 Distance to nearby airports	98

### Appendices:

Appendix A – project Description

Appendix B – Airports

Appendix C – Floodplains, Wetlands and Biology

Appendix D – Air Quality and Greenhouse Gas Emissions

Appendix E – Contamination and Toxic Substances

Appendix F – Historic Preservation

Appendix G – Noise

Appendix H – Soils and Miscellaneous





U.S. Department of Housing and Urban Development 451 Seventh Street, SW Washington, DC 20410 <u>www.hud.gov</u> espanol.hud.gov

# **Environmental Assessment**

# Determinations and Compliance Findings for HUD-assisted projects 24 CFR Part 58

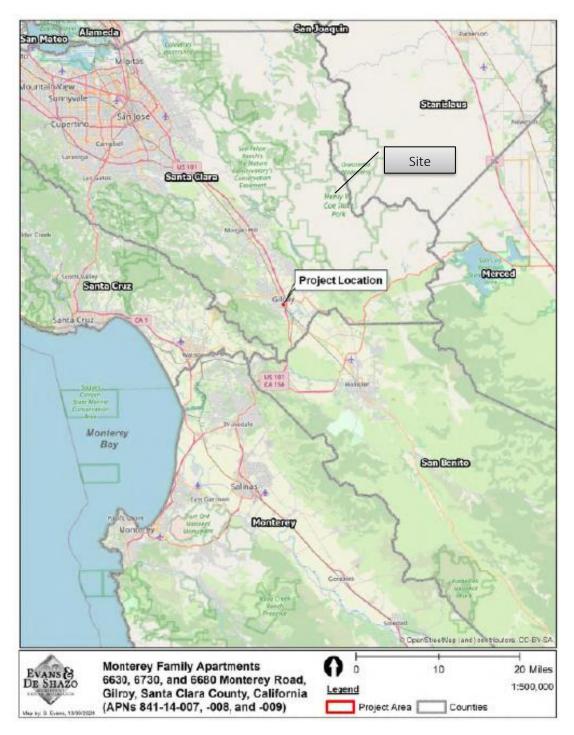
Project Ir	formation
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Project Name:	Monterey Family Apartments
Responsible Entity:	California Housing Finance Agency 500 Capitol Mall, Suite 1400 Sacramento, CA 95814
<b>Grant Recipient</b> (if different than Responsible Entity):	
State/Local Identifier:	
Preparer:	Cinnamon Crake, President, Bay Desert, Inc.
Certifying Officer Name and Title:	Rebecca Franklin, Chief Deputy Director
<b>Consultant</b> (if applicable):	Bay Desert, Inc. 422 Larkfield Center #104 Santa Rosa, CA 95403 (707) 523-3710 <u>ccrake@baydesert.com</u>
Direct Comments to:	Elizabeth Brown, Loan Administrator (916) 326-8818 <u>eabrown@calhfa.ca.gov</u>
Project Location:	6630, 6680 and 6730 Monterey Road, Gilroy, Santa Clara County, California 95020 (APNs 841-14-007, - 008, and -009)

# **Project Location**

## Monterey Family Apartments

6630, 6680 and 6730 Monterey Road, Gilroy, Santa Clara County, California 95020



Map 1 Vicinity Map (courtesy Evans & De Shazo, Inc.)



# Monterey Family Apartments

6630, 6680 and 6730 Monterey Road, Gilroy, Santa Clara County, California 95020



Photo 1 Aerial View/Existing conditions



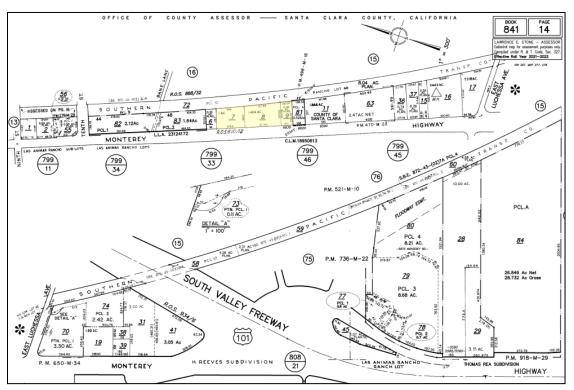
## Description of the Proposed project [24 CFR 50.12 & 58.32; 40 CFR 1508.25]:

# Monterey Family Apartments, 6630, 6680 and 6730 Monterey Road, Gilroy, Santa Clara County, California 95020 (APNs 841-14-007, -008, and -009):

ROEM Development proposes to develop the Monterey Family Apartments project on a 2.86-acre site comprised of three parcels (APNs 841-14-007, -008, and -009) with address 6630, 6680 and 6730 Monterey Road, Gilroy, Santa Clara County, California 95020. The site is currently occupied by three commercial units and one residential unit constructed in 1935, 1948 and 1950, respectively, that will be demolished prior to constructing the project. The project proposes four three-story buildings with 94 apartments and 111 parking spaces. There will be one electric vehicle (EV) charging station and one parking space for the U.S. Postal Service (USPS). The unit mix will be 60 two-bedroom units and 34 threebedroom units. One of the three-bedroom units will be reserved for an onsite manager. The project amenities include a central laundry facility of 304 sf and 1,848 square feet for community room, fitness room, computer room and common outdoor space.. A total of 96 long-term bicycle parking spaces and 12 short-term spaces will be provided.

The project includes demolition, reconstruction and trenching work required to provide utilities to the site and to upgrade any required facilities that may be in the public right-of-way, including curb, gutter and sidewalk as needed. The three parcels will be merged into one.

The project is 100% affordable for families earning 30 to 70 percent of Area Median Income for Santa Clara County.



Map 2 Assessor parcel map (subject property shaded in yellow)

Source: (1) (Appendix A)





### MAIN VEHICULAR ENTRANCE PER CITY STANDARD

- COMMUNITY ROOM AT GROUND LEVEL (1,682 SF) TCAC - INDOOR AMENITY SPACE (INCLUDING ANY OF THE FOLLOWING: RENTAL OFFICE, COMMUNITY ROOM, SERVICE SPACE, COMPUTER LAB, GYM)
- 3 FIRE ACCESS LANE
- TOT LOT
- 9 PEDESTRIAN GATE
- 6 PROPOSED TRANSFORMER LOCATION
- 7 TRASH ENCLOSURE
- 8 9-0\*x 18-0\* STANDARD PARKING STALLS TYP.
- BIO RETENTION POND- 500 SF MIN.
- 50 EXISTING FIRE HYDRANT TO BE RELOCATED
- 11 SHORT TERM BICYCLE PARKING
- 12 NOT USED
- GAME LAWN / ACTIVE OPEN SPACE 1,200 SF MIN.
- EXISTING TWO STORY COMMERCIAL BLD.
- SHADES INDICATES CARPORT TYP.
- 68 EXISTING ONE STORY COMMERCIAL BLD.
- 16 ACCESS GATE
- 18 PLAZA WITH FUBLIC ART
- 10 PASSIVE OPEN SPACE
- AUNDRY ROOM

10 WASHERS AND 10 DRYERS (1 WASHER AND 1 DRYER FOR EVERY 10 UNITS PER TCAC

#### PROJECT NOTE

ALL STRUCTURES WITH DWELLING UNITS SHALL PROVIDE SHORT-TERM BIKE PARKING IN THE FORM OF AN INVERTED 'U'. AN ARTISTIC RACK MAY BE PROPOSED, SUBJECT TO DISCRETIONARY CITY APPROVAL BICYCLE PARKING SHALL NOT BE SEPARATED FROM BUILDING ENTRANCES BY A ROAD, PARKING AREA, OR STRUCTURE.

PROJECT SHALL PROVIDE A PLAY AREA WITH AT LEAST TWO STRUCTURED PLAY MODULES (E.G., SLIDE AND SAND BOX, OR TUNNEL AND CLIMBER) AND A PICNIC TABLE ADJACENT TO THE PLAY AREA AS ONE OF THE REQUIRED ACTIVE OUTDOOR AMENITES.

PROJECT SHALL HAVE 2 PASSIVE AMENITIES WITH A MINIMUM AREA OF 500 SQL FT, AND 2 ACTIVE AREAS WITH A MINIMUM AREA OF 1,200 SQL FT, TOTAL

UTILITIES AND UTILITY VAULTS, AND ALL MECHANICAL EQUIPMENT SHALL BE SCREENED OR HIDDEN FROM VIEW FROM THE PUBLIC STREET

PRIOR TO DEVELOPMENT, A SURVEY SHALL BE DONE BY AN ENVIRONMENTAL CLEANUP PROFESSIONAL TO CLASSIFY ALL PILES OF RUBBISH AND DEBRIS AND A SITE CLEANUP PLAN BE SUBMITTED TO THE CHEMICAL CONTROL PROGRAM. A SITE CLEANUP SHALL BE CONDUCTED IN CONCERT WITH DEMOLITION PERMITS FOR STRUCTURES. IF ANY CURLERIN MITH LEMOLITICM FEMILIES FOR STRUCTURES, IF ANY HAZARDOUS WATERIAL OR HAZARDOUS WATER IS POLINO A STE CHARACTERIZATION SHALL BE PERFORMED UNDER A VOLUNTARY STR CHARACTERIZATION CLEANUP RAGREMENT WITH THE SANTA CLARA COUNTY DEPARTMENT OF ENVIRONMENTAL HEALTH SITE MITIGATION PROGRAM.

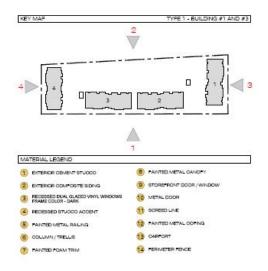
"WINDOWS AND DOORS WITH SOUND RATINGS OF UP TO STC 41, SOUND RATED ASSEMBLIES WITH SOUND RATINGS UP TO STC 41, AND WINDOWS THAT NEED TO BE CLOSED TO MEET THE VENTILATION REQUIREMENTS

#### CONCEPTUAL SITE PLAN BSB DESIGN 0+9+C6 CA 00502 310, 217, 0865 8. 310. 217. 043 BSB HOR MRD 1.0 February 25-2004

### Figure 1 Conceptual Site Plan

Environmental Assessment – Monterey Family Apartments May 2025

Page | 14





4. SIDE ELEVATION



3. SIDE ELEVATION



2. REAR ELEVATION



1. STREET ELEVATION

# GILROY APARTMENTS - GILROY, CA

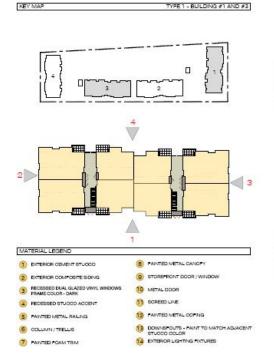
APPLOVER, OWER ROEM BUILDERS 1650 Laffeyette St. Sente Clere, CA 95050





### **Figure 2 Elevations**

Environmental Assessment – Monterey Family Apartments May 2025









3. SIDE ELEVATION



# GILROY APARTMENTS - GILROY, CA

#### TYPE 1 ELEVATIONS - BUILDING #1 AND #3 BSB DESIGN UTO West 1004: Stress Luite : Tomesca: CA 92000 4.310.217.1986 £ 070 Week 1004 Series Suite 370 Tombros: CA 90500 4.310, 217, 8986 F.310 F. 210. 217. 0408 BSB POR MER

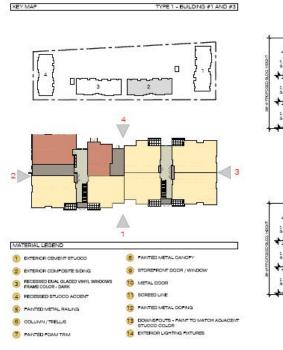
February 35, 2024

ROEM BUILDERS 1650 LePayette St. Santa Clara, OA 95050

### **Figure 3 Elevations**

Environmental Assessment – Monterey Family Apartments May 2025

3.1













# GILROY APARTMENTS - GILROY, CA

APRICANT (DWASH ROEM BUILDERS 1650 Laffeyvete St. Sente Clare, CA 95050





### **Figure 4 Elevations**

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

The purpose of the project is to provide new affordable housing units in the city of Gilroy, California and Santa Clara County. A total of 94 new affordable housing units will be created by the project.

## Need

The City of Gilroy's *Housing Element 2023-2031* was certified in August 2023 and discusses housing need. California General Plan law requires that each city and county have land zoned to accommodate its fair share of the regional housing need. A local jurisdiction's "fair share" of regional housing need is the number of additional housing units needed to accommodate the forecasted household growth, replace the loss of existing housing units, and achieve vacancy rates that contribute to a stable and healthy housing market. HCD determines the projected housing need for each region. The housing unit need as determined by HCD for the 2023–2031 planning period for the Bay Area region is 441,176 units. The Association of Bay Area Governments (ABAG) is responsible for allocating housing needs to each jurisdiction within the Bay Area region, which includes Gilroy. Housing unit allocations are divided into four income categories: very low, low, moderate, and above moderate. Gilroy's Regional Housing Needs Allocation (RHNA) is a total of 1,773 units, as shown in the table below.

### Table 1 Gilroy RHNA, 2023–2031

Income Group	% of County AMI	Units	% of Units
Very Low*	31-50%	669	37.7%
Low	51-80%	385	21.7%
Moderate	81-120%	200	11.3%
Above Moderate	> 120%	519	29.3%
Total	-	1,773	100%

Source: ABAG, Regional Housing Needs Allocation, 2023-2031.

\*Note: Pursuant to AB 2634, local jurisdictions are also required to project the needs of extremely low-income households (0– 30% of AMI). The projected extremely low-income need can be assumed as 50 percent of the total need for the very low-income households.

The City of Gilroy is one of 15 cities in Santa Clara County. Gilroy is the southernmost incorporated city in Santa Clara County and is surrounded by the unincorporated county. The 2020 US Census estimated the population of Gilroy at 59,520, an increase of over 10,500 from 2010. Both the City of Gilroy and Santa Clara County continue to see steady population growth. According to the US Census and the California Department of Finance, Gilroy experienced an average annual growth rate of 1.6 percent between 2010 and 2020, which was higher than the county's average annual growth rate (AAGR) of 1 percent, as shown below. The growth rate in Gilroy remained steady in comparison to the period from 2000 through 2010, which was 1.7 percent.

Table 2 Average Annual Population Growth Rate	Table 2	Average	Annual	Population	Growth	Rate
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	2000	2010	2020	2000-20	10	2010-202	20
Jurisdiction	Τα	otal Populati	on	Population Increase	AAGR	Population Increase	AAGR
Gilroy	41,464	48,821	59,520	7,357	1.7%	10,699	1.6%
Santa Clara County	1,682,585	1,781,642	1,936,259	99,057	0.6%	154,617	1.0%

Source: Decennial Census, 2020

Source: (2)



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

The project site is located on three adjacent parcels at 6630, 6730, and 6680 Monterey Road, Gilroy, Santa Clara County, California (APNs 841-14-007, -008, and -009), totaling approximately 2.9 acres. The project site is bordered by Monterey Road on the west, light industrial/commercial buildings on the north and south, and the Union Pacific Railroad tracks (Caltrain) on the east. An International Paper facility is located east of the railroad tracks, and multi-family houses are located across Monterey Road to the west.

The parcel located at 6730 Monterey Road (northern parcel), which occupies 1.0 acre, comprises two vacant and dilapidated, metal-roof, L-shaped buildings previously used as storage in the central and southern portions of the parcel; the open areas immediately north of each building are covered with gravel. The parcel located at 6680 Monterey Road (middle parcel), which occupies approximately 1.4 acres, includes a single-family residence, automotive repair garages/buildings, and storage/junk yards. The parcel located at 6630 Monterey Road (southern parcel), which occupies approximately 0.48 acres, contains a lumberyard with a covered shed for lumber storage and equipment and an office/storage building. Portions of the project site are covered in asphalt/concrete, and others are pervious surfaces (e.g., gravel). Landscaping is limited to a few ornamental trees and some shrubs scattered throughout the project site.

Source: (3) (4)

## Trends

## Employment

Employment trends in a region also influence housing needs. Significant employment opportunities in Santa Clara County have led to a growth in demand for housing in proximity to jobs. The quality and/or pay of available employment can determine the need for various housing types and prices. The table below shows the labor force and employment trends in Gilroy in 2010, 2014, and 2019. The labor force has increased by over 5,000 from 2010 to 2019. The unemployment rate increased from 2010 to 2014 but decreased from 2014 to 2019. The unemployment rate for Gilroy (3.9 percent) was higher than the County's unemployment rate (3.5 percent) in 2019, according to the 2019 census.

Year	Labor Force	Employment	Unemployment	Unemployment Rate
2010	23,354	21,272	2,068	6.2%
2014	26,213	23,272	2,930	7.9%
2019	29,620	27,955	1,665	3.9%

### Table 3 Employment Trends, Gilroy

Source: ACS Five Year Estimates, 2010, 2014, 2019.

### Income

The median household income for Gilroy in 2019 was \$101,616, an increase of over \$25,000 from the median income of \$76,060 in 2012. However, Gilroy's 2019 median household income (\$101,616) was about \$22,439 less than the 2019 median income for the County of Santa Clara (\$124,055). In the City, the median income for owner-occupied households (\$134,115) was significantly higher than the median income for renter-occupied



Table 4 Median Household	Income by Tenure,	2019
--------------------------	-------------------	------

Jurisdiction and Tenure	2019 Median Income
City of Gilroy	\$101,616
Owner-Occupied Households	\$134,115
Renter-Occupied Households	\$60,022
Santa Clara County	\$124,055
Owner-Occupied Households	\$155,139
Renter-Occupied Households	\$91,265

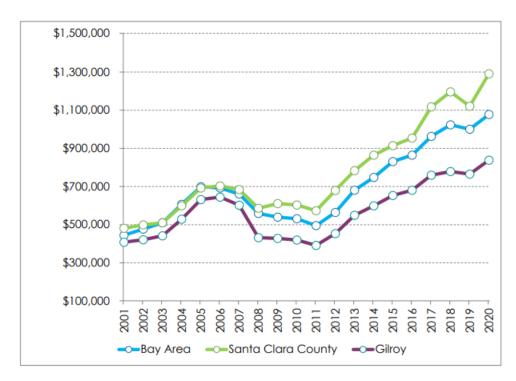
Source: ACS 2019 Table B25119.

