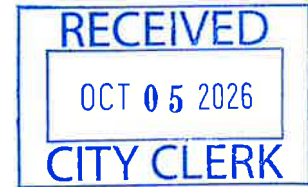


October 5, 2026



Direct notice and written public comment

Accurate records official responsibilities and supported land use decisions

Primary recipient: Martha Rice, City Attorney

Copies individually in their official capacities: Eric Wier, City Manager; Ethan Lawton, Contract Planner; Robin Altman, City Clerk; Isaiah Wright, Mayor; Candace Tinkler, Mayor Pro Tem; Ray Altman, Jason Greenough and Steve Shamblin, Council Members; Raymond Walp, Planning Commission Chair; Kris DeCossio, Vice Chair; Paul Martinez, Shawna Hyatt and Debra Perius, Commissioners.

Why this notice is being provided

Councilmembers and Planning Commissioners, this notice identifies inaccurate project descriptions, unsupported factual representations and questions about compliance with the requirements governing the City's land-use decisions. It places the underlying records and governing authorities together for reconciliation.

You depend on City staff, the City Manager, the contract planner, applicants, consultants and legal counsel to place accurate information and the applicable requirements before you vote. You need to be able to distinguish a verified fact from an assertion, an applicable legal requirement from a policy argument, and a supported finding from a conclusion that merely repeats the language needed for approval.

The accompanying records identify specific false project descriptions, transit determinations whose support is not shown in the cited reports, questions about the evidentiary basis of findings, and capacity assurances that require qualification. Each issue is tied to its own project, source and governing requirement. Contrary evidence is included.

The responsibilities section below identifies the respective roles of staff, management, legal counsel and the decision-making bodies. The project sections then identify the record, the governing requirement and the apparent conflict requiring reconciliation.

Battery Point's application claimed qualifying transit service and recorded \$10,679,500 in combined transit scoring benefits. Downtown Redwoods staff declared a qualifying major transit stop and used that conclusion for unlimited density and no minimum residential parking for 36 units; the City loan commitment is \$1,032,371.43. These are different benefits and different legal tests. The following sections show the source evidence and the limits of what it proves.

Official responsibilities and supported decisions

The responsibilities below apply according to the authority assigned to each City actor. The project sections identify the specific statements and records requiring reconciliation.

City Manager duties and approved employment agreement

Crescent City Municipal Code Chapter 2.08 establishes these relevant responsibilities:

- § 2.08.050: The City Manager is the administrative head of City government under the Council's direction and is responsible for efficient administration of affairs under the Manager's control.
- § 2.08.060: The Manager must enforce City laws and ordinances and ensure faithful observance of franchises, contracts, permits, and privileges granted by the Council.
- § 2.08.070: The Manager must control and direct department heads and subordinate officers and employees within the Manager's jurisdiction, through department heads.
- § 2.08.120: The Manager must keep the Council fully advised of the City's financial condition and needs.
- § 2.08.140: Expenditures may be submitted or recommended to the Council only upon the Manager's report and approval.
- § 2.08.190: Authority to sign specified City instruments depends on Council authorization.

Sources: [Municipal Code Chapter 2.08](https://ecode360.com/44236356) <https://ecode360.com/44236356>

Section 11(B) of the employment agreement approved by the City Council on June 12, 2018, states:

"The City Manager must perform all duties in accordance with all the laws ordinances, rules and regulations applicable to the position."

The meeting minutes record a 5–0 vote authorizing execution of that agreement. This quotation identifies the provision in the approved 2018 agreement.

Sources: [2018 agreement § 11\(B\)](#), PDF page 99; [June 12 minutes in July 2 agenda packet](#)

City Planner and Planning Department

Under Municipal Code § 2.30.020(A), the Planning Department conducts City planning and zoning activities under the City Manager's direction.

Section 2.30.020(B) states:

"The planning department shall be responsible for the administration of federal, state and local planning and land-use regulations."

This provision expressly identifies federal, state, and local requirements within planning and land-use administration.