The State of California uses five income categories to determine eligibility for housing programs based on area median income (AMI) for a family. Because eligibility is based on the AMI for a 4-person household in Santa Clara County, cities such as Gilroy, which have a lower median income than the AMI, will have more residents that qualify for housing programs. However, many low-income families in Gilroy have difficulty paying for housing even with housing program subsidies, which are based on the County AMI. In 2019, Gilroy's median income (\$101,616) was \$22,439 less than the Santa Clara County AMI (\$124,055) at that time. This disparity is in part due to the fact that Gilroy is located farther from high-paying technology and finance jobs in the Bay Area and Silicon Valley than the remainder of Santa Clara County AMI of \$168,500 for a household of four, a significant increase from 2019.

### Median Home Sales Price

The figure below shows the change in home prices in Gilroy, Santa Clara County, and the Bay Area region from January 2001 to December 2020. While each geography follows the same general trend over time, Gilroy home prices are lower than the other two geographies. Notably starting after 2005, Santa Clara County home prices trend higher than the Bay Area region on average. After 2007, the housing market slowdown affected home sale prices in Gilroy, which decreased by approximately 50 percent between mid-2007 and early 2012. Since 2012, the median sales prices for new and resale homes in Gilroy have steadily increased, with a minor dip at the start of the COVID-19 pandemic. However, Gilroy home prices remain significantly lower than the County. As shown in below, the November 2021 median home price in Gilroy (\$1,000,000) was \$405,000 less than Santa Clara County (\$1,405,000).





### Figure 5 Regional Home Prices Over Time, 2001–2020

### **Rental Prices and Affordability**

The table below summarizes the average monthly rent of market-rate housing in Gilroy by unit size in 2021. According to Zumper, the average rental rate for a one-bedroom unit was \$1,850; a two-bedroom unit was \$2,285; and a three-bedroom unit was \$3,100.

	Table 5 Average	Monthly	Rent by	Unit Size,	2021
--	-----------------	---------	---------	------------	------

Unit Size	Average Monthly Rent
Studio	\$1,600
1 bedroom	\$1,850
2 bedrooms	\$2,285
3 bedrooms	\$3,100
4 bedrooms	\$3,775

Source: Zumper, August 2021.

Current average rents in Gilroy would allow a moderate-income household, making \$131,750, to afford a rental unit of most any size, since such households can afford up to \$5,055 in rent. However, extremely low-income households would likely be cost-burdened in any size unit, since the maximum rent they can afford would be \$1,264 (less than the rent for a studio apartment). The average monthly rent for a two-bedroom unit in Gilroy (\$2,285) would be unaffordable to a four-person household in the extremely low- and very low-income groups. This disparity leads to overcrowding. The disparity between incomes and housing costs indicates a need for more housing options at a variety of unit sizes available, especially to households below the AMI.

### Source: (2)

The project will help alleviate the housing issues described above.



# **Funding Information**

(	Grant Number	HUD Program	Funding Amount
121-9	98131	YHC – 542(c) HFA Risk Sharing – FFB NC – CFDA No. 14.188	\$22,307,000

**Estimated Total HUD Funded Amount:** \$22,307,000 in HUD HFA Loan Risk-Sharing program funds

Estimated Total project Cost (HUD and non-HUD funds) [24 CFR 58.32(d)]: \$67,986,152



# 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, EXE		DERS, AND REGULATIONS LISTED AT 24 CFR 50.4 and 58.6
<b>Airport Hazards</b> 24 CFR Part 51 Subpart D	Yes No	There are two (2) airports within 15 miles of the subject property. There are no major airports within 15 miles. There are no military airfields within 15 miles There are two minor airports within 15 miles. The nearest airport is
		Frazier Lake Airpark, 6.21 miles to the southeast. Watsonville Municipal Airport lies 13.39 miles east of the site.
		There are no airports within five (5) miles. The project site does not lie within 15,000 feet of a military airport or 2,500 feet of a civilian airport.
		The site does not lie within any airport Accident Potential Zone (APZ) or Runway Protection Zone/Clear Zone (RPZ/CZ).
		Source Documentation: (5) (6) (7) (Appendix B)
Coastal Barrier Resources	Yes No	There are no Coastal Barrier Resources in California.
Coastal Barrier Resources Act, as amended by the Coastal Barrier Improvement Act of 1990 [16 USC 3501]		Source Documentation: (8)
Flood Insurance	Yes No	The entire project site is located in the Federal Emergency Management Agency (FEMA) floodplain (100-year floodplain).
Flood Disaster Protection Act of 1973 and National Flood Insurance Reform Act		The 100-year floodplain is identified by the Federal Emergency Management Agency (FEMA) as an area of 1% annual chance flood discharge contained in structure (Princevalle Drain).



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	
of 1994 [42 USC 4001- 4128 and 42 USC 5154a]		The 8-Step Decision Making Process for projects located in a Floodplain, is invoked, and included Noticing, public comment, and an alternatives analysis. The 8-Step Process determined that there was no alternative than to locate the project in a floodplain.	
		The project Finish Floor Elevation 2.2 feet above the Base Flood Elevation (BFE) where 2 feet is required. Until the applicant can obtain a Final Letter of Map Amendment (LOMA) post-construction, the project sponsor is required to carry FEMA flood insurance.	
		Mitigations Required:	
		<ul> <li>FL1. It is understood that the project site will be elevated outside of the 100-year floodplain per plans. The project sponsor will construct the building with the Finish Floor Elevation at least 2 feet above Base Flood Elevation (BFE).</li> </ul>	
		FL2. It is understood a Letter of Map Amendment (LOMA) will be sought. Until the applicant can obtain a Letter of Map Amendment (LOMA) post-construction, the project sponsor is required to carry FEMA flood insurance.	
		Source Documentation: (9) (10) (Appendix C)	
Clean Air Clean Air Act, as amended, particularly section 176(c) & (d); 40 CFR Parts 6, 51, 93	Yes No	Source Documentation: (9) (10) (Appendix C) <b>General Conformity</b> The 1990 Amendment to Clean Air Act (CAA) Section 176 requires the federal Environmental Protection Agency (EPA) to promulgate rules to ensure that federal actions conform to the appropriate State Implementation Plan (SIP). These rules, known as the General Conformity Rule (40 C.F.R. Parts 51.850–51.860 and 93.150–93.160), require any federal agency responsible for an action in a federal nonattainment/maintenance area to demonstrate conformity to the applicable SIP, by either determining that the action is exempt from the General Conformity Rule requirements or subject to a formal conformity determination. Actions would be exempt, and thus conform to the SIP, if an applicability analysis shows that the total direct and indirect emissions of nonattainment/maintenance pollutants from project construction and operation activities would be less than specified	



Compliance Factors: Statutes, Executive Orders, and Regulations listed at 24 CFR §58.5 and §58.6	Are formal compliance steps or mitigation required?	Compliance d	eterminations
		emission rate thresholds, known as Section 93.153, Applicability). If no quality conformity analysis would b conformity.	t determined exempt, an air
		The General Conformity Rule is app pollutants and their precursors for nonattainment or that is covered b proposed action is located in Santa Bay Area Air Quality Management	which an area is designated by a maintenance plan. The a Clara County, which is within the
		Santa Clara County is designated n ambient air quality standards for o matter (PM <sub>2.5</sub> ).	
		Table 6 De Minimus Thresholds	
		Criteria Pollutant	Emissions
		Ozone (VOCs or NOx)	50 Tons per year
		PM <sub>2.5</sub>	100 Tons per year
		ECORP Consulting, Inc. prepared an <i>Emissions Assessment</i> for the project for the analysis below includes follow.	ect in November 2023. Excerpts
	follow. The analysis below includes a general conformity analysis. The reader should note that the local BAAQMD CEQA Thresholds Significance are 10 tons per year for NOx and PM <sub>2.5</sub> . As the Assessment shows, the emissions of the project from both construction and operation are below the BAAQMD Thresholds of Significance and therefore well below the federal de minimus threshold.		or NOx and PM <sub>2.5</sub> . As the of the project from both low the BAAQMD Thresholds of
		Air Quality and Greenhouse Gas Er	nissions Assessment
		The project Site, located in the City spanning three parcels at 6630, 67 Gilroy, California 95020. The project to the west, with residential land u corporation yard to the north, the east, and an industrial corporation	30, and 6680 Monterey Road, ct Site is bound by Monterey Road ises beyond, an industrial Caltrain railway corridor to the



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
		residential apartment complex beyond. There are several commercial businesses and restaurants fronting Monterey Road within 0.5 mile of the project Site in both northerly and southerly directions. Additionally, the South Valley Plaza Shopping Center is located on East 10th Street, within 0.4 mile of the project Site. The Gilroy Transit Center with both Caltrain and Greyhound services is located 0.5 mile north of the project Site on Monterey Road.
		The project Site currently accommodates several unused, dilapidated buildings, weathered hardscape, and miscellaneous debris. The project proposes to demolish all existing structures and hardscape onsite, and to haul all the debris offsite in order to accommodate the construction of a 94-unit apartment complex. The complex would include a 1,400-square foot community room and 600-square foot tot lot playground and would be served by 106 surface-level parking spaces. The total building area footprint would cover 28,896 square feet of the site (0.66 acre) and the total building square footage would equate to 73,338 square feet.
		<u>Setting</u>
		Air quality in a region is determined by its topography, meteorology, and existing air pollutant sources. These factors are discussed below, along with the current regulatory structure that applies to the San Francisco Bay Area Air Basin (SFBAAB), which encompasses the project Site in the City of Gilroy, pursuant to the regulatory authority of the Bay Area Air Quality Management District (BAAQMD). The Thresholds of Significance under the California Environmental Quality Act (CEQA) are used here to determine local impacts to air quality.
		Construction-related Emissions
		Emissions associated with project construction would be temporary and short-term but have the potential to represent a significant air quality impact. Three basic sources of short-term emissions will be generated through construction of the Proposed project: operation of the construction vehicles (i.e., tractors, forklifts, pavers), the creation of fugitive dust during clearing and grading, and the use of asphalt or other oil-based substances during paving and coating activities. Construction activities such as excavation and grading



Compliance Factors: Statutes, Executive Orders, and Regulations listed at 24 CFR §58.5 and §58.6	Are formal compliance steps or mitigation required?		Со	mpliance	determir	nations		
		operations, con exposed soils w emissions that a construction. Ef soil conditions, dust control eff	ould ger affect loc ffects wo the amo	erate exl cal air qua ould be va	haust em ality at va ariable de	issions an rious time pending e	nd fugitive es during on the we	PM eather,
		Construction-generated emissions associated with the Proposed project were calculated using the CARB-approved CalEEMod computer program, which is designed to model emissions for land use development projects, based on typical construction requirements. Predicted maximum daily construction-generated emissions for the Proposed project are summarized in the table below. Construction- generated emissions are short-term and of temporary duration, lasting only if construction activities occur, but would be considered a significant air quality impact if the volume of pollutants generated exceeds the BAAQMD's thresholds of significance. Table 7 Construction-related Criteria Air Pollutant Emissions						
				Pollu	ıtant (maxim	um pounds p	er day)	
		Construction Year	ROG	NOx	PM <sub>10</sub> (exhaust)	PM <sub>2.5</sub> (exhaust)	PM <sub>10</sub> (fugitive dust)	PM <sub>2.5</sub> (fugitive dust)
		Construction Year One	8.23	25.60	21.50	0.07	8.33	2.09
		Construction Year Two	8.11	15.10	21.20	0.03	1.42	0.72
		BAAQMD Significance 54 54 82 54 Best Threshold pounds/day pounds/day pounds/day pounds/day Management Mar					BAAQMD Best Management Practices	
		Exceed BAAQMD Threshold?	No	No	No	No	No	No
		According to the construction we significance. BA BAAQMD's Basi significant conc would be require General Plan Pc which requires	ould not AQMD g ic and En erning th red to im plicy NCR	exceed th uidance s hanced E ne genera plement 3.16, Im	he BAAQI states tha BMPs are ation of P BAAQMI plement	MD's threat projects considered $M_{10}$ and F D's BMPs Dust-Con	eshold of s impleme ed less tha PM <sub>2.5</sub> . The per City o trol Meas	enting an project f Gilroy ures,



Compliance Factors: Statutes, Executive Orders, and Regulations listed at 24 CFR §58.5 and §58.6	Are formal compliance steps or mitigation required?		Complia	nce dete	rminat	ions		
		measures during cor criteria pollutant em would not result in a criteria pollutant for an applicable federa	nissions g a cumulat which th	enerated ively con ie project	during sideral t regior	g projec ble net n is non	et constru increase attainme	ction of any
		Operational Emission	ns					
		Implementation of t emissions of criteria as well as O <sub>3</sub> precurs associated with oper table below and com Table 8 Operational C	air pollut sors such rations fo	tants suc as ROG a or the pro o the BAA	h as PN and NO oject ar AQMD s	Λ <sub>10</sub> , PM 0x. The e e sumn significa	2.5, CO, ar emissions narized in	nd SO2 the
					Poll	utant		
		Emission Source	ROG	NOx	со	SO <sub>2</sub>	PM10	PM2.5
			Total Summe	r Emissions (	Pounds p	er Day)	1	
		Proposed Project (Daily Summer Emissions)	4.22	0.95	15.20	0.02	2.02	0.54
		BAAQMD Daily Significance Threshold	54 pounds/day	54 pounds/day	None	None	82 pounds/day	54 pounds/day
			Total Winter	Emissions (I	Pounds pe	r Day)		
		Proposed Project (Daily Winter Emissions)	3.66	1.05	9.63	0.02	2.02	0.52
		BAAQMD Daily Significance Threshold	54	54 pounds/day	None	None	82 pounds/day	54
		mesnota	pounds/day Total Annu	al Emissions	(Tons per	Year)	pounds/udy	pounds/day
		Proposed Project	0.70	0.18	2.08	0.00	0.35	0.09
		(Annual Emissions) BAAQMD Annual Significance	10	10	-	-	15	10
		Threshold Exceed BAAQMD Threshold?	tons/year	tons/year	No	No	tons/year	tons/year No
		As shown in the tabl operations of the Pro- thresholds set forth <b>Exposure of Residen</b> Operation of the Pro- development of any stationary sources as would the project at queuing and idling a	oposed p by the B ts to Tox posed pr substant ssociatec tract mo	roject do AAQMD. <b>ic Air Cor</b> roject wo cial source I with the bile source	o not ex ntamina ould not es of ai e opera ces tha	ants t result r toxics tions o t spenc	in the There a f the proj I long per	cance re no ect; nor



Compliance Factors: Statutes, Executive Orders, and Regulations listed at 24 CFR §58.5 and §58.6	Are formal compliance steps or mitigation required?		Cu	ompliance	determina	ations	
		Site. The ass vehicle and However, ac would not re thresholds. of pollutant would not b carcinogenic As previous Gateway Dis apartment of "Primary" la 3.18, Sensite Existing Hea within 500 f BAAQMD's 1 potential hea vicinity stati Stationary S	sumption is stay for bo ccording to esult in em Therefore, s at nearby e source of c or non-ca ly described strict of the complexes, and use. Co <i>ive Recepto</i> <i>ive Recepto</i> <i>ive Recepto</i> stationary sour coarty sour ource Scre ources with sing the BA	s that project th short ar the table issions of o there would sensitive in f TACs. The incinogenic d, the project cal besignal project Site Source Scr the project ces is also ening Map hin 500 fee AQMD's Site	ect residen nd extende below, ons criteria pol ild not be s receptors. e project w crisk durin ect Site is o in Specific ose propo ith Gilroy ( 500 feet of ted Areas, e have bee eening Ma ct Site as a determine o online too et of the pr tationary S	roject Site hav ource Screen	n park the time. missions he BAAQMD ncentrations e project n a high in the sts oject, as a Policy NCR <i>Sources or</i> sources using the . The identified AAQMD's
		Source Subsector	Distance (feet)	Distance Factor	Corrected PM <sub>2.5</sub>	Scaled Cancer Risk	Corrected Chronic HI
		Auto Repair and Maintenance	> 500 feet	0.341	0.000	0.000	0.001
		Paper Manufacturer	155 feet	0.702	0.766	0.304	0.002
			Total Health Risk		0.766	0.304	0.003
		BAAQMD Cur	nulative Health Risi Threshold	k Significance	0.8	100	10
		Exceed Cum	ılative Health Risl	k Threshold?	No	No	No
			exceed the	cumulativ		entrations at t sk significance	



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
		<u>Analysis</u> ECORP did not address mobile sources of emissions, which also contribute to ambient air quality and are sources of emissions, especially Diesel Particulate Matter (DPM). The site is directly adjacent to diesel train operations, including Caltrain and freight. The adjacent rail tracks are also designated for California High-speed Rail. It is unknown what type of potential emissions control systems may be required of the high-speed train or if regular diesel train engines will be used. The rail source of mobile emissions was not considered. There is no freeway within 1,000 feet. Monterey Road is not
		identified in the <i>Gilroy Downtown Specific Plan</i> Transportation Circulation Analysis conducted by Hexagon Transportation Consultants, Inc. in 2005; therefore it assumed that Monterey Road is not an arterial roadway. Per the US Department of Transportation (US DOT) and Caltrain's website, there are a total of 18 diesel trains per day that pass by the project site.
		Train emissions were not modeled. However, the project will provide MERV13 air filtration systems in the building. A MERV 13 filter is considered high-efficiency for air filtration and provides a significant improvement in air quality compared to lower MERV-rated filters.
		Efficiency of a MERV 13 Filter:
		• For particles 0.3 to 1.0 microns in size: A MERV 13 filter has a minimum efficiency of at least 50%.
		• For particles 1.0 to 3.0 microns in size: Its efficiency is at least 85%.
		• For particles 3.0 to 10.0 microns in size: The filter captures at least 90% of these larger particles.
		As the emissions of diesel train pass-bys was not modeled; and as the number of trains is relatively low (18 per day; i.e. the site is not adjacent to a railyard); and considering MERV13 filtration will remove 85% of the particulate matter (PM <sub>2.5</sub> ) from the trains, filtration will be required in lieu of a more refined analysis.
		BAAQMD Best Management Practices



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
		The BAAQMD recommends quantifying a proposed project's construction-generated emissions by implementing the Basic Best Management Practices (BMPs) for dust and exhaust construction impacts in California Environmental Quality Act (CEQA) compliance documentation. If additional construction measures are required to reduce construction-generated fugitive dust emissions, the Enhanced BMPs should then be applied. In addition, all projects must implement any applicable air toxic control measures. For example, projects that have the potential to disturb asbestos (from soil or building materials) must comply with all the requirements of CARB's air toxic control measures for construction, grading, quarrying, and surface mining operations.
		Greenhouse Gas Emissions (GHGs) Climate change is a global problem. GHGs are global pollutants, unlike criteria air pollutants and Toxic Air Contaminants (TACs), which are pollutants of regional and local concern. Whereas pollutants with localized air quality effects have relatively short atmospheric lifetimes (about one day), GHGs have long atmospheric lifetimes (one to several thousand years). GHGs persist in the atmosphere for long enough time periods to be dispersed around the globe. Although the exact lifetime of any particular GHG molecule is dependent on multiple variables and cannot be pinpointed, it is understood that more CO <sub>2</sub> is emitted into the atmosphere than is sequestered by ocean uptake, vegetation, or other forms. Despite the sequestration of CO <sub>2</sub> , human-caused climate change is already causing damaging effects, including weather and climate extremes in every region across the globe.
		To provide guidance to local lead agencies on determining significance for GHG emissions in CEQA documents, BAAQMD CEQA Guidelines include guidance on assessing GHGs and climate change impacts as required under CEQA Section 15183.5(b). On April 20, 2023, the BAAQMD 2022 CEQA Guidelines were adopted. These guidelines present a project-level operational threshold of significance for GHG emissions based on compliance with a Qualified GHG Reduction Strategy or adherence to a suite of BAAQMD



Compliance Factors: Statutes, Executive Orders, and Regulations listed at 24 CFR §58.5 and §58.6	Are formal compliance steps or mitigation required?	Compliance de	eterminations
		performance standards for land use building design, transportation and Guidelines Section 15183.5(b). The 1,100 MT/CO <sub>2</sub> e. <u>Construction Greenhouse Gas Emis</u> Construction-related activities that include worker commute trips, hau materials to and from the project S equipment (e.g., dozers, loaders, ex- illustrates the specific construction would result from construction of t complete, the generation of these G	consistency with the CEQA CEQA Threshold of Significance is sions would generate GHG emissions I trucks carrying supplies and ite, and off-road construction ccavators). The table below generated GHG emissions that he project. Once construction is GHG emissions would cease.
		Description Construction First Year Construction Second Year Total Construction Emissions	CO <sub>2</sub> e Emissions (Metric Tons/Year) 444 17 <b>461</b>
		project construction would result in approximately 461 metric tons of C construction. <u>Operational Greenhouse Gas Emiss</u> Operation of the project would resu emissions primarily associated with consumption. Long-term operation the project are identified in the tab <b>Table 11 Operational-Related Greenho</b>	n the generation of a total of O2e over the course of <u>ions</u> ult in an increase in GHG motor vehicle trips and energy al GHG emissions attributable to le below.
		Emissions Source	CO <sub>2</sub> e Emissions (Metric Tons/Year) 334
		Area Energy Water	1 36 7
		Waste Refrigerants Proposed Project Operations Total	0 402



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
		project operations would result in 402 metric tons of CO2e per year beyond existing conditions. <u>Conclusions</u>
		Neither construction-year nor operational emissions are above the $1,100 \text{ MT/CO}_2$ e threshold of significance.
		The City of Gilroy has not yet established a CEQA-related threshold of significance for analyzing GHG emissions.
		Conclusion
		The project is below de minimus thresholds under the Clean Air Act.
		The project is below thresholds of significance set forth by the local agency, Bay Area Air Quality Management District for construction and operational emissions, for both greenhouse gas emissions and criterial pollutants.
		Standard permit conditions and Best Management Practices (BMPs) reduce temporary construction-related impacts.
		Mitigations Required:
		AQ1. MERV13 air filtration is required for all units.
		Source Documentation: (5) (6) (11) (12) (13) (14) (15) (16) (Appendix D)
Coastal Zone Management Coastal Zone Management Act, sections 307(c) & (d)	Yes No	The project site is located in the City of Gilroy in the County of Santa Clara, California. The project is subject to requirements of the San Francisco Bay Conservation and Development Commission, as the designated governing body over the Local Coastal Program in the greater Bay Area.
		Activities requiring permit approval include:
		• Filling: Placing solid material, building pile-supported or cantilevered structures, disposing of material or permanently mooring vessels in the Bay or in certain tributaries of the Bay.
		• Dredging: Extracting material from the tidal waters.



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
		• Shoreline projects: Nearly all work, including grading, on the land within 100 feet of the Bay shoreline.
		• Other projects: Any filling, new construction, major remodeling, substantial change in use, and many land subdivisions in the Bay, along the shoreline, in salt ponds, duck hunting preserves or other managed wetlands adjacent to the Bay.
		The proposed project does not involve activities within 100 feet of the shoreline or any of the other activities described above that require a permit. The project site is roughly 17 miles east from the Pacific Ocean and about 40 miles south of the San Francisco Bay shoreline, and therefore not subject to oversight by the San Francisco Bay Conservation and Development Commission or the California Coastal Commission.
		A Coastal Development Permit is not required.
		Source Documentation: (17) (18)
Contamination and Toxic Substances 24 CFR Part 50.3(i) & 58.5(i)(2)	Yes No	<ul> <li>Phase I Environmental Site Assessment (ESA)</li> <li>AEI Consultants (AEI) was retained to conduct a Phase I ESA in conformance with the scope and limitations of ASTM Standard</li> <li>Practice E1527-21 and the EPA Standards and Practices for All</li> <li>Appropriate Inquiries (40 CFR Part 312), for the property located at 6630, 6680, 6730 Monterey Road, Gilroy, Santa Clara County, California (the "subject property").</li> <li>Table 12 Subject Property Information</li> </ul>



Compliance Factors: Statutes, Executive Orders, and Regulations listed at 24 CFR §58.5 and §58.6	Are formal compliance steps or mitigation required?	Compl	liance determinations					
-	-	Property Information         Site Address(es)         Property ID (APN or Block/Lot)         Location         Property Type         Site and Building Information         Approximate Site Acreage/Source         Number of Buildings         Building Construction Date(s)/Source         Building Square Footage (SF)/Source         Number of Floors/Stories         Basement or Subgrade Area(s)         Number of Units         Additional Improvements         On-site Occupant(s)         Current On-site Operations/Use         Current Use of Hazardous Substances         Regulatory Information         Regulatory Database Listing(s)         From 1915-1935 the site was         site is industrial, with comm         From 1956 to the present, f         buildings and storage yards         tenants/developments:         6630 Monterey Road <ul> <li>Former ARCO Bulk</li> <li>Atlantic Richfield (1</li> <li>PSG Fencing, Soare</li> <li>6670-6688 Monterey Road</li> </ul>	6630, 6680, 6730 Monterey Road, Gilroy, Santa Clara County, California 95020 841-14-009, 841-14-008, and 841-14-007 East side of Monterey Road Mixed-Use (Office, Retail, and/or Multifamily) 2.87/Assessor Seven 6680 Monterey Road - 1935/Assessor; 6630 Monterey Road - 1935/Assessor; 6630 Monterey Road - 1948/Assessor; 6730 Monterey Road - 4,400/Assessor 6680 Monterey Road - 4,400/Assessor; 6730 Monterey Road - 4,400/Assessor One None identified Four - three commercial/light industrial units and one residential unit Concrete-paved and gravel-covered yards, covered outdoor storage areas, and asphalt-paved parking areas Residential occupant in residential unit; commercial/light industrial units are vacant Residential activities Yes; refer to Section 7.1 HWTS (x3), HAZNET (x2), RGA LUST, HAULERS, CIWQS (x2), WDS as undeveloped land. From 1935-1955 the hererial buildings of unknown occupancy. the site contained industrial/commercial , with the following notable Oil Facility (1956-1985) .971) s Lumber (2000-2014) rd, Truck Stop Auto Dismantlers Inc (1963-					
		Braccos Towing (20	• Braccos Towing (2000-2017)					



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				
		Table 13 Surro	ounding Properties				
		Direction	Direction Tenant/Use (Address)				
		North	Vacant commercial building (6790, 6882 Monterey Road)				
		East Railroad tracks followed by: • International Paper (6791 Alexander					
		• International Paper (6791 Alexander Street)         South       Method Construction (6620 Monterey Road)         West       Monterey Road followed by:					
			<ul> <li>Residences (9, 18 Sister City Way; 10 Angra Way; 6, 11 Takko-Machi Lane; 15 Koror Lane)</li> </ul>				
			<ul> <li>Small park (No address identified)</li> </ul>				
		Findings and Opinions					
		AEI did not identify significant data gaps which would affect the ability to identify Recognized Environmental Conditions (RECs).					
		Recognized Environmental Condition (REC) is defined by the current ASTM Standard E1527 as (1) the presence of hazardous substances or petroleum products in, on, or at the subject property due to a release to the environment; (2) the likely presence of hazardous substances or petroleum products in, on, or at the subject property due to a release or likely release to the environment; or (3) the presence of hazardous substances or petroleum products in, on, or at the subject property under conditions that pose a material threat of a future release to the environment.					
		been 1935 quan prod Some that	rding to historical sources, the subject property has occupied by various industrial businesses since at least 5. Based on the nature of uses, it is likely that various utities of hazardous substances and/or petroleum ucts have been stored and used on site since that time. e of the former industrial tenants operated at a time pre-dates modern regulatory oversight of hazardous tances and petroleum products. Based on the lack of				



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
		<ul> <li>apparent regulatory oversight of the operation (based on time period and lack of available agency records), the longterm operations, and the shallow depth to groundwater, the potential exists that a release to the subsurface may have occurred as a result of the historical operations. In September 2022, a Limited Phase II Subsurface Investigation was conducted at the subject property in order to determine whether the subject property had been impacted by the former onsite light industrial uses. The investigation included the advancement of 14 exploratory soil borings to a depth of five feet bgs to collect soil and soil gas samples. The investigation identified limited areas of environmental impact to the soil and soil gas on the subject property, including elevated concentrations of PCE and benzene in the soil gas above their respective Environmental Screening Levels. Based on the planned redevelopment of the subject property, the contamination identified during the previous 2022 Limited Phase II Subsurface Investigation represents evidence of a REC. AEI recommended further investigation of the subsurface at the subject property prior to the redevelopment of the site.</li> <li><u>Controlled Recognized Environmental Condition (CREC)</u> is defined by the current ASTM Standard E1527 as a recognized environmental condition affecting the subject property that has been addressed to the satisfaction of the applicable regulatory authority or authorities with hazardous substances or petroleum products allowed to remain in place subject to implementation of required controls (for example, activity and use limitations or other property use limitations).</li> <li>AEI did not identify evidence of CRECs during the course of the subsurface of the second of the se</li></ul>
		the assessment. <u>Historical Recognized Environmental Condition (HREC)</u> is defined by the current ASTM Standard E1527 as a previous release of hazardous substances or petroleum products affecting the subject property that has been addressed to the satisfaction of the applicable regulatory authority or authorities and meeting unrestricted use criteria



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		
		<ul> <li>established by the applicable regulatory authority or authorities without subjecting the subject property to any controls (for example, activity and use limitations or other property use limitations).</li> <li>According to historical sources and agency records, the subject property was formerly occupied by an ARCO Bulk Oil Facility at 6630 Monterey Road from at least 1956 to 1985, and is identified in the regulatory database as a RGA LUST site. The business utilized four large ASTs which were used to store unleaded and leaded gasoline and diesel. The ASTs were removed from the property along with the associated piping and pumping station in 1985. An unauthorized release was discovered in 1990 during excavation activities. The site underwent several subsurface investigations, with a 1991 and a 1993 Work Plan published to identify and remediate contaminated areas of the property. According to a provided Case Closure Summary document, the following remediation activities occurred:</li> </ul>		
		<ul> <li>1990 - Approximately 2,500 cubic yards of soil was excavated and treated</li> </ul>		
		<ul> <li>July 1994 to January 1995 - A soil vapor extraction system was utilized and removed approximately 950 pounds of petroleum hydrocarbons from the subsurface</li> </ul>		
		<ul> <li>1995-1996 - Oxygen Release Compound (ORC) and biosparging were noted as remediation actions taken to treat elevated contaminant levels in the groundwater.</li> </ul>		
		The case closure document states that concentrations of TPH-g, TPH-d, BTEX, and MTBE in all of the monitoring wells were below their respective Maximum Contaminant Levels or Action levels during a May 1996 sampling event. In addition, the corrective actions taken do not need to be reviewed if land use changes, however if onsite groundwater at 70 feet bgs is used for domestic or municipal supply, testing is recommended. No formal closure letter was		



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
0	mitigation	Compliance determinationsavailable for review with regulatory agencies. However, based on the information and recommendations provided in the regulatory case closure summary for this release case and the lack of controls put in place on the subject property, this release case represents evidence of a HREC.Other Environmental Considerations (OEC) warrant discussion, but do not qualify as RECs as defined by the current ASTM Standard E1527. These include, but are not limited to, de minimis conditions and/or environmental considerations such as non-ASTM scope items, which can affect the liabilities and financial obligations of the client, the health and safety of site occupants, and the value and marketability of the subject property. A de minimis condition is defined by the ASTM Standard as a condition that generally does not present a threat to human health or the environment and that generally would not be the subject of an enforcement action if brought to the attention of appropriate governmental agencies.• According to the key site manager, demolition of the subject property buildings 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 asbestos-containing materials (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 
		• Due to the age of the subject property buildings, there is a potential that lead-based paint (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



Compliance Factors: Statutes, Executive Orders, and Regulations listed at 24	Are formal compliance steps or mitigation	
CFR §58.5 and §58.6	required?	Compliance determinations
		association with building demo6630lition 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 recommended further investigation of the subsurface prior to redevelopment.
		Phase II
		ENGEO Inc. conducted a Supplemental Phase II Environmental Site Assessment in October 2024. Excerpts follow.
		Based on a review of the laboratory analytical results, one soil sample reported an elevated concentration of lead and eight soil samples reported an elevated concentration of arsenic that exceed their respective screening level/background concentration, indicating representative soil may not be suitable for residential re-use at those locations. However, the 95 percent UCL for arsenic is below the corresponding background concentration.
		It is ENGEO's professional opinion that representative soil associated with the elevated arsenic concentrations does not pose a risk to human health or the environment. However, ENGEO recommends preparing a SMP to provide protocols and guidance for the removal, handling, and disposal of elevated concentrations of lead near Boring SB2-14-W5, as well as Boring SB-7 as reported in the 2022 Phase II ESA (which reported a lead concentration of 101 mg/kg at 2.5 feet bgs). The SMP would also describe the use of an x-ray fluorescence (XRF) analyzer to screen soil for metal concentrations near those two locations during initial earthwork and excavation.
		The remaining soil is below residential screening levels.
		Soil Management Plan
		ENGEO drafted a Soil Management Plan (SMP) in October 2024. The SMP details construction demolition protocols, soil management



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
		activities, dust emissions, construction dewatering and other site management procedures. Adherence to the SMP is required.
		<b>Mitigation Measure HZ-1:</b> Prior to issuance of a demolition permit, on-site structures shall be evaluated for the presence of asbestos- containing materials, lead-containing materials, and/or other hazardous materials. The applicant shall consult with the Bay Area Air Quality Management District (BAAQMD) Enforcement Division prior to demolition activities to determine permit requirements to ensure compliance with BAAQMD Regulation 11, Hazardous Pollutants, and the City's Demolition and Guidelines Procedures.
		Mitigation Measure HZ-2: Following demolition of on-site structures, shallow soils, where concentrations of lead and arsenic (Boring Location No. 14) were found to exceed the residential environmental screening levels established by the Central Coast Regional Water Quality Control Board) as identified in the Limited Phase II Subsurface Investigation Report prepared by AEI Consultants in September 2022 for the project Site, shall be removed consistent with applicable proper handling and removal procedures by the City of Gilroy Certified Unified Program Agency (CUPA). Such removal shall be performed to the satisfaction of the CUPA, and a certificate of occupancy shall not be issued until lead and arsenic levels on-site meet residential standards.
		<b>Mitigation Measure HZ-3</b> : Following demolition of on-site structures and prior to the commencement of soil-disturbing activities, including, but not limited to, excavation, grading, trenching, utility installation or relocation, the applicant shall retain a qualified environmental professional to perform a Supplemental Phase II Subsurface Site Investigation that focuses on soils in those areas where concentrations of benzene (i.e., Boring Location Nos. 1 through 6, which are generally located in the northern portion of the project Site, and Boring Location No. 9, which is located in the eastern-central portion of the project Site) and PCE (i.e., Boring Location No. 14, which is located in the southwestern corner of the project Site) exceed the residential environmental screening levels



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
		<ul> <li>established by the Central Coast Regional Water Quality Control Board.</li> <li>Mitigation Measure HZ-4: A Soil Management Plan (SMP) shall be prepared by a qualified environmental professional based on the results of the September 2022 Limited Phase II Subsurface Investigation Report and the Supplemental Investigation for review and approval by the oversight agency (i.e., City of Gilroy CUPA, County of Santa Clara Department of Environmental Health, or California Department of Toxic Substances Control) prior to issuance of a grading permit. The approved SMP shall establish requirements for site remediation, including the testing, handling, management, transport, and disposal of contaminated soils and describe specific soil-handling procedures to ensure compliance with the requirements of the local or State oversight agency and prevent public exposure to contaminated soil through the improper handling and disposal of contaminated soils. More specifically, the SMP shall include the following:</li> <li>1. A qualified environmental professional shall be present on the project Site at the start of soil-disturbing activities in the known locations of contaminated soils and excavation for evidence of contamination (primarily volatile organic compounds [VOC], including benzene and PCE).</li> <li>2. Monitoring during soil-disturbing activities shall include visual observation (e.g., soil staining) and representative sampling via a photoionization detector to identify VOC-contaminated soils.</li> <li>3. The SMP shall require the timely testing and sampling of soils so that VOC-contaminated soils can be separated from inert soils for proper disposal. The SMP shall specify the testing parameters and sampling frequency. The qualified environmental consultant shall have authority to request additional testing based on visual observation, the presence of odors, or other factors.</li> </ul>



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			
		<ul> <li>4. During soil-disturbing activities, if soil is stockpiled prior to disposal, the stockpile shall be managed in accordance with the project's Stormwater Pollution Prevention Plan prior to transportation for disposal. Stockpiled soils identified as VOC-contaminated shall be sprayed with water or another approved vapor suppressant or covered with a continuous heavy-duty plastic sheeting anchored securely during periods of inactivity of greater than an hour to prevent contaminated soils from becoming airborne.</li> <li>Source Documentation: (19) (20) (21) (22) (Appendix E)</li> </ul>			
Endangered Species	Yes No	Federally-Listed Endangered and Threatened Species			
Endangered Species Act of 1973, particularly section 7; 50 CFR Part 402		The United States Fish and Wildlife Service (USFWS) was contacted on January 30, 2025 for a list of Special-Status plants and animals that have a potential to occur on the subject property. The following list was provided.			
		<u>Mammals</u>			
		• San Joaquin Kit Fox ( <i>Vulpes macrotis mutica</i> ) <u>Birds</u>			
		• California Condor ( <i>Gymnogyps californianus</i> )			
		• Least Bell's Vireo (Vireo bellii pusillus)			
		Marbled Murrelet (Brachyramphus marmoratus)			
		<u>Reptiles</u>			
		• Northwestern Pond Turtle (Actinemys marmorata)			
		<u>Amphibians</u>			
		• California Red-legged Frog (Rana draytonii)			
		California Tiger Salamander (Ambystoma californiense)			
		• Foothill Yellow-legged Frog (Rana boylii)			
		<u>Insects</u>			
		Monarch Butterfly (Danaus plexippus)			