Sources: [Municipal Code § 2.30.020](https://ecode360.com/44236411) <https://ecode360.com/44236411>

City Attorney responsibilities and professional rules

Municipal Code § 2.12.010 assigns the City Attorney responsibility for protecting the City's interests, advising on City legal matters, providing legal opinions, and preparing City legal instruments. Government Code § 41801 requires advice to City officials in legal matters pertaining to City business.

Sources: [Municipal Code § 2.12.010](https://ecode360.com/44236367); [Government Code § 41801](https://ecode360.com/44236367) <https://ecode360.com/44236367> ; https://leginfo.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV§ionNum=41801.

The California Rules of Professional Conduct include:

- Rule 1.13(a): When representing the City as an organization, the client is the City.
- Rule 1.2.1(a): A lawyer may not counsel or assist conduct the lawyer knows is criminal, fraudulent, or violates applicable law, rules, or tribunal rulings.
- Rule 1.2.1(b): A lawyer may discuss legal consequences and provide assistance in a good-faith effort to determine a law's validity, scope, meaning, or application.
- Rule 1.13(b): Organizational misconduct meeting the rule's knowledge, imputation, and substantial-injury requirements calls for action in the organization's best lawful interests, including referral to higher authority when required.

These obligations remain subject to applicable confidentiality requirements.

Rule 4.1 prohibits knowingly false material statements to third persons during representation. Rule 8.4(c) prohibits dishonesty, fraud, deceit, and reckless or intentional misrepresentation.

Sources: [State Bar Rules Chapter 1](#); [Rule 4.1](#); [Rule 8.4](#)

California provisions concerning false writings and certifications

Each provision below requires proof of its particular statutory elements.

Authority	Conduct addressed	Statutory penalty
Government Code § 6203	An officer legally authorized to make a certificate or other writing makes and delivers it as true while knowing it contains false statements.	Misdemeanor: ordinarily up to six months in county jail, a fine up to \$1,000, or both, under Penal Code § 19.

Authority	Conduct addressed	Statutory penalty
Penal Code § 72	With intent to defraud, presenting a false claim, bill, account, voucher, or writing for allowance or payment to a covered governmental body or officer.	Up to one year in county jail and/or \$1,000; felony alternative under §1170(h) and/or a fine up to \$10,000. Application requires intent to defraud and a covered payment or allowance submission.
Penal Code §§ 118 and 126	Willfully making a material statement known to be false under a legally authorized oath or qualifying declaration under penalty of perjury.	Two, three, or four years' imprisonment. An ordinary unsworn statement does not itself establish perjury.

These are statutory ranges and maximums, not automatic sentences.

Sources: Government Code §6203; Penal Code §§19, 72, 118 and 126. Official text:

https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV§ionNum=6203 ;

https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=PEN§ionNum=19 ;

https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=PEN§ionNum=72 ;

https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=PEN§ionNum=118 ;

https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=PEN§ionNum=126.

California False Claims Act

Government Code §§ 12650–12651 address covered false claims involving state or local government money or property. Relevant provisions concern knowingly presenting or causing presentation of a false claim, and knowingly making, using or causing a false record or statement material to a false claim. Section 12650(b)(3) defines knowledge as actual knowledge, deliberate ignorance or reckless disregard, without requiring specific intent to defraud. Section 12651(f) excludes claims, records and statements made under the Revenue and Taxation Code. This exclusion prevents treating the Battery Point tax-credit entries as automatically governed by the California False Claims Act. The application's own CTCAC accuracy, certification and misrepresentation requirements are addressed below. Any separate covered grant claim requires its own factual and statutory analysis.

Subject to statutory exceptions, consequences under § 12651 ordinarily include three times the government's damages, civil-action costs, and applicable inflation-adjusted civil penalties for each violation. Section 12651 also provides joint and several liability for qualifying violations committed by multiple persons.

Sources: Government Code §§ 12650–12651

Federal statutes and certification requirements

The following authorities require the federal connection and other elements specified by each provision.

Authority	Conduct or requirement	Penalty or consequence
18 U.S.C. § 1001	Knowingly and willfully making materially false statements, using materially false writings, or concealing material facts through a prohibited scheme in a matter within federal jurisdiction. Section 1001(b) limits application to specified judicial submissions; a City hearing is not automatically a matter within federal jurisdiction.	Ordinarily up to five years' imprisonment, a federal criminal fine, or both.