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
		Critical Habitats
		• None
		Site Conditions
		The project site is located in an urban area within the City of Gilroy and currently improved with: two vacant and dilapidated, metal-roof, L-shaped buildings in the central and southern portions of the parcel, the open areas immediately north of each building are covered with gravel; a single-family residence, automotive repair garages/buildings, and storage/junk yards; and an approximately 0.48 acre lumberyard with a covered shed for lumber storage and equipment and an office/storage building. Portions of the project site are covered in asphalt/concrete, and others are pervious surfaces (e.g., gravel).
		project Impacts
		The site contains no habitat for Special-Status plants and animals. There are no natural or sensitive habitats such as riparian, wetland or aquatic habitat on or near the site. The drainage south of the project is undergrounded. There are mature trees on the site that could harbor protected birds, nesting birds and birds protected by the Migratory Bird Treaty Act. Mitigation is proposed for pre- construction survey to ensure no nesting or protected birds are present if construction begins during the nesting season.
		Finding
		The project does not have the potential to affect listed species due to the lack of any suitable habitat on the site.
		The project entitlement process included review of the project under the California Environmental Quality Act (CEQA). The CEQA Initial Study (IS) made the following finding at the local level:
		"The Gilroy General Plan Environmental Impact Report (General Plan EIR) identified the project Site and the immediately surrounding areas as "Developed." The project Site contains light industrial uses in single-story buildings that primarily involve automotive repair, storage/junk yards, and a lumberyard. Open areas are covered in



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			
		asphalt/concrete and gravel. Landscaping is limited to a few trees scattered throughout the project Site and some shrubs. The project Site is immediately surrounded by light industrial uses and commercial uses to the north, east, and south and single-family residential uses to the west across Monterey Road. According to th General Plan EIR, heavily developed commercial and industrial area do not provide much wildlife habitat with residential areas support urban-adapted wildlife, such as raccoons, opossums, and fox squirrels.19 In addition to the existing uses on the project Site and immediately surrounding areas, the project Site is bounded on the east by the Union Pacific railroad tracks, which contributes to the la quality and potential of the project Site to support sensitive species habitats. Accordingly, the project would not have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special-status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife (CDFW) or U.S. Fish and Wildlife Service (USFWS), and no impact would occur."			
		There is <i>No Effect</i> under the Endangered Species Act.			
		Mitigations Required:			
		ES1. If construction is scheduled or ongoing during bird or raptor nesting season (January 31 to August 31), a qualified biologist shall conduct two nest surveys, one 15 days and the second 72 hours prior to the commencement of construction activities. Surveys shall be conducted in accordance with CDFW protocols, as applicable. If no active nests are identified on or within 200 feet of the construction activity, no further mitigation is necessary. A copy of the preconstruction survey shall be submitted to CalHFA. If an active nest is identified, construction shall be suspended within 200 feet of the nest, or an alternative distance determined to be appropriate by a qualified ornithologist or biologist, until the nesting cycle is complete, as determined by a qualified ornithologist or biologist.			



#### **Compliance Factors:** Are formal Statutes, Executive compliance Orders, and steps or Regulations listed at 24 mitigation CFR §58.5 and §58.6 Compliance determinations required? Source Documentation: (4) (5) (23) (24) (Appendix C) **Explosive and** Yes No **Existing ASTs** Flammable Hazards $\boxtimes$ An EDR Radius Map Report with a custom search distance was pulled 24 CFR Part 51 Subpart on January 30, 2025 for Above Ground Storage Tanks (ASTs) within a С mile. There are 11 reported ASTs within a one mile radius of the site. Table 14 Above Ground Storage Tanks (ASTs) Distance Gallons Safe Exceeds Distances Acceptable (ASD)? Toro 912 feet 70,000 ASD for No Thermal Petroleum SSE (dyked) Radiation for Group People 6470 (ASDPNPD) = Monterey 178.07 Road ASD for Thermal Radiation for **Buildings** (ASDBNPD) = 31.02 Gilroy Plant 912 feet Not n/a n/a SSE reported 6470 Monterey Road South 1,028 feet Not n/a n/a ENE County reported Chrysler Dodge Jeep



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 465 Auto Mall Drive				
		Monier Tire 6500 Brem Avenue <sup>1</sup>	2,351 feet East	10,000	ASD for Thermal Radiation for People (ASDPPU) = 721.77 ASD for Thermal Radiation for Buildings (ASDBPU) = 145.78	No
		City of Gilroy – Corporatio n Yard, Fleet 613 Old Gilroy Street	3,339 feet NNE	Not reported	n/a	n/a
		City of Gilroy Police Departmen t	3,385 feet Northwes t	Not reported		

<sup>&</sup>lt;sup>1</sup> All of the ASTs are located in Gilroy, California

Compliance Factors: Statutes, Executive Orders, and Regulations listed at 24 CFR §58.5 and §58.6	Are formal compliance steps or mitigation required?		Comp	liance deterr	ninations	
		7301 Hanna Street				
		J.N. Abbott Distributor 6001 Rossi Lane	3730 feet ESE	49,450 (dyked)	ASD for Thermal Radiation for People (ASDPNPD) = 178.07 ASD for Thermal Radiation for Buildings (ASDBNPD) = 31.02	Νο
		Lowe's 7151 Camino Arroyo	4,130 feet northeast	Not reported	n/a	n/a
		Penske Truck Leasing Co. 5827 Obata Way	4,888 feet southeast	Not reported	n/a	n/a
		Precision Tire & Lube 5870 A Monterey Road	5,040 feet SSE	Not reported	n/a	n/a
			se an explosiv		Above Ground St the project, eith	



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
		Planned ASTsThere are many projects in development in Gilroy. None appear to require ASTs near the proposed affordable housing per the City of Gilroy.ConclusionThe building and future residents will not be located within a mile of any Above-ground Storage Tank.Source Documentation:(5) (6) (25) (26) (27) (Appendix E)
Farmlands Protection Farmland Protection Policy Act of 1981, particularly sections 1504(b) and 1541; 7 CFR Part 658	Yes No	Prime farmland is land best suited for producing food, forage, fiber, and oilseed crops and also available for these uses (the land could be cropland, pastureland, rangeland, forest land, or other land but not urban built-up land or water). The site is 100% underlain with YaA, Yolo loam, 0 to 7 percent slopes per US Department of Agriculture Web Soil Survey accessed on January 30, 2025. The site does not contain Prime Farmland. The project site is already developed. The project will convert the site to residential land use, however there are no impacts to farmlands. Source Documentation: (28) (Appendix H)
Floodplain Management Executive Order 11988, particularly section 2(a); 24 CFR Part 55	Yes No	The entire project site is located in the Federal Emergency Management Agency (FEMA) floodplain (100-year floodplain). The 100-year floodplain is identified by the Federal Emergency Management Agency (FEMA) as an area of 1% annual chance flood discharge contained in structure (Princevalle Drain). The elevation shown is 195 feet. The 8-Step Decision Making Process for projects located in a Floodplain, is invoked, and included Noticing, public comment, and an alternatives analysis. The 8-Step Process determined that there was no alternative than to locate the project in a floodplain. The project Finish Floor Elevation 2.2 feet above the Base Flood Elevation (BFE) where 2 feet is required. Until the applicant can



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
		<ul> <li>obtain a Final Letter of Map Amendment (LOMA) post-construction, the project sponsor is required to carry FEMA flood insurance.</li> <li><i>Mitigations Required:</i></li> <li>FL1. It is understood that the project site will be elevated outside of the 100-year floodplain per plans. The project sponsor will construct the building with the Finish Floor Elevation at least 2 feet above Base Flood Elevation (BFE) .</li> <li>FL2. It is understood a Letter of Map Amendment (LOMA) will be sought. Until the applicant can obtain a Letter of Map Amendment (LOMA) post-construction, the project sponsor is required to carry FEMA flood insurance.</li> <li>Source Documentation: (9) (10) (Appendix C)</li> </ul>
Historic Preservation National Historic Preservation Act of 1966, particularly sections 106 and 110; 36 CFR Part 800	Yes No	Undertaking ROEM Development proposes to develop the Monterey Family Apartments project on a 2.86-acre site comprised of three parcels (APNs 841-14-007, -008, and -009) with address 6630, 6680 and 6730 Monterey Road, Gilroy, Santa Clara County, California 95020. The site is currently occupied by three commercial units and one residential unit constructed in 1935, 1948 and 1950, respectively, that will be demolished prior to constructing the project. The project proposes four three-story buildings with 94 apartments and 111 parking spaces. There will be one electric vehicle (EV) charging station and one parking space for the U.S. Postal Service (USPS). The unit mix will be 60 two-bedroom units and 34 three-bedroom units. One of the three-bedroom units will be reserved for an onsite manager. The project amenities include a central laundry facility of 304 square feet and 0,848 square feet for community room, fitness room, computer room and common outdoor space. A total of 96 long-term bicycle parking spaces and 12 short-term spaces will be provided. The project includes demolition, reconstruction and trenching work required to provide utilities to the site and to upgrade any required facilities that may be in the public right-of-way, including curb, gutter and sidewalk as needed. The three parcels will be merged into one. The project is 100% affordable for families



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
		earning 30 to 70 percent of Area Median Income for Santa Clara County.
		Area of Potential Effects
		Based on research of the property by Evans & De Shazo, Inc. (EDS) of State Historic Preservation Officer (SHPO) records, local government tax records, the California Historical Resources Information System research and field survey, the Area of Potential Effect (APE) was defined as the boundary of the project property for direct effects (Direct APE) and adjacent and facing properties over 50 years of age for indirect effects (Indirect APE).
		Evaluation
		Evans & De Shazo, Inc. (EDS) completed a Historic Resource Evaluation (HRE) for the proposed project. The methods to complete the HRE included a review of a record search completed at the Northwest Information Center (NWIC) of the California Historical Resources Information Systems (CHRIS), a literature review to develop a context for evaluating the built environment resources within the Direct and Indirect APE, and an architectural survey of the Direct and Indirect APEs to document any style, form, design, character-defining features, and alterations related to the built environment. The research completed by EDS as part of the HRE revealed that none of the built environment resources within the Direct or Indirect APEs are currently listed or previously found eligible for listing on the NRHP. The HRE examined the individual NRHP- eligibility of the built environment resources within the Direct APE and Indirect APE and found that none are eligible for listing on the NRHP.
		Archaeology
		An Archaeology Study was completed by EDS. The methods used to complete the Archaeological Study included a record search at the Northwest Information Center (NWIC) of the California Historical Resources Information Systems (CHRIS); a Native American Sacred Lands Inventory; a buried archaeological site sensitivity desktop analysis; and a pedestrian field survey. The study found that the



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
		Direct APE has a moderate potential/sensitivity for buried precontact period archaeological resources; therefore, Project-specific recommendations were made to ensure the identification and appropriate treatment of any post-review discoveries of archaeological resources during project-related ground-disturbing activities, including pre-construction awareness training.
		Native American Contacts
		HUD's Tribal Directory Assessment Tool reports there are no Federally recognized Native American tribes for Santa Clara County. The Native American Heritage Commission (NAHC) conducted a search of the Sacred Lands File (SLF) that returned positive results. The NAHC provided a list of 21 tribal contacts, and all were mailed a letter inviting consulting under Section 106 on November 13, 2024. One tribe expressed desire to consult to EDS and CalHFA, Amah Mutsun Tribal Band of Mission San Juan Bautista. Vincent Medina of The Ohlone Indian Tribe did not respond to inquiries for further discussion but is included as an interested party. Result of consultation was an agreement that a tribal monitor will be present during ground disturbing activities Project-specific conditions of approval for monitoring will be required:
		<ul> <li>An archaeological and tribal monitor be present during demolition (i.e., when footings/asphalt/pavement is removed) and initial grading;</li> </ul>
		• 40-hour HAZWOPER trained personnel be present;
		• Soil management and mitigating plan;
		• Sensitivity training of construction personnel.
		An agreement for monitoring has been signed and is attached to this document
		Conclusion
		Review did not result in the identification of any National Register- listed or eligible cultural resources within the APE. Furthermore, there is a moderate potential/sensitivity for buried precontact period archaeological resources to be encountered during project-related



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
		ground disturbing activities. As such, a finding of no historic properties affected for the Undertaking pursuant to 36 CFR 800.4(d)(1) was recommended.
		Consultation
		On March 20, 2025, the Agency Official, CalHFA, agreed with the description of the Undertaking and Area of Potential Effects, further that no historic properties were identified within it; therefore a finding of no historic properties was appropriate. CalHFA then initiated consultation with the State Historic Preservation Officer with letter and package of information via E-mail to <a href="https://www.ohgo.ca.gov">ohgo@calshpo.ca.gov</a> per COVID protocol.
		On April 21, 2025, 30 days elapsed and the State Historic Preservation Officer, Julianne Polanco did not object to the determination of no historic properties affected by the undertaking. Per 36 CFR §800.3(c)(4) this concludes Section 106.
		<ul> <li>HP1. Applicant shall have a tribal monitor present during ground disturbing activities as described in the Monitoring Agreement with the Amah Mutsun Tribal Band.</li> </ul>
		Source Documentation: (29) (30) (31) (32) (33) (34) (35) (Appendix F)
Noise Abatement and	Yes No	Regulatory Background
Control Noise Control Act of 1972, as amended by the Quiet Communities Act of 1978; 24 CFR		The U.S. Department of Housing and Urban Development (HUD) environmental noise regulations are set forth in the Code of Federal Regulations, Title 24, Part 51B . The following exterior noise standards for new housing construction would be applicable to this project:
Part 51 Subpart B		• Acceptable – 65 dBA DNL or less;
		<ul> <li>Normally Unacceptable – Exceeding 65 dBA DNL but not exceeding 75 dBA DNL (appropriate sound attenuation measures must provide an additional 5 decibels of attenuation over that typically provided by standard construction in the 65 dBA DNL to 70 dBA DNL zone; 10</li> </ul>



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
		decibels additional attenuation in the 70 dBA DNL to 75 dBA DNL zone);
		<ul> <li>Unacceptable – Exceeding 75 dBA DNL.</li> </ul>
		These noise standards also apply, " at a location 2 meters from the building housing noise sensitive activities in the direction of the predominant noise source" and "at other locations where it is determined that quiet outdoor space is required in an area ancillary to the principal use on the site."
		The above standards apply to new construction. Rehabilitation projects are strongly encouraged by HUD to provide noise- attenuation in noise exposed areas. In either case, a determination must be made.
		NEPA Noise Assessment
		Illingworth & Rodkin, Inc. prepared a <i>NEPA Noise Assessment</i> for the project in 2024. Excerpts follow.
		The noise analysis was conducted using methods established by the U.S. Department of Housing and Urban Development (HUD), utilizing available transportation and project data. The California High Speed- Rail (HSR) project may develop a new high-speed rail corridor near the east side of the project site. This assessment utilizes transportation data from the 2022 California High-Speed Rail Authority Final Environmental Impact Report to validate noise levels calculated with the HUD Day/Night Noise Level (DNL) Calculator. Future scenarios with and without the HSR project are assessed in this study.
		Based on the results of the analysis, noise abatement would be required to meet the HUD standards with respect to exterior and interior noise levels.
		Sound Notation
		Since the sensitivity to noise increases during the evening and at night because excessive noise interferes with the ability to sleep 24-hour descriptors have been developed that incorporate artificial noise penalties added to quiet-time noise events. The <i>Community</i>



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
		<i>Noise Equivalent Level (CNEL)</i> is a measure of the cumulative noise exposure in a community, with a 5 dB penalty added to evening (7:00 pm - 10:00 pm) and a 10 dB addition to nocturnal (10:00 pm - 7:00 am) noise levels. The <i>Day/Night Average Sound Level (DNL</i> or <i>Ldn)</i> is essentially the same as CNEL, with the exception that the evening time period is dropped and all occurrences during this three-hour period are grouped into the daytime period.
		Significance Criteria An adverse effect would result if noise levels at the project site would exceed HUD Guidelines for acceptability. Exterior noise levels exceeding 65 dBA DNL or interior noise levels exceeding 45 dBA DNL would exceed HUD's noise compatibility criteria.
		Exsting Noise Environment
		The project site is bound by Monterey Road to the west and the UPRR tracks to the east. A noise monitoring survey consisting of two long-term (LT-1 and LT-2) and one short-term (ST-1) noise measurements were conducted between Tuesday, October 15, 2024, and Friday, October 18, 2024. The results of this survey indicated that the noise environment at the project site results primarily from vehicular traffic along Monterey Road, as well as from freight and passenger trains along the UPRR tracks.
		Figure 6 Noise Measurement Locations

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
		Long-term noise measurement LT-2 was made approximately 105 feet west of the centerline of the UPRR tracks. Hourly average noise levels at LT-2 typically ranged from 57 to 74 dBA Leq during daytime hours (7:00 a.m. and 10:00 p.m.) and from 54 to 63 dBA Leq during nighttime hours (10:00 p.m. and 7:00 a.m.). The day-night average noise level was 65 dBA DNL during the 24-hour measurement period on Wednesday, October 16, 2024, and was 66 dBA DNL on Thursday, October 17, 2024. The trend in maximum noise levels showed that there is currently minimal train horn noise at the project site. Short-term noise measurement ST-1 was made between 10:00 a.m. and 10:10 a.m. on Tuesday, October 15, 2024. ST-1 was made near the south end of the project site, approximately 160 feet east of the centerline of Monterey Road and approximately 175 feet west of the centerline of the UPRR tracks. This location was chosen to represent noise levels at the proposed active outdoor common use areas. During this 10-minute period, 58 vehicles along North 14th Street produced noise levels ranging from 57 to 66 dBA, while background industrial noise on the opposite side of the UPRR tracks intermittently generated noise levels that ranged from 50 to 57 dBA. No trains passed by during the measurement.
		Table 15 Summary of Short-Term Noise Measurements (dBA)Noise Measurement LocationDate, TimeMeasured Noise Level, dBA LmaxST-1: Center of site10/15/2024, 10:00-10:10 a.m.6664605451In addition to the on-site noise measurements, the study utilized the HUD DNL Calculator and HUD Barrier Performance Module to estimate the existing noise exposure at the project site. Average daily vehicular traffic volumes (ADT) along Monterey Road, as well as the average number of daily freight and passenger trains along the UPRR tracks were collected from the 2022 California High-Speed Rail Authority Environmental Impact Report (HSR EIR). In accordance with HUD guidelines, roads that might contribute to the project site's noise environment that are within 1,000 feet, railroads within 3,000 feet, and airports within 15 miles of the project site were considered in this evaluation.



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
		The existing noise exposure throughout the project site is calculated to range from 66 to 69 dBA DNL. Based on the results of the HUD modeling, the existing worst-case noise exposures are at the proposed west building façades, nearest to Monterey Road, and at the proposed east building façades, nearest to the UPRR tracks where the DNL is calculated to be 69 dBA. Existing noise levels at the proposed active outdoor common use areas, near the center of the project site, are calculated to be 66 dBA DNL.
		Future Noise Environment
		The HSR EIR considers different alternatives for the project design and states that Alternative 4 is the preferred design for the planned HSR corridor near the project site. Alternative 4 is the design that would increase noise levels at the project site the most because it would create a new at-grade rail corridor approximately 75 feet from the planned building façades on the east side of the project site. Alternative 4 shows that the corridor near the project site will not be a quiet zone, and that train horns will be used near the project site to alert citizens of trains crossing at-grade roadways near the project site. Under Alternative 4, the existing UPRR tracks would be realigned approximately 115 feet east of the nearest project buildings to make room for the new HSR tracks. The HSR EIR does not propose a noise barrier to shield the project site.
		The future noise environment at the project site is expected to increase by 0 to 9 dBA DNL if the HSR project is constructed. According to the HUD modeling, the future worst-case noise exposure would be at the proposed east façades of the buildings nearest to the train tracks, where the future DNL is calculated to increase from 69 to 78 dBA. The proposed buildings would reduce noise levels from trains at the west side the project site, but the east side and center of the project site would have an uninterrupted view of the HSR alignment. The noise exposure at the west façades of the buildings facing Monterey Road, is calculated to remain at 69 dBA DNL. The noise exposure at the center of the proposed active outdoor common use areas near the center of the project site is calculated to be 74 dBA DNL.



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
		With a Future Noise Environment of up to 78 dBA DNL, thirty-five (35) decibels of attenuation would be required to achieve acceptable interior noise levels. Residential units closest to the train tracks would require upgraded windows rated at STC 43 or higher to achieve acceptable interior noise level, and any planned fiber cement exterior walls would need to be upgraded to stucco walls. Residential units near the center of the project site would require upgraded windows rated at STC 33 or higher, and residential units nearest to Monterey Road would require windows rated at STC 30 or higher. Interior noise levels within the buildings would be below the 45 dBA DNL threshold when doors and windows are closed. Forced air mechanical ventilation systems are provided so that windows and doors can be kept closed at the occupant's discretion to control noise intrusion indoors. These construction recommendations would provide the required attenuation such that future interior noise levels would be maintained below 45 dBA DNL, meeting HUD's interior noise criterion.
		STC 43         STC 30         Image: Contrast of the second state of the second sta
		The common outdoor space is exposed to a Future Noise Environment of up to 74 dBA DNL, which is "Normally Unacceptable" by HUD standards.
		The proposed project would be required to construct a barrier along the perimeter of the active outdoor common use areas, capable of



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
		reducing noise levels by up to 9 dBA. The Caltrans Technical Noise Supplement to the Traffic Noise Analysis Protocol (TeNS) discusses barrier material and transmission loss for a variety of materials, and states that any material may be used for a barrier between a noise source and noise receiver as long as it has a transmission loss (TL) of at least 10 dBA more than the desired noise reduction.4 To adequately reduce noise levels at the active outdoor common use areas, the material must have a TL rating of at least 19 dBA. While dense concrete can provide a TL of up to 40 dBA, safety glass and Plexiglas can provide a TL of up to 22 dBA, and would be sufficient in reducing transportation noise levels at active outdoor common use areas at the project site to acceptable levels.
		To be effective, the noise barrier would need to break the line-of- sight from the occupants to train operations. The minimum height required would be nine feet, as measured from the base elevation of the active outdoor common use areas. The proposed barrier should be 9 feet tall, continuous from grade to top, with no cracks or gaps.
		project plans show a proposed transparent noise barrier between the railroad tracks and the common outdoor space. The barrier would be solid, with no gaps, approximately 100 feet long and 9 feet tall, and curve around the active outdoor use area. The sound wall designed in the project plans satisfies the recommendations listed above, effectively reducing noise levels at the active outdoor use area to below the noise threshold.
		Mitigation is required to bring the Future Noise Environment of the proposed project common outdoor space to "Acceptable" levels of 65 dBA DNL or less.
		Project Traffic Increase
		The project would need to result in a doubling of traffic in the area to cause a permanent audible increase in the ambient noise environment. To be audible, a 3 dBA increase would be needed.
		Monterey Road carries about 20,000 vehicles per day during weekdays. The proposal is estimated to generate approximately 511 trips per weekday, 462 trips each Saturday, and 384 trips each



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
		Sunday. The 511 trips would not cause a doubling of traffic from 20,000 vehicles to 40,000; therefore there is no adverse impact.
		Conclusion
		The site is exposed to a Future Noise Environment of up to 78 dBA DNL, which is considered "Unacceptable" by HUD Standards. Mitigations to bring interiors to 45 dBA DNL or less and the provision of air conditioning is required. A <i>Noise Waiver</i> is required.
		Common outdoor space will be exposed to a Future Noise Environment of up to 74 dBA DNL, which is considered "Normally Unacceptable" by HUD Standards. Mitigation is needed.
		The project will not contribute to a permanent increase in ambient noise in the vicinity.
		Mitigations Required:
		N1. The project application shall provide architectural attenuation features to account for a Future Noise Environment of up to 78 dBA DNL as shown below:
		STC 43 STC 33 STC 30
		N2. All units shall be provided with mechanical ventilation (air conditioning) to allow windows to be in the closed position to control noise.
		N3. Applicant shall provide a transparent noise barrier between the railroad tracks and the common outdoor space. The barrier would be solid, with no gaps, approximately 100 feet long and 9 feet tall, and curve around the active outdoor use



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
		area. The sound wall designed in the project plans satisfies the recommendations listed above, effectively reducing noise levels at the active outdoor use area to below the noise threshold. Source Documentation: (36) (37) (38) (Appendix G)
Sole Source Aquifers Safe Drinking Water Act of 1974, as amended, particularly section 1424(e); 40 CFR Part 149	Yes No	The project has no potential to affect a sole source aquifer, as the project proposes new construction on an already developed site. The nearest Sole Source Aquifer is the Santa Marguerita, Scotts Valley Aquifer, approximately 23 miles to the west. There are no mitigations needed. Source Documentation: (39) (40) (Appendix H)
Wetlands Protection Executive Order 11990, particularly sections 2 and 5	Yes No	The site does not appear on the National Wetlands Inventory database. The site does not contain any on-site wetlands or jurisdictional waters. There is a wetland identified 35 feet south of the southern property line. The wetland is undergrounded at the property that lies adjacent to the south of the subject. A definition of the wetland follows. Classification code: R4SBC System Riverine (R) : The Riverine System includes all wetlands and deepwater habitats contained within a channel, with two exceptions: (1) wetlands dominated by trees, shrubs, persistent emergents, emergent mosses, or lichens, and (2) habitats with water containing ocean-derived salts of 0.5 ppt or greater. A channel is an open conduit either naturally or artificially created which periodically or continuously contains moving water, or which forms a connecting link between two bodies of standing water. Subsystem Intermittent (4) : This Subsystem includes channels that contain flowing water only part of the year. When the water is not flowing, it may remain in isolated pools or surface water may be absent. Class Streambed (SB) : Includes all wetlands contained within the Intermittent Subsystem of the Riverine System and all channels of



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
		the Estuarine System or of the Tidal Subsystem of the Riverine System that are completely dewatered at low tide.
		Water Regime Seasonally Flooded (C) : Surface water is present for extended periods especially early in the growing season, but is absent by the end of the growing season in most years. The water table after flooding ceases is variable, extending from saturated to the surface to a water table well below the ground surface.
		Project Impacts
		There are no wetlands on the site. No consultations are required.
		A wetland 35' to the south is undergrounded. The project will not drain to any wetland. There is no impact to protected wetlands as a result of the project.
		Source Documentation: (41) (Appendix C)
Wild and Scenic Rivers Wild and Scenic Rivers Act of 1968, particularly section 7(b) and (c)	Yes No	No Wild and Scenic Rivers are located within Gilroy. The project will not affect any Wild and Scenic River. Source Documentation: (42) (Appendix H)
<b>Environmental Justice</b> Executive Order 12898	Yes No	Recent executive actions have resulted in the recission of environmental justice initiatives.



### 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	lmpact Code	Impact Evaluation
Conformance with Plans / Compatible Land Use and Zoning / Scale and Urban Design	2	The project site is an infill site located within an urbanized area of the City of Gilroy, California where the built environment consists of light industrial, residential, and commercial uses. The physical arrangement of the surrounding parcels/uses, streets, and utility infrastructure has been established for many years. The project would use an existing public street (Monterey Road) for access to the new apartment buildings and would connect to existing utilities in Monterey Road.
		The proposed project site is designated "Downtown Specific Plan Gateway District" by the City of Gilroy <i>General Plan, Land Use Element.</i> The Downtown Specific Plan was adopted in 2005 and seeks to establish a direct connection between the City of Gilroy's General Plan and revitalization and enhancement opportunities within downtown Gilroy. An overall goal is the orderly development of downtown Gilroy in a method consistent with the City's General Plan. The project site is zoned GD – Gateway District, which lists apartment complexes, such as those proposed by the project, as a "Primary" land use. Medium- and high-density residential land use are encouraged in the Gateway District.
		The project has completed an Initial Study under the California Environmental Quality Act (CEQA) that resulted in a Mitigated Negative Declaration. The public comment period ended April 18, 2024.
		The project has achieved state environmental compliance and has been found consistent with local and regional plans. There are no adverse impacts.
		Source Documentation: (4) (Appendix H)



Environmental Assessment Factor	Impact Code	Impact Evaluation
Soil Suitability/ Slope/ Erosion/ Drainage/ Storm Water Runoff	3	Earth Systems Pacific prepared a <i>Geotechnical Engineering Report</i> for the project in 2022. Excerpts follow. <b>Soil Suitability</b> Dibblee and Minch (2006) indicates that the site is underlain by surficial sediments (Qa), described as alluvial gravel, sand and clay of valley areas (Dibblee, T.W., and Minch, J.A., 2006, "Geologic map of the Chittenden Quadrangle, Santa Clara, Santa Cruz, and San Benito Counties, California). Historical groundwater data shows that the depth to the first groundwater is approximately 10 to 20 feet below the ground surface (bgs) (Santa Clara Valley Water District). The site is not mapped in a liquefaction or landslide hazard zone according to the Geologic Hazards Map for Santa Clara County
		(2013). <u>Subsurface Profile</u>
		The subsurface profile from borings generally consisted of sand, clay, gravel, and random mixtures thereof, which is very typical of alluvial soil conditions mapped at the site by Dibblee and Minch (2006). The soil units encountered in the borings are fairly uniform across the site. The near surface soils range from stiff to hard lean clay. Below the near surface lean clay layer, the borings revealed the presence of sandy lean clay and clayey sand. At depths greater than 10 feet bgs, the soils variably transitioned between clayey sand with gravel to clayey gravel. Groundwater was not encountered during our subsurface exploration drilled at the site to a maximum depth of 30 feet bgs.
		<u>Subsurface Soil Classification</u> Based on the subsurface data collected as a part of our subsurface
		exploration and our review of the published geologic literature, the site is assigned to Site Class D ("stiff soil") as defined by Table 20.3-1 of the ASCE 7-16. The 2019 CBC parameters are based on the assumption that the buildings will conform to ASCE 7-16 11.4.8 - Exception No. 2.
		Based on the laboratory test results, the near surface soils at the site are judged to have low shrinkage/swelling potential.
		Conclusion
		Based on the review of the collected subsurface and laboratory test data, the site is suitable for the planned apartment project from a geotechnical engineering standpoint provided the recommendations in the Geotechnical



Environmental Assessment Factor	Impact Code	Impact Evaluation
		Engineering Report are incorporated in the design and implemented during site grading and foundation construction. The primary geotechnical concern at the site is ground disturbance from removal of existing buildings and associated foundations and utility lines. The near surface soils at the site have low to moderately high shrinkage/swelling potential.
		The primary geologic hazard is the potential for strong seismic shaking during a future seismic event in the vicinity.
		<b>Slope</b> The site is relatively flat. There are no slopes on or near the site.
		Erosion
		The site is currently covered in impervious surfaces and currently subject to erosion. Erosion control measures will be implemented during construction as part of the standard permit conditions.
		Drainage/ Storm Water Runoff
		The CCRWQCB prepares and maintains a basin plan, which identifies narrative and numerical water quality objectives to protect all beneficial uses of the waters of that region. The basin plan strives to achieve the identified water quality objectives through implementation of Waste Discharge Requirements (WDRs) and by employing three strategies for addressing water quality issues: control of point source pollutants, control of nonpoint source pollutants, and remediation of existing contamination. The project Site is located in the Central Coastal region and is, therefore, covered under the Water Quality Control Plan for the Central Coastal Basin (Basin Plan).
		Point sources of pollutants are well-defined locations at which pollutants flow into water bodies (discharges from wastewater treatment plants and industrial sources, for example). These sources are controlled through regulatory systems, including permitting under California's WDRs and the NPDES program; permits are issued by the appropriate RWQCB and may set discharge limitations or other discharge provisions. Point sources in the Central Coastal Basin include the City's small Municipal Separate Storm Sewer System (MS4), as well as the MS4s for the Cities of Watsonville, Hollister, and Morgan Hill. According to the Basin Plan, nonpoint sources include irrigated agriculture activities on crop, fallow, and orchard lands; timber harvesting activities on forested lands; grazing activities on pasture



Environmental Assessment Factor	lmpact Code	Impact Evaluation
		and range lands; urban and rural residential development; paved and unpaved roads; farm animal and livestock boarding on urban lands; hydromodification-related activities on all types of land use; off-road recreational vehicle areas; and sand and gravel mining.
		The project could have both short- and long-term impacts on water quality. Short-term impacts would occur during the construction phase of the project, when the pollutants of greatest concern are sediments, which may run off the project Site due to site grading or other site preparation activities, and/or hydrocarbon or fossil fuel remnants from the construction equipment. In addition, on-site watering activities to reduce airborne dust could contribute to pollutant loading in surface runoff. However, construction runoff is regulated by the NPDES Construction General Permit, which requires identification of a variety of water quality control BMPs to be specified on construction plans and implemented throughout construction. Measures are required to keep stormwater out of construction zones; conduct regular site maintenance and "good housekeeping practices" to prevent, minimize, and dispose of solid and liquid wastes; capture and control any site runoff so that water pollutants don't enter storm drains; and have response procedures in place in the event of accidental spills of water contaminants. This permit applies to all construction sites that disturb an area of at least 1 acre and is administered by the relevant RWQCB. In addition, the City would require the preparation of a SWPPP for the project, which would establish erosion and sedimentation controls, such as methods to minimize the footprint of the disturbed area, controls to prevent tracking off-site, spill prevention, non- stormwater controls (i.e., vehicle washing), and methods to protect native vegetation and trees. Further, the City would require an NPDES Construction General Permit for discharge of stormwater associated with project construction activities. Through these mandatory regulatory compliance measures, potential water quality impacts during project construction would be avoided or reduced to less-than-significant levels.
		Accordingly, project construction would not violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or groundwater quality, and impacts would be considered less than significant.
		Long-term impacts could result from operation of the project. Such impacts could result from stormwater runoff of impervious surfaces on the project Site. However, the project would be required to comply with the post-



Environmental Assessment Factor	Impact Code	Impact Evaluation
		construction stormwater control standards that were jointly developed by the City of Gilroy, the City of Morgan Hill, and the County of Santa Clara in their Stormwater Management Guidance Manual for Low Impact Development (LID) and Post-Construction Requirements. In addition, the project would be required to comply with Chapter 27D of the Gilroy City Code, which establishes the City's post-construction stormwater pollution prevention requirements.
		To comply with these requirements, the project would create bioretention ponds in passive open space areas and implement BMPs, such as covered trash enclosures, labels on storm drain inlets, draining non-stormwater discharges to landscaping or the sanitary sewer, and minimum or no pesticide use for landscaping maintenance. The Project proposes bioretention ponds, which would serve as the Project's biofiltration treatment system that would optimize infiltration by providing sufficient stormwater storage, rainwater harvesting, and/or evapotranspiration, to prevent off-site discharge of stormwater during up to the 95th percentile 24-hour rainfall event. The Project would be required to actively maintain this stormwater management system to ensure that the Project's stormwater runoff would not exceed the capacity of the storm drain system serving the Project area. Accordingly, the Project would not require or result in the relocation or construction of new or expanded storm drainage system, the construction or relocation of which could cause significant environmental effects, and impacts would be considered less than significant.
		Through these mandatory regulatory compliance measures, potential water quality impacts during project operation would be avoided or reduced to less-than-significant levels. Accordingly, project operation would not violate any water quality standards or waste discharge requirements, otherwise substantially degrade surface or groundwater quality, or conflict with or obstruct implementation of the Basin Plan or sustainable groundwater management plan, and impacts would be considered less than significant.
		<ul> <li>Mitigations Required:</li> <li>G1. The developer shall follow the recommendations in the Geotechnical Engineering Report prepared by Earth Systems Pacific and dated November 23, 2022 or later.</li> </ul>
		Source Documentation: (4) (5) (6) (43) (Appendix H)



Environmental Assessment Factor	Impact Code	Im	pact Evaluation										
Hazards and	3	Site Safety											
Nuisances including Site Safety and Noise		The site is located in California Pacific prepared a <i>Geotechnica</i> Excerpts follow as it relates to	I Engineering Report fo										
		Seismic Hazards											
		The site is located within a seismically active region of California but outside Alquist-Priolo Earthquake Fault Zones. The site is located approximately 4.5 miles southwest of the Central Calaveras Fault, 5.3 miles southwest of the So. Calaveras Fault, 6.9 miles northeast of the Santa Cruz Mountain segment of the San Andreas Fault, and 10.5 miles northeast of the Zayante- Vergeles.											
		Using information from recent earthquakes, improved mapping of active faults, and a new model for estimating earthquake probabilities, the 2014 Working Group on California Earthquake Probabilities updated the 30-year earthquake forecast for California. They concluded that there is a 72 percent probability (or likelihood) of at least one earthquake of magnitude 6.7 or greater striking somewhere in the greater San Francisco Bay region before 2043. A summary of the significant faults in the near vicinity of the site and their probabilities of exceeding an earthquake of magnitude 6.7 within 30 years is presented below. <b>Table 16 Major Active Faults</b>											
		Fault	Distance from Site (miles)	Probability of M <sub>w</sub> ≥6.' within 30 Years <sup>1</sup>									
								Calaveras (Central)	4.5	15%			
											Calaveras (So)	5.3	16%
										San Andreas (Santa Cruz)	6.9	16%	
		Zayante-Vergeles	10.5	<1%									
		<sup>1</sup> Working Group on	California Earthquake P	robabilities, 2015									
		Seismic Design Parameters											
		The following seismic design pa as outlined in Section 1613 of t determined below are based m	he 2019 CBC and in AS	CE 7-16. The values									



Environmental Assessment Factor	Impact Code	Impact Evaluation	
		obtained using the Office of Statewide Health Planning and D Seismic Design Maps Web Application (OSHPD).	evelopment
		Table 17 Summary of Seismic Parameters - CBC 2019 (Site Coordina 121.5634°W)	ates 36.9965°N,
		Parameter	Design Value
		Site Class	D
		Mapped Short Term Spectral Response Parameter, (S <sub>s</sub> )	1.5g
		Mapped 1-second Spectral Response Parameter, (S1)	0.6g
		Site Coefficient, (Fa)	1
		Site Coefficient, (F <sub>v</sub> )	1.7 <sup>1, 2</sup>
		Site Modified Short Term Response Parameter, (S <sub>Ms</sub> )	1.5g
		Site Modified 1-second Response Parameter, (S <sub>M1</sub> )	1.02g <sup>1</sup>
		Design Short Term Response Parameter, (SDs)	1g
		Design 1-second Response Parameter, (SD1)	0.68g <sup>1</sup>
		Site Modified Peak Ground Acceleration (PGA <sub>M</sub> )	0.68g
		<sup>1</sup> The 2019 parameter is based on the assumption that the buildings will conform to ASCE 7-16 11.4.8 - Ex <sup>2</sup> The 2019 CBC F <sub>v</sub> parameter shall only be used for calculation of T <sub>v</sub> . (ASCE Table 11.4-2, Supplement 1, N	
		one of the most seismically active regions in the United State significant earthquakes in this area are generally associated v movement along well-defined, active fault zones which regio northwesterly direction. Although research on earthquake pr greatly increased in recent years, seismologists cannot predic where an earthquake will occur. Nevertheless, on the basis o technology, it is reasonable to assume that the proposed bui subjected to at least one moderate to severe earthquake dur During such an earthquake, the danger from fault offset on the but strong shaking of the site is likely to occur and, therefore should be designed in accordance with the seismic design pro- latest California Building Code. It should be understood that the Building Code seismic design parameters are not intended to structural damage during an earthquake, but to reduce dama minimize loss of life. <u>Conclusion</u> Based on the review of the collected subsurface and laborator the site is suitable for the planned apartment project from a engineering standpoint provided the recommendations in the	vith crustal nally trend in a rediction has ct when and f current lding will be ring its lifetime. he site is low, , the project ovisions of the the California prevent age and



Environmental Assessment Factor	Impact Code	Impact Evaluation
		site grading and foundation construction. The primary geotechnical concern at the site is ground disturbance from removal of existing buildings and associated foundations and utility lines. The near surface soils at the site have low to moderately high shrinkage/swelling potential.
		The primary geologic hazard is the potential for strong seismic shaking during a future seismic event in the vicinity.
		No adverse impacts were identified.
		Mitigations Required:
		G2. The developer shall follow the recommendations in the Geotechnical Engineering Report prepared by Earth Systems Pacific and dated November 23, 2022 or later.
		Noise
		Construction of the Project would occur over approximately 26 months and would include demolition, site preparation, grading/excavation, foundation, building construction, paving, and architectural coating. The loudest phases of construction are expected to be demolition, grading/excavation, and foundations. Project construction would not include pile driving or extensive soil excavation as the Project does not propose any subterranean levels or buildings that require deep foundations.
		According to the Noise Report, typical noise levels (in terms of maximum sound levels [Lmax]) generated by construction equipment range from 77 dB to 85 dB at 50 feet from the source. Operating cycles for these types of construction equipment may involve one or two minutes of full power operation followed by three to four minutes at lower power settings. Other primary sources of acoustical disturbance would be due to random incidents, which would last less than one minute (such as dropping large pieces of equipment or the hydraulic movement of machinery lifts).
		The closest noise sensitive receptors to the Project Site are the single- family residences located directly across Monterey Road from the Project Site to the west at an approximate distance of 170 feet. Construction- generated noise typically attenuates at a rate of approximately 6 dB for each doubling of distance; therefore, noise levels at the closest sensitive receptors are expected to be approximately 10 dB quieter and would range from 67 dB to 75 dB. Although construction noise is permitted during the City's allowable construction hours pursuant to Gilroy City Code Section 16.38, the Project could expose the closest sensitive receptors to



Environmental Assessment Factor	Impact Code	Impact Evaluation
		temporary high noise levels. However, the Project would be required to implement the City's standard conditions of approval during Project construction, as follows:
		• Limit construction activities to between 7:00 a.m. and 7:00 p.m., Monday through Friday, and 9:00 a.m. to 7:00 p.m. on Saturdays, unless permission is granted with a development permit or other planning approval. Construction will not occur on Sundays or City holidays.
		<ul> <li>Equip all internal combustion engines-driven equipment with intake and exhaust mufflers that are in good condition and appropriate for the equipment.</li> </ul>
		• Strictly prohibit unnecessary idling of internal combustion engines.
		<ul> <li>Locate stationary noise-generating equipment, such as air compressors or portable power generators, as far as possible from sensitive receptors.</li> </ul>
		<ul> <li>Utilize "quiet" air compressors and other stationary equipment where technology exists.</li> </ul>
		<ul> <li>Locate construction staging areas generally nearest the railroad tracks and schedule truck loading and unloading operations so they minimize the noise impact on the closest sensitive receptors.</li> </ul>
		• Control noise from construction workers' radios to a point where they are not audible at the closest sensitive receptors.
		• Designate a "disturbance coordinator" who would be responsible for responding to any complaints about construction noise. The disturbance coordinator will determine the cause of the noise complaint (e.g., bad muffler) and require that reasonable measures be implemented to correct the problem.
		<ul> <li>Post contact information for the disturbance coordinator at the construction site where it can be readily seen.</li> </ul>
		With compliance with standard conditions of approval, construction noise impacts were considered less than significant under CEQA.
		There are no adverse impacts identified.
		Source Documentation: (43) (Appendix H)

Environmental Assessment Factor	Impact Code	Impact Evaluation
Energy Consumption		The Project would be required to comply with the California Building Standards Code (California Code of Regulations [CCR] Title 24), including the California Green Building Standards (CALGreen) Code (CCR Title 24, Part 11), which requires incorporation of energy-efficient light fixtures and building materials in the design of new construction projects, as well as high-efficiency plumbing fixtures.
		Furthermore, the 2022 Building Energy Efficiency Standards (CCR Title 24, Part 6), also referred to as the 2022 Energy Code, require newly constructed buildings to meet energy performance standards set by the California Energy Commission. These standards, which have been adopted by the City and incorporated into the Gilroy City Code, are specifically crafted for new buildings to result in energy-efficient performance. More specifically, Section 170.2(f) of the Building Energy Efficiency Standards requires all new buildings to install a photovoltaic (PV) system or PV modules. Pursuant to this requirement, the Project would install a PV electric system in each of the four buildings.
		According to the California Energy Commission, over 65 California jurisdictions have already adopted policies to promote or require building electrification as a reach code4 of the California Building Standards Code.5 The City is in the process of developing and adopting its own all-electric buildings ordinance, which would require all new construction to be all-electric with no natural gas connections. Consistent with the City's plan, the Project would be developed as all- electric and, thus, would not include natural gas appliances or plumbing. In addition, the Project would provide 15 standard EV Charger (EVCS) parking spaces, 44 EV Ready parking spaces with conduit and stub outs and one (1) van accessible EV charger (EVCS) parking space for common use.
		Building Energy Demand During Project operation, energy would be consumed for multiple purposes, such as heating/ventilating/air conditioning (HVAC), lighting, and the use of appliances, electronics, and mechanical equipment. According to the AQ/GHG Report, the Project would consume approximately 379,570 kilowatt-hours (kWh) of electricity per year. Considering a Countywide consumption of 17,102 gigawatts-hours (GWh) or 17,102,000,000 kWh of electricity in 2022,27 the Project would result in a negligible 0.002- percent increase in the typical annual



Environmental Assessment Factor	Impact Code	Impact Evaluation
		electricity consumption attributable to all land uses in Santa Clara County.
		As an all-electric building development, the Project would not consume any natural gas and would not affect the natural gas supplied by Pacific Gas and Electric (PG&E) to Santa Clara County.
		As the Project's operational energy consumption would represent a negligible increase in electricity and natural gas consumption from current Countywide usage, and because the Project's compliance with energy standards is expected to result in more efficient use of electricity and natural gas (lower consumption) in future years, the Project would not result in the inefficient, wasteful, or unnecessary consumption of building energy during Project operation, and impacts would be considered less than significant. No adverse impacts under NEPA were identified.
		Source Documentation: (1) (4) (5)
		SOCIOECONOMIC
Employment and Income Patterns	2	The Project would involve the development of 94 apartment units; however, it would not necessitate construction of growth-inducing infrastructure, such as roadway or utility extensions to areas not already provided with such services. The Project is anticipated to generate approximately 261 residents. Because the Project is consistent with the underlying zoning and General Plan designation for the Project Site, the population growth associated with the Project would have been anticipated and planned for in the Gilroy 2040 General Plan. Furthermore, according to the General Plan EIR, ABAG, which assists local governments to absorb growth and adapt to change while addressing sustainability, resilience, and equity issues, predicted that the City's population will increase from 55,928 in 2019 to approximately 75,684 in 2040, including 3,308 residents within the Downtown Specific Plan area. Using these growth forecasts, the Project would account for approximately 1.3 percent of forecasted population growth in the City between 2019 and 2040. As such, the Project would not induce substantial unplanned population growth in the area, either directly or indirectly.



Environmental Assessment Factor	Impact Code	Impact Evaluation
		The project is not growth inducing. No adverse impacts to employment and income patterns are anticipated due to the relatively small scope of the project. Source Documentation: (1) (4) (5)
Demographic Character Changes, Displacement	2	Demographic Character Changes At 94 units, the project is not anticipated to induce substantial growth in population in the area. The project will help to address the need for housing identified above in the <i>Statement of Purpose and Need</i> .
		The Project is anticipated to generate approximately 261 residents. Because the Project is consistent with the underlying zoning and General Plan designation for the Project Site, the population growth associated with the Project would have been anticipated and planned for in the Gilroy 2040 General Plan.
		The project will not significantly altering the racial, ethnic, or income segregation of the area's housing. It will not result in physical barriers or difficult access which will isolate a particular neighborhood or population group, making access to local services, facilities, and institutions or other parts of the city more difficult. The development of the project at this site does not create a concentration of low income or disadvantaged people, in violation of HUD standards and Environmental Justice policies.
		Displacement
		The Uniform Relocation Act (URA), passed by Congress in 1970, establishes minimum standards for federally funded programs and projects that require the acquisition of real property (real estate) or displace persons from their homes, businesses, or farms. The Uniform Act's protections and assistance apply to the acquisition, rehabilitation, or demolition of real property for federal or federally funded projects.
		Section 205 of the URA requires that, "Programs or projects undertaken by a federal agency or with federal financial assistance shall be planned in a manner that (1) recognizes, at an early stage in the planning of such programs or projects and before the commencement of any actions which will cause displacements, the problems associated with the displacement of individuals, families, businesses, and farm operations, and (2) provides for the resolution of such problems in order to minimize adverse impacts on



Environmental Assessment Factor	Impact Code	Impact Evaluation
		displaced persons and to expedite program or project advancement and completion."
		The Uniform Relocation Act (URA), passed by Congress in 1970, establishes minimum standards for federally funded programs and projects that require the acquisition of real property (real estate) or displace persons from their homes, businesses, or farms. The Uniform Act's protections and assistance apply to the acquisition, rehabilitation, or demolition of real property for federal or federally funded projects.
		Section 205 of the URA requires that, "Programs or projects undertaken by a federal agency or with federal financial assistance shall be planned in a manner that (1) recognizes, at an early stage in the planning of such programs or projects and before the commencement of any actions which will cause displacements, the problems associated with the displacement of individuals, families, businesses, and farm operations, and (2) provides for the resolution of such problems in order to minimize adverse impacts on displaced persons and to expedite program or project advancement and completion."
		The project site is unoccupied. A conforming relocation plan is not required.
		Source Documentation: (1) (44) (Appendix H)
		COMMUNITY FACILITIES AND SERVICES
Educational and Cultural Facilities	2	The project entitlement process included review of the project under the California Environmental Quality Act (CEQA). The CEQA Initial Study (IS) resulted in a <i>Mitigated Negative Declaration</i> . The Initial Study addressed many of the local development factors in this section. Language in this section and the following sections come from the CEQA Initial Study. <b>Educational Facilities</b> The Project Site is located within the Gilroy Unified School District (GUSD). According to the General Plan Environmental Impact Report (EIR) conducted under the California Environmental Quality Act (CEQA), the GUSD operates eight elementary schools, three middle schools, two high
		schools, one early college education academy, one continuation high school, and a community day school, providing an enrollment capacity of 14,634 seats with a total enrollment of 10,652 students (a surplus of 3,982 seats) in the 2018-2019 school year. In June 2020, one of the GUSD's



Environmental Assessment Factor	Impact Code	Impact Evaluation
		elementary schools (Antonio del Buono Elementary School) closed due to declining enrollment, resulting in a reduction in elementary school enrollment capacity of 698 seats.
		Development of 94 apartments would result in the addition of 14 elementary school students, 6 middle school students, and 10 high school students based on the GUSD student generation rates. These students would be served by Eliot Elementary School, Solorsano (Ascencion) Middle School, and Gilroy High School, respectively. Assuming the same student enrollment as the 2018-2019 school year, these schools have capacity to serve the number of students generated by the Project. Nonetheless, pursuant to SB 50, the Project applicant would be required to pay development fees for schools to the GUSD prior to the issuance of the Project's building permit. Pursuant to Government Code Section 65995, payment of these fees would fully address Project-related school impacts. Accordingly, the Project would not result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities (i.e., schools), need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for schools, and impacts would be considered less than significant.
		Cultural Facilities
		Nearby cultural facilities include the following local places.
		• Gilroy Museum: 30 W 10th St, Gilroy, CA 95020. The museum is a fantastic resource for local history, housed in a beautiful historic building. It offers exhibits and walking tours that provide insight into Gilroy's past.
		<ul> <li>Gilroy Center for the Arts: 7341 Gavilan College Rd, Gilroy, CA 95020. The Center is a hub for various artistic activities, including classes, exhibitions, and events.</li> </ul>
		• 6th Street Studios & Art Center: 64 W 6th St, Gilroy, CA 95020. The Center is a vibrant space for arts activities, offering classes, events, and exhibitions.
		• Gallery 1202: 730 San Benito St, Hollister, CA 95023. While not in Gilroy, it is in a neighboring community, and is a well-known gallery.



Environmental Assessment Factor	Impact Code	Impact Evaluation
		<ul> <li>Morgan Hill Community &amp; Cultural Center: 17000 Monterey Rd, Morgan Hill, CA 95037. The Morgan Hill Community &amp; Cultural Center offers a variety of cultural events and facilities, including an amphitheater.</li> </ul>
		There are many other opportunities outside of the immediate area to enjoy culture. With the project site conveniently located near high-quality transit (0.4 miles), many cultural opportunities outside of the immediate area will be available to future residents.
		No adverse impacts were identified.
		Source Documentation: (4) (5) (6)
Commercial Facilities	2	The area surrounding the site is a mix of residential and commercial uses. There are several commercial businesses and restaurants fronting Monterey Road within 0.5 mile of the project site in both northerly and southerly directions. A shopping center is located east of the project site, a 12-minute walk away where grocery stores are available. The South Valley Plaza Shopping Center is another four minutes further and includes the Gilroy DMV. South from the DMV lies the Gilroy Auto mall with dealerships and repair facilities
		Siloy Pernium Outlets Lepez Produes Market
		Figure 8 Nearby grocery stores (red cart icons - site is blue bubble) Other commercial facilities such as banks and retail are located within a reasonable distance (less than five miles) from the site and are accessible by transit. The site has a Walk Score of 49, <i>Car-Dependent</i> and a Bike Score of 80, <i>Very Bikeable</i> .



Environmental Assessment Factor	lmpact Code	Impact Evaluation
		No adverse impacts were identified.
		Source Documentation: (5) (6) (45) (Appendix H)
Health Care and	2	Health Care
Social Services		The nearest hospital to the site with 24-hour emergency room is St. Louise Regional Hospital, 9400 No Name Uno, Gilroy, 3.5 miles north or an 8 minute drive. The hospital has 245 doctors, 93 beds and the 24/7 emergency department houses a helicopter.
		Health clinic Marathon Health is nearby and offers same- or next-day appointment for immediate care needs; a waiting room with an average time of 3-5 minutes and spend as much (or as little time) as you need with your provider - typically 45 minutes. Marathon Heath is located a 7872 Eigleberry Street, 1.4 miles to the north, is a five minute drive, 8 minute bike ride and is accessible by transit (22 minutes by bus route 68 or Rapid 568).
		There are other medical offices and facilities in Gilroy included Valley Heath Center Gilroy, Gilroy Medical park, Clinica San Luis, Kaiser Permanent, Garder South County Health Center, Gilroy Neighborhood Health Clinic and Gilroy Family Medical Group.
		There are no adverse impacts to healthcare facilities or delivery systems anticipated because of the project as there are adequate medical facilities to accommodate the residents.
		Social Services
		The County of Santa Clara, Social Services Agency provides social services to residents of the County and Gilroy. The Agency provides assistance and services that include healthcare coverage, food assistance, financial assistance, protective services for children, the elderly and abused, inhome supportive services, foster youth services, veterans services and supportive services. The nearest office is located at 379 Tompkins Court, approximately 3 miles north of the site. The Social Services Agency office is a 9-minute drive away, a 15-minute bike ride and accessible by transit in 35 minutes via bus route 68.
		Other social services in the area include Community Solutions, Social Vocational Services, LIFE Services, Hope Services, Salvation Army Community Center, Rebekah Children's Services, Center for Social Dynamics (CSD Gilroy), and Catholic Charities of Santa Clara County.



Environmental Assessment Factor	lmpact Code	Impact Evaluation
		The project does not represent a significant change to the demographics of the area or on area social services as it serves existing populations. Implementation of the project represents a less than significant impact to social services. Source Documentation: (4) (5) (6) (46) (47) (48) (49)
Solid Waste Disposal / Recycling	2	Solid waste management in the State of California is primarily guided by the California Integrated Waste Management Act of 1989 (AB 939), which emphasizes resource conservation through reduction, recycling, and reuse of solid waste. AB 939 establishes an integrated waste management hierarchy consisting of (in order of priority): (1) source reduction, (2) recycling and composting, and (3) environmentally safe transformation and land disposal. In addition to AB 939, Gilroy City Code Section 12.66 requires that the Project recycle or divert at least 50 percent of non-hazardous demolition and construction debris for disposal. According to the General Plan EIR, the solid waste disposal rate is 4.5 pounds per day per capita. The Project is anticipated to generate approximately 261 residents and, as such, is estimated to generate approximately 1,175 pounds of solid waste per day. However, the Project would be required to comply with federal, State, and local management and reduction statutes and regulations related to solid waste to ensure that the solid waste stream diverted to landfills and recycling facilities is reduced in accordance with existing regulations. Therefore, the Project would not generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals and would comply with federal, State, and local management and reduction statutes and regulations related to solid waste, and impacts would be considered less than significant. Source Documentation: (4) (5)
Wastewater / Sanitary Sewers	2	According to the General Plan EIR, the City's Sewer System Master Plan projected the City's wastewater treatment and sanitary sewer system infrastructure needs based on an anticipated population of over 82,000 persons in the year 2040. Buildout of the General Plan would result in a population of approximately 75,684 persons, which is well below the anticipated population in the City's Sewer System Master Plan. As such, implementation of the Gilroy 2040 General Plan would not require new or



Environmental Assessment Factor	Impact Code	Impact Evaluation
		expanded wastewater treatment facilities and sanitary sewer system infrastructure beyond those identified in the City's Sewer System Master Plan. Because the Project would be consistent with the buildout expected under the Gilroy 2040 General Plan and conform to applicable State and local policies related to wastewater treatment and water conservation, the Project would not require or result in the relocation or construction of new or expanded wastewater treatment facilities and sanitary sewer system infrastructure, the construction or relocation of which could cause significant environmental effects, and impacts would be considered less than significant or not adverse under NEPA. Source Documentation: (4) (5)
Water Supply	2	According to the General Plan EIR, implementation of the Gilroy 2040 General Plan would not require new or expanded water facilities beyond those identified in the 2004 Water System Master Plan. Because the Project would be consistent with the buildout expected under the Gilroy 2040 General Plan and conform to applicable State and local policies related to water conservation, the Project would not require or result in the relocation or construction of new or expanded water facilities, the construction or relocation of which could cause significant environmental effects, and impacts would be considered less than significant. Source Documentation: (4) (5)
Public Safety - Police, Fire and Emergency Medical	2	Police Police protection services in the City of Gilroy are provided by the Gilroy Police Department (GPD). According to the General Plan EIR, the GPD's current facility is adequately sized to accommodate the increase in staff to serve the City at buildout of the Gilroy 2040 General Plan. The development of 94 apartments would incrementally increase the demand for police protection. However, because the Project is consistent with the underlying zoning and General Plan designation for the Project Site, the population growth associated with the Project would have been anticipated and planned for in the Gilroy 2040 General Plan. In addition, the Project applicant would be required to pay Development Impact Fees for public facilities to offset the costs of expanding such facilities. Accordingly, the Project would not result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities (i.e., police protection services), need for new or



Environmental Assessment Factor	Impact Code	Impact Evaluation
		physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for police protection, and impacts would be considered less than significant.
		Fire and Emergency Medical
		Fire protection services in the City are provided by the GFD, which operates three fire stations that are all within 5 miles of the Project Site. Fire Station 1 (Chestnut Station) is located at 7070 Chestnut Street, which is less than 1 mile northeast of the Project Site. According to the General Plan EIR, the GFD's standard for personnel is currently not being met.
		In December 2019, the Gilroy City Council adopted the City of Gilroy Fire Department 2019 Master Plan Update, which determined that "if desired outcomes include limiting building fire damage to only part of the inside of an affected building and/or minimizing permanent impairment resulting from a medical emergency, then in an urban area such as the City, the first unit should arrive within 7:30 minutes from 9-1-1 notification at 90 percent or better reliability."51 Accordingly, the GFD's first-due emergency response standard is a total of 7:30 minutes, 90 percent of the time.
		Development of 94 apartments would incrementally increase the demand for fire protection and emergency medical services. However, the Project would implement applicable City Building and Fire Code requirements, including, but not limited to, structural design, building materials, site access, clearances, hydrants, fire flow, storage and management of hazardous materials, and alarm and communications systems.
		Compliance with applicable City Building Code and Fire Code requirements would be demonstrated as part of GFD's life/building safety plan r view for new development projects prior to the issuance of a building permit. In addition, pursuant to CEQA Guidelines Section 15064.3(b)(1), "projects within one-half mile of either an existing major transit stop or a stop along an existing high quality transit corridor should be presumed to cause a less than significant transportation impact. Projects that decrease vehicle miles traveled in the project area compared to existing conditions should be presumed to have a less than significant transportation impact." Similarly, OPR, under SB 743, recommends presuming residential development that is 100 percent affordable to have a less-than-significant transportation impact. Furthermore, pursuant to California Vehicle Code Section 21806, drivers of emergency vehicles are generally able to avoid traffic in the event



Environmental Assessment Factor	Impact Code	Impact Evaluation
	•	Impact Evaluation of an emergency by using sirens to clear a path of travel or by driving in the lanes of opposing traffic. Accordingly, the Project is not anticipated to affect the GFD's response time of 7:05 minutes as it was in 2019. Compliance with applicable regulatory requirements, including the GFD's life/building safety plan review and fire safety inspection of new development projects, would ensure that adequate fire prevention features would be provided to reduce the demand on GFD facilities and equipment resulting from the Project. As such, compliance with City Fire Code requirements would minimize the potential for incidents requiring an emergency response by the GFD and, therefore, reduce the demand for fire protection services. In addition, in accordance with Policy PFS 1.11 set forth in the Gilroy 2040 General Plan, project applicants for new development are required to pay Development Impact Fees for public facilities to offset the costs of expanding such facilities. Moreover, because the Project is consistent with the underlying zoning and General Plan designation for the Project Site, the population growth associated with the Project would have been anticipated and planned for in the Gilroy 2040 General Plan. Consistent with the California Constitution Article XIII, Section 35(a)(2), the
		obligation to provide adequate fire protection services is the responsibility of the City. Through the City's regular budgeting efforts, the GFD's resource needs, including staffing, equipment, trucks and engines, ambulances, other special apparatuses and possibly station expansions or new station construction, would be identified and allocated according to the priorities at the time. At this time, the GFD has not identified any new station construction in the City other than the location for the planned Glen Loma Fire Station, approximately two miles west of the Project Site. The Project would not result in substantial adverse physical impacts
		associated with the provision of new or physically altered governmental facilities (i.e., fire stations), need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for fire protection, and impacts would be considered less than significant. Source Documentation: (4) (5)
Parks, Open Space and Recreation	2	According to the General Plan EIR, the City of Gilroy maintains and operates two community parks, eight neighborhood parks, four neighborhood/school parks, two park preserves, six mini parks, one sports park, miles of trails, and many other recreational and special use



Environmental Assessment Factor	Impact Code	Impact Evaluation	
		facilities, comprising a total of 167.92 acres of existing developed parks. Based on the City's parkland standard of 5 acres per 1,000 residents and a 2019 population of 55,928, the City has a shortfall of 112.08 acres of parkland and, as such, the City does not currently meet its parkland standard. The General Plan EIR also determined that at buildout of the Gilroy 2040 General Plan, the City would continue to experience a shortfall in parkland and result in the need for new parks and recreational facilities.	
		Development of 94 apartments would incrementally increase the demand for parkland. However, the Project would provide various recreational amenities, including a community room that would have a gym/fitness room, a tot lot, a game lawn and active/passive open space, a picnic area, private decks and a courtyard, and a plaza with public art, to offset the Project residents' demand for park space. It is anticipated that Project residents would often utilize on-site amenities to meet their recreational needs. In addition, the Project applicant would be required to pay Development Impact Fees for public facilities to offset the costs of expanding such facilities. Accordingly, while the Project's residents would be expected to utilize off-site public parks and recreational facilities to some degree, the Project would not result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities (i.e., parks and recreational facilities), need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, and impacts would be considered less than significant.	
		While the Project's residents would be expected to use off-site public parks and recreational facilities to some degree, the Project would not substantially increase the use of existing parks and recreational facilities such that substantial physical deterioration of those would occur or be accelerated. In addition, the impacts resulting from the construction of the on-site recreational amenities have been analyzed throughout the CEQA Initial Study conducted for the project by the City of Gilroy, as part of the overall impacts during Project construction. As such, the Project would not include or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment that has not been disclosed in this Initial Study. Therefore, impacts would be considered less than significant. Source Documentation: (4) (5)	



Environmental Assessment Factor	Impact Code	Impact Evaluation	
Transportation and	1	Transportation	
Accessibility		Public Transit	
		The project is transit-oriented by design. There is a benefit in this regard. The Gilroy Transit Center is located 0.5 mile north of the project site on Monterey Road. The Gilroy Transit Center offers Caltrain rail, Greyhound national bus service and Valley Transportation Authority (VTA) bus service. A parking lot provides over 470 parking spaces. From the Gilroy Transit Center, riders can catch Valley Transportation Authority (VTA) bus routes Express 121, 68, 84, 85, 86 and Rapid 568. Connecting services to Caltrain, San Benito County Transit, and MST (Monterey-Salinas Transit) is available.	
		Project Vehicle Trips	
		The project would result in approximately 511 trips per weekday, 462 trips each Saturday and 384 trips each Sunday. The Project would provide 112 vehicle parking spaces and 60 bicycle parking spaces.	
		As a 100-percent affordable housing development on an infill site, the Project is presumed to shorten commutes and reduce Vehicle Miles Traveled (VMT) and have a less-than-significant transportation impact according to the CEQA Initial Study conducted by the City of Gilroy.	
		Discussion	
		One of the primary goals of State, regional, and local plans is to address fundamental transportation and mobility issues with a focus on performance of the circulation system and VMT reduction. According to the State of California 2022 Scoping Plan, efforts to support VMT reduction include implementation of affordable housing measures across the State. <i>Plan Bay Area 2050</i> , which is the Bay Area's Regional Transportation Plan, was adopted by the Metropolitan Transportation Commission and ABAG in 2021. The primary goal of the Plan Bay Area 2050 is to accommodate the majority of future growth in infill areas within a city usually served by transit. Similarly, one of the primary goals of the Gilroy 2040 General Plan is to encourage higher-density residential developments in close proximity to transit services. Accordingly, the Project would support, rather than conflict with, a program, plan, ordinance or policy addressing the circulation system, taking into account all modes of transportation including transit, roadways, bicycle and pedestrian facilities, and impacts would be considered less than significant.	



Environmental Assessment Factor	Impact Code	Impact Evaluation	
		AccessibilityThe project is required to meet HUD standards for Americans with Disabilities Act (ADA) units. For ADA units, 15% of the total residential dwelling units must comply with Mobility Requirements and must be on the ground floor. All other ground floor units will meet Adaptable requirements. A total of 10% of the total residential dwelling units will comply with communication features and may be located on any building level. Upper levels are served by a common stair. Common areas and 	
		NATURAL FEATURES	
Unique Natural Features, Water Resources	2	The site is fully developed and located in an urban setting. There are no unique natural features or water resources on the site. There is no impact in this regard. Source Documentation: (4) (5) (6) (23) (41)	
Vegetation, Wildlife	3	The CEQA Initial Study for the project made the following finding regarding the local habitat plan. Excerpts follow. The project Site is located in the Santa Clara Valley Habitat Plan (SCVHP) area. The SCVHP comprises both a habitat conservation plan (HCP) and a natural community conservation plan (NCCP). The SCVHP identified the project Site and the immediately surrounding areas as having an "Urban- Suburban" land cover, which comprises areas where the native vegetation has been cleared for residential, commercial, industrial, transportation, or recreational structures and as not being located in natural communities, critical habitat, or fee zone.20 The SCVHP established conditions to avoid and minimize take of covered species. However, according to the SCVHP, conditions on urban development are limited because of the generally low biological value of resources in urban areas. The only condition that is applicable to the project is Condition 3, which requires new urban development to comply with the permit requirements of the National Pollutant Discharge Elimination System (NPDES) and applicable stormwater quality guidelines to reduce and minimize impacts on aquatic species and their habitats. The project would be required to prepare a SWPPP, submit the SWPPP to the City's Public Works Department for approval, and implement the	



Environmental Assessment Factor	Impact Code	Impact Evaluation		
		construction and post-construction BMPs identified in the SWPPP to ensure that impacts on the aquatic species and their habitats would remain less than significant. Accordingly, the project would not conflict with the provisions of SCVHP, and impacts would be considered less than significant.		
		There are trees on and adjacent to the site could provide nesting habitat for birds, including migratory birds and raptors. Nesting birds are among the species protected under provisions of the Migratory Bird Treaty Act and California Fish and Game Code Sections 3503, 3503.5, and 2800. Construction at the site during the nesting season (i.e., January 31 to August 31) could result in the incidental loss of fertile eggs or nestlings, or otherwise lead to nest abandonment. Disturbance that causes abandonment and/or loss of reproductive effort is considered a taking.		
		In conformance with the California State Fish and Game Code, the provisions of the Migratory Bird Treaty Act the project would be required to implement measures to avoid and/or reduce impacts to nesting birds (if present on or adjacent to the site) to a <i>less than significant level</i> .		
		Mitigations Required:		
		ES1. If construction is scheduled or ongoing during bird or raptor nesting season (January 31 to August 31), a qualified biologist shall conduct two nest surveys, one 15 days and the second 72 hours prior to the commencement of construction activities. Surveys shall be conducted in accordance with CDFW protocols, as applicable. If no active nests are identified on or within 200 feet of the construction activity, no further mitigation is necessary. A copy of the preconstruction survey shall be submitted to CalHFA. If an active nest is identified, construction shall be suspended within 200 feet of the nest, or an alternative distance determined to be appropriate by a qualified ornithologist or biologist, until the nesting cycle is complete, as determined by a qualified ornithologist or biologist or biologist.		
Other Factors	1	The project will provide low-income, affordable housing . The project will provide a safe, clean, and sanitary place for residents in a location convenient to public transportation and other amenities. The project is beneficial to both residents and the community. Source Documentation: (5)		



Environmental Assessment Factor	Impact Code	Impact Evaluation	
Climate Change	2	WildfireThe Project Site is located in an urbanized area and is developed with relatively flat topography. The Project Site not located in any fire hazard severity zone or within a state responsibility area. Accordingly, the Project would not (1) substantially impair an adopted emergency response plan or emergency evacuation plan; (2) exacerbate wildfire risks and expose Project residents to pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire; (3) require the installation or 	
		Top regional hazards for Gilroy, CA, according to the 2018 National Climate Assessment	
		These statements compare projections for the middle third of this century (2035-2064) with average conditions observed from 1961-1990.	
		<ul> <li>An average of 0 more dry spells — periods of consecutive days without precipitation — are projected per year. Historically, Gilroy averaged 13 dry spells per year.</li> </ul>	
		<ul> <li>Wildfire risk may change as the length of dry spells changes. Dry spells are projected to increase by 8 days. Historically, the longest yearly dry spell in Gilroy averaged 87 days.</li> </ul>	
		<ul> <li>Frequency of coastal flooding may increase as global sea level rises 0.5 - 2 feet.</li> </ul>	
		<ul> <li>Ocean warming and acidification may affect homes and other coastal infrastructure, marine flora and fauna, and people who depend on coastal resources.</li> </ul>	
		• Extreme temperatures on the hottest days of the year are projected to increase by 5°F. Historically, extreme temperatures in Gilroy averaged 95°F.	
		The project site is well positioned in a location that is not subject to wildfire risk or sea level rise.	
		Source Documentation: (4) (5) (51)	

### Additional Studies Performed:

See Source Documentation List

#### Site Visits

February 2025 – Cinnamon Crake, President, Bay Desert, Inc. via Google Earth

February 13, 2024 – Paige Callahan, AEI Consultants

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

See Source Documentation List

#### List of Permits Obtained:

None. No federal permits are required.

### Public Outreach [24 CFR 50.23 & 58.43]:

The project results in a Finding of No Significant Impact (FONSI) which will be published on CalHFA's website and circulated to public agencies, Native American tribes, interested parties, and landowners/occupants of parcels located within the project's Area of Potential Effects (APE). Information about where the public may find the Environmental Review Record pertinent to the project will be included in the FONSI Notice.

### Cumulative Impact Analysis [24 CFR 58.32]:

A significant cumulative impact may occur if the Project, in conjunction with other development projects in the region, would result in impacts that are less than significant when viewed separately but would be significant when viewed together. When considering the Project in combination with other past, present, and reasonably foreseeable future projects in the Project vicinity, the Initial Study conducted under CEQA by the City of Gilroy determined that the Project does not have the potential to cause impacts that are cumulatively considerable. As detailed in the above discussions, the Project would not result in any significant and unavoidable impacts in any environmental categories. In all cases, the impacts associated with the Project are limited to the Project Site and are of such a negligible degree that they would not result in a considerable contribution to any cumulative impacts. Therefore, the Project would not result in a Mandatory Finding of Significance due to cumulative impacts, and impacts would be considered less than significant.

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

Various configurations of unit types and building design were considered. The proposal was chosen as the preferred alternative as it balances providing the most affordable housing on the site with parking and amenities.

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

No change to the site would occur. The impacts discussed in the Environmental Assessment would not occur. The site would continue in its current state or be sold for an unknown use.



# Summary of Findings and Conclusions:

The project is suitable from an environmental standpoint. As long as the Mitigation measures are adhered to, there are no adverse effects from the project.



### 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 Measure
Air Quality	AQ1. MERV13 air filtration is required for all units.
Contamination	<b>Mitigation Measure HZ-1:</b> Prior to issuance of a demolition permit, on-site structures shall be evaluated for the presence of asbestos-containing materials, lead-containing materials, and/or other hazardous materials. The applicant shall consult with the Bay Area Air Quality Management District (BAAQMD) Enforcement Division prior to demolition activities to determine permit requirements to ensure compliance with BAAQMD Regulation 11, Hazardous Pollutants, and the City's Demolition and Guidelines Procedures.
	Mitigation Measure HZ-2: Following demolition of on-site structures, shallow soils, where concentrations of lead and arsenic (Boring Location No. 14) were found to exceed the residential environmental screening levels established by the Central Coast Regional Water Quality Control Board) as identified in the Limited Phase II Subsurface Investigation Report prepared by AEI Consultants in September 2022 for the project Site, shall be removed consistent with applicable proper handling and removal procedures by the City of Gilroy Certified Unified Program Agency (CUPA). Such removal shall be performed to the satisfaction of the CUPA, and a certificate of occupancy shall not be issued until lead and arsenic levels on-site meet residential standards.
	<b>Mitigation Measure HZ-3</b> : Following demolition of on-site structures and prior to the commencement of soil-disturbing activities, including, but not limited to, excavation, grading, trenching, utility installation or relocation, the applicant shall retain a qualified environmental professional to perform a Supplemental Phase II Subsurface Site Investigation that focuses on soils in those areas where concentrations of benzene (i.e., Boring Location Nos. 1 through 6, which are generally located in the northern portion of the project Site, and Boring Location No. 9, which is located in the eastern-central portion of the project Site) and PCE (i.e., Boring Location No. 14, which is located in the southwestern corner of the project Site) exceed the residential environmental screening levels established by the Central Coast Regional Water Quality Control Board.
	<b>Mitigation Measure HZ-4</b> : A Soil Management Plan (SMP) shall be prepared by a qualified environmental professional based on the results of the September 2022 Limited Phase II Subsurface Investigation Report and the Supplemental Investigation



Law, Authority, or Factor	Mitigation Measure		
	for review and approval by the oversight agency (i.e., City of Gilroy CUPA, County of Santa Clara Department of Environmental Health, or California Department of Toxic Substances Control) prior to issuance of a grading permit. The approved SMP shall establish requirements for site remediation, including the testing, handling, management, transport, and disposal of contaminated soils and describe specific soil- handling procedures to ensure compliance with the requirements of the local or State oversight agency and prevent public exposure to contaminated soil through the improper handling and disposal of contaminated soils. More specifically, the SMP shall include the following:		
	<ol> <li>A qualified environmental professional shall be present on the project Site at the start of soil-disturbing activities in the known locations of contaminated soils and shall be on-call at other times, as necessary, to monitor compliance with the SMP and to actively monitor the soils and excavation for evidence of contamination (primarily volatile organic compounds [VOC], including benzene and PCE).</li> </ol>		
	<ol> <li>Monitoring during soil-disturbing activities shall include visual observation (e.g., soil staining) and representative sampling via a photoionization detector to identify VOC-contaminated soils.</li> </ol>		
	3. The SMP shall require the timely testing and sampling of soils so that VOC- contaminated soils can be separated from inert soils for proper disposal. The SMP shall specify the testing parameters and sampling frequency. The qualified environmental consultant shall have authority to request additional testing based on visual observation, the presence of odors, or other factors.		
	4. During soil-disturbing activities, if soil is stockpiled prior to disposal, the stockpile shall be managed in accordance with the project's Stormwater Pollution Prevention Plan prior to transportation for disposal. Stockpiled soils identified as VOC-contaminated shall be sprayed with water or another approved vapor suppressant or covered with a continuous heavy-duty plastic sheeting anchored securely during periods of inactivity of greater than an hour to prevent contaminated soils from becoming airborne.		
Endangered Species Act	ES1. If construction is scheduled or ongoing during bird or raptor nesting season (January 31 to August 31), a qualified biologist shall conduct two nest surveys, one 15 days and the second 72 hours prior to the commencement of construction activities. Surveys shall be conducted in accordance with CDFW protocols, as applicable. If no active nests are identified on or within 200 feet of the construction activity, no further mitigation is necessary. A copy of the preconstruction survey shall be submitted to CalHFA. If an active		



Law, Authority, or Factor	Mitigation Measure			
	nest is identified, construction shall be suspended within 200 feet of the nest, or an alternative distance determined to be appropriate by a qualified ornithologist or biologist, until the nesting cycle is complete, as determined by a qualified ornithologist or biologist.			
Historic Preservation Act	HP1. Applicant shall have a tribal monitor present during ground disturbing acti- ties as described in the Monitoring Agreement with the Amah Mutsun Trib Band.			
Noise Abatement	N1. The project application shall provide architectural attenuation features to account for a Future Noise Environment of up to 78 dBA DNL as shown below:			
	N2. All units shall be provided with mechanical ventilation (air conditioning) to allow windows to be in the closed position to control noise.			
	N3.	Applicant shall provide a transparent noise barrier between the railroad tracks and the common outdoor space. The barrier would be solid, with no gaps, approximately 100 feet long and 9 feet tall, and curve around the active outdoor use area. The sound wall designed in the project plans satisfies the recommendations listed above, effectively reducing noise levels at the active outdoor use area to below the noise threshold.		
Soil Suitability	<ul> <li>G1. The developer shall follow the recommendations in the Geotechnical</li> <li>Engineering Report prepared by Earth Systems Pacific and dated November</li> <li>23, 2022 or later.</li> </ul>			



### Determination:

Finding of No Significan	Finding of No Significant Impact [24 CFR 58.40(g)(1); 40 CFR 1508.27]			
The project will not result in a	a significant impact on the quality of the human o	environment.		
Finding of Significant Im	npact [24 CFR 58.40(g)(2); 40 CFR 1508.27]			
The project may significantly	affect the quality of the human environment.			
Preparer Signature:		Date: May 2, 2025		
Name/Title/Organization:	Cinnamon Crake, President, Bay Desert, Inc.			
Certifying Officer Signature:		Date:		
Name/Title:	Rebecca Franklin, Chief Deputy Director			

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).



### Monterey Family Apartments

### Source Documentation – May 2025

1. BSB Design. Plans and drawings - Gilroy Apartments, Gilroy, CA. February 26, 2024.

2. City of Gilroy, California. 2023-2031 Housing Element. Certified August 21, 2023.

3. Evans & De Shazo, Inc. Archaelogical Study for the Proposed Monterey Family Apartments at 6630, 6730, and 6680 Monterey Road, Gilroy, Santa Clara County, California. November 5, 2023.

4. City of Gilroy. *Gilroy Apartments Project, Initial Study/Mitigated Negative Declaration.* s.l. : Michael Baker International, February 2024.

5. Crake, Cinnamon. Report Preparer/Professional Knowledge. s.l. : Bay Desert, Inc., February 2025.

6. Alphabet. Google Earth Professional. 2025.

7. **County of Santa Clara.** Airport Land Use Commission. [Online] [Cited: January 24, 2025.] https://plandev.santaclaracounty.gov/hearings-and-committees/other-meetings-and-commissions/airport-land-use-commission.

8. United States Government. The Coastal Barrier Resources Act of the United States. Enacted October 18, 1982. CBRA, Public Law 97-348.

9. **U.S. Department of Homeland Security.** *Flood Insurane Rate Map.* s.l. : Federal Emergency Management Agency, Effective May 18, 2009. FIRM Panel No. 06085C0752H.

10. U.S. Department of Housing and Urban Development. *8-Step Decision Making Process for projects located in a Floodplain.* s.l. : Bay Desert, Inc., April 2025.

11. United States Enviornmental Protection Agency. Nonattainment Areas fo Criteria Polluants (Green Book). [Online] [Cited: January 24, 2025.] https://www.epa.gov/green-book.

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13. **ECORP Consulting, Inc.** *Air Quality & Greenhouse Gas Emissions Assessment, Gilroy Apartments Project, City of Gilroy, California.* Chico, CA : s.n., November 2023.

14. Bay Area Air Quality Management District. 2022 CEQA Guidelines.

15. Hexagon Transportation Consultants, Inc. *Gilroy Downtown Specific Plan, Transportation Circulation Analysis.* August 17, 2005.

16. **U.S. Department of Transportation.** *U.S. Dot Crossing Inventory Form, 10th Street, Gilroy, Santa Clara County, California.* s.l. : Federal Railroad Administration, November 19, 2024. Dot Crossing Inventory Number 755186C.

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18. SF Bay Conservation and Development Commission Open Data Portal. BCDC Priority Use Areas. [Online] [Cited: January 29, 2025.] https://data-

bcdc.opendata.arcgis.com/apps/4d483c285a134740b315aadda38c8f62/explore.



19. AEI Consultants. Limited Phase II Subsurface Investigation Report, 6630, 6730, 6680 Monterey Road, Gilroy, California. San Jose, California : s.n., REPORT DATE: September 22, 2022. AEI Project No. 466560.

20. —. *Phase I Environmental Site Assessment, 6630, 6680, 6730 Monterey Road, Gilroy, Santa Clara County, California 95020*. Walnut Creek, CA : s.n., Site Assessment Date: February 13, 2024; REPORT DATE: February 20, 2024. AEI Project No. 489062.

21. **ENGEO Inc.** *Supplemental Phase II Environmental Site Assessment, Monterey Family Apartments.* October 9, 2024.

22. —. *Soil Management Plan, Monterey Family Apartments, Gilroy, California.* October 14, 2024. Project Number: 26553.000.001.

23. **United States Department of the Interior.** *List of threatened and endangered species that may occur in your proposed project location or may be affected by your proposed project, Monterey Family Apartments.* Sacramento, CA : Fish and Wildlife Service, Sacramento Fish and Wildlife Office, January 30, 2025. Project Code: 2025-0049735.

24. United States Fish and Wildlife Service. Wetlands Mapper. *National Wetlands Inventory.* [Online] [Cited: January 30, 2025.] https://www.fws.gov/program/national-wetlands-inventory/wetlands-mapper.

25. Environmental Data Resources, Inc. *The EDR Radius Map Report, Monterey Family Apartments*. January 30, 2025.

26. **U.S. Department of Housing and Urban Developent.** *Acceptable Separation Distance (ASD) Electronic Assessment Tool.* s.l. : Bay Desert, Inc., January 30, 2025. Various.

27. City of Gilroy. Current Planning Project Log. January 9, 2025.

28. United States Department of Agriculture. *Custom Soil Resource Report, Monterey Family Apartments.* s.l. : Natural Resources Conservation Service, January 30, 2025. Web Soil Survey.

29. **U.S. Department of Housing and Urban Development.** Tribal Directory Assessment Tool. [Online] [Cited: November 12, 2024.] https://egis.hud.gov/TDAT/.

30. **Beardwood, Jennifer.** *Letters to Native American Tribes in re: Monterey Family Apartments, 6630, 6680 and 6730 Monterey Road, Gilroy, Santa Clara County, California 95020 – HUD Loan Risk-Sharing Program.* Sacramento, CA : California Housing Finance Agency, November 13, 2024. Various.

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32. —. A Historic Resources Evaluation for the proposed Monterey Family Apartments. November 8, 2024.

33. **Beardwood, Jennifer.** *Letter to Julianne Polanco, State Historic Preservation Officer in re: Monterey Family Apartments, 6630, 6680 and 6730 Monterey Road, Gilroy, Santa Clara County, California 95020 - HUD Loan Risk-Sharing program.* s.l. : California Housing Finance Agency, March 20, 2025.

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36. United States Department of Housing and Urban Development. HUD Noise Guidebook. 2009.

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41. U.S. Fish and Wildlife Service. *National Wetlands Inventory, Monterey Family Apartments*. January 30, 2025.

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Appendix A – project Description

• BSB Design. Plans and drawings - Gilroy Apartments, Gilroy, CA. February 26, 2024.



Appendix B – Airport Clear Zones

### Monterey Family Apartments

6630, 6680 and 6730 Monterey Road, Gilroy, Santa Clara County, California 95020

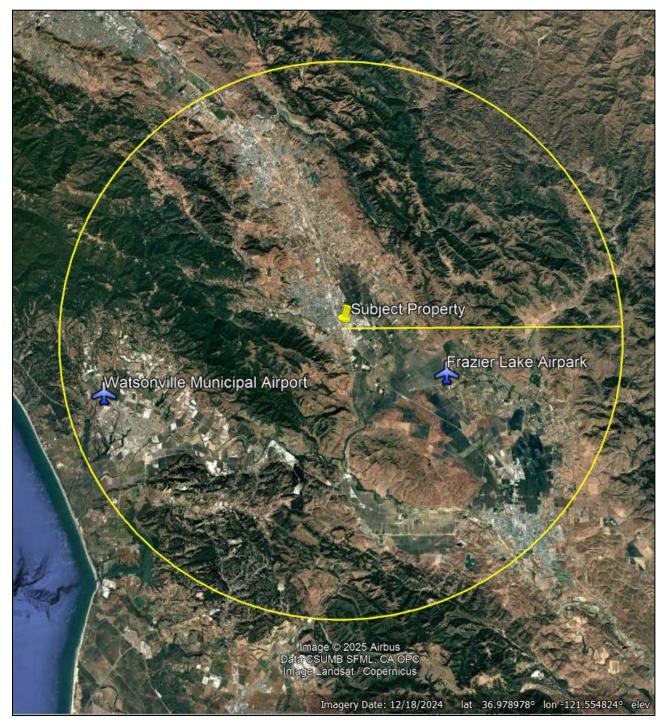


Figure 9 Airports within 15 miles of the subject site

# Table 18 Distance to nearby airports

Airport type	Name	Distance from subject (Miles)	Airport Clear Zone
Major Airport	None	n/a	n/a
Military Airfield	None	n/a	n/a
Minor Airport	Frazier Lake Airpark	6.21 miles southeast	No
Minor Airport	Watsonville Municipal Airport	13.39 miles east	No



Appendix C – Floodplains, Wetlands & Endangered Species

- U.S. Department of Homeland Security. *Flood Insurane Rate Map.* s.l. : Federal Emergency Management Agency, Effective May 18, 2009. FIRM Panel No. 06085C0752H.
- U.S. Department of Housing and Urban Development. 8-Step Decision Making Process for projects located in a Floodplain. s.l. : Bay Desert, Inc., April 2025.
- United States Department of the Interior. *List of threatened and endangered species that may occur in your proposed project location or may be affected by your proposed project, Monterey Family Apartments.* Sacramento, CA : Fish and Wildlife Service, Sacramento Fish and Wildlife Office, January 30, 2025. Project Code: 2025-0049735.
- United States Fish and Wildlife Service. Wetlands Mapper. *National Wetlands Inventory*. [Online] [Cited: January 30, 2025.] https://www.fws.gov/program/national-wetlands-inventory/wetlands-mapper.

Appendix D – Air Quality

• ECORP Consulting, Inc. Air Quality & Greenhouse Gas Emissions Assessment, Gilroy Apartments Project, City of Gilroy, California. Chico, CA : s.n., November 2023.



Appendix E – Contamination and Toxic Substances

- AEI Consultants. Limited Phase II Subsurface Investigation Report, 6630, 6730, 6680 Monterey Road, *Gilroy, California*. San Jose, California : s.n., REPORT DATE: September 22, 2022. AEI Project No. 466560.
- AEI Consultants. *Phase I Environmental Site Assessment, 6630, 6680, 6730 Monterey Road, Gilroy, Santa Clara County, California 95020.* Walnut Creek, CA : s.n., Site Assessment Date: February 13, 2024; REPORT DATE: February 20, 2024. AEI Project No. 489062.
- ENGEO Inc. Supplemental Phase II Environmental Site Assessment, Monterey Family Apartments. October 9, 2024.
- **ENGEO Inc.** *Soil Management Plan, Monterey Family Apartments, Gilroy, California.* October 14, 2024. Project Number: 26553.000.001.
- Environmental Data Resources, Inc. *The EDR Radius Map Report, Monterey Family Apartments*. January 30, 2025.
- U.S. Department of Housing and Urban Developent. *Acceptable Separation Distance (ASD) Electronic Assessment Tool.* s.l. : Bay Desert, Inc., January 30, 2025. Various.
- City of Gilroy. Current Planning Project Log. January 9, 2025.

Appendix F – Historic Preservation

- Monterey Family Apartments Gilroy CA. Monitoring agreement. s.l. : AMTB LLC, March 2025.
- **Brown, Elizabeth.** *E-mail to calshpo.ohp@parks.ca.gov in re: SHPO-Request for Section 106 Review: HUD Risk-Sharing Loan Program Monterey Family Apartments.* [E-mail] s.l. : California Housing Finance Agency, March 20, 2025.
- **Beardwood, Jennifer.** *Letter to Julianne Polanco, State Historic Preservation Officer in re: Monterey Family Apartments, 6630, 6680 and 6730 Monterey Road, Gilroy, Santa Clara County, California 95020 - HUD Loan Risk-Sharing program.* s.l. : California Housing Finance Agency, March 20, 2025.
- Evans & De Shazo, Inc. Archaeological Study for the Proposed Monterey Family Apartments at 6630, 6730 and 6680 Monterey Road, Gilroy, Santa Clara County, California. November 5, 2023.
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- U.S. Department of Housing and Urban Development. Tribal Directory Assessment Tool. [Online] [Cited: November 12, 2024.] https://egis.hud.gov/TDAT/.



Appendix G – Noise

- Franklin, Rebecca. Special Environmental Clearance and Waiver of EIS for Monterey Family Apartments, 6630, 6680 and 6730 Monterey Road, Gilroy, Santa Clara County, California 95020 (APNs 841-14-007, 008, and -009). s.l. : California Housing Finance Agency, February 2025.
- Illingworth & Rodkin, Inc. NEPA Noise Assessment, Gilroy apartments Affordable Housing Project. Cotati, CA : s.n., November 25, 2024. I&R Job #: 24-146.
- U.S. Department of Transportation. U.S. Dot Crossing Inventory Form, 10th Street, Gilroy, Santa Clara County, California. s.l. : Federal Railroad Administration, November 19, 2024. Dot Crossing Inventory Number 755186C.



Appendix H – Soils and Miscellaneous

- Earth Systems Pacific. *Geotechnical Engineering Report, Monterey Road Apartments Project, 6630-6730 Monterey Road, Gilroy, California.* Salinas, CA : s.n., November 23, 2022.
- United States Department of Agriculture. *Custom Soil Resource Report, Monterey Family Apartments.* s.l. : Natural Resources Conservation Service, January 30, 2025. Web Soil Survey.
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- City of Gilroy. *Gilroy Apartments Project, Initial Study/Mitigated Negative Declaration.* s.l. : Michael Baker International, February 2024.