Authority	Conduct or requirement	Penalty or consequence
18 U.S.C. § 287	Knowingly making or presenting a false, fictitious, or fraudulent claim against the United States or a federal agency.	Up to five years' imprisonment and a federal criminal fine.
31 U.S.C. § 3729	Knowingly presenting or causing a covered false payment claim, or making or causing use of a false record material to that claim.	Ordinarily three times federal damages, civil-action costs and applicable inflation-adjusted civil penalties, subject to the statute's limitations and exceptions.
2 C.F.R. § 200.415	Required federal-award certifications concerning truthful, complete, and accurate financial information and authorized award expenditures.	Certifications expressly identify potential criminal, civil, and administrative consequences for false information and material omissions.
2 C.F.R. § 200.339	Noncompliance with federal-award requirements.	Remedies can include withheld payments, disallowed costs, suspension or termination, suspension/debarment proceedings, and withholding further awards.

Under 31 U.S.C. § 3729, knowledge includes actual knowledge, deliberate ignorance and reckless disregard. Specific intent to defraud is unnecessary. The applicable claim, materiality and other statutory requirements still apply. Section 3729(d) excludes claims, records and statements made under the Internal Revenue Code; tax-credit matters require their own applicable authorities.

Sources: 18 U.S.C. §§1001 and 287; 31 U.S.C. §3729; 2 C.F.R. §§200.415 and 200.339.
<https://www.law.cornell.edu/uscode/text/18/1001> ; <https://www.law.cornell.edu/uscode/text/18/287> ;
<https://www.law.cornell.edu/uscode/text/31/3729> ; <https://www.ecfr.gov/current/title-2/section-200.415> ;
<https://www.ecfr.gov/current/title-2/section-200.339>

Attorney professional conduct

Under Business and Professions Code § 6106, attorney conduct involving dishonesty, corruption, or moral turpitude can support suspension or disbarment, even without a criminal conviction.

Source: Business and Professions Code §6106.
https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=BPC§ionNum=6106.

The listed penalties are statutory consequences where the applicable legal requirements are established. This submission does not determine that any recipient has committed an offense.

Counsel can explain the governing law, disagree with an interpretation, identify another authority or explain why more evidence is necessary. Advice cannot change an underlying fact. A list of routes does not establish transit frequency. A preferred building layout does not, by itself, establish the necessity for a variance. When the deciding body must make findings, legal argument does not replace supported findings. The duties and professional rules above include their applicable qualifications.

Questions for evaluating staff recommendations

These questions put the governing requirement beside the actual record. They help the Commission or Council determine whether it can make the findings it is being asked to adopt. A staff recommendation, applicant assertion or prepared resolution must be evaluated for its factual support. No rule requires every question below to be asked aloud; the legal obligation is to make the required supported findings. [L1, L3–L5; G1–G2.]

Findings and evidence. Which exact code provision governs this approval, what findings does it require, and where in this packet is the evidence supporting each finding? Please identify the source and page, not just the proposed conclusion.

Contrary evidence. This notice identifies a conflict between the report and the underlying record. What evidence resolves that conflict, and how does the proposed finding explain the path from that evidence to approval? If the statement is incorrect, which finding or condition must be corrected before adoption?

Ordinary variance necessity. What property condition causes the hardship? Why does it prevent the substantial property right enjoyed by comparable properties in the same vicinity and zone? Which lawful comparator approvals, dimensions and setbacks establish that right? How does the record address a conforming design or explain why it would not preserve that right?

Different approval authorities. Is staff relying on an ordinary variance, a parking waiver, or a State density-bonus concession or waiver? Where is that request and its applicable statutory showing? What authorizes the dwelling count and setback or parking relief independently of general housing policy?

Traffic analysis. What is the expected daily trip count and its factual basis? How was General Plan Policy 3.A.16's more-than-50-daily-trip requirement addressed, subject to applicable State housing protections? Which studies can lawfully be required under Gov. Code §65915(a)(2)? What evidence addresses driveway, truck and sidewalk safety, and any separate VMT screen?

CEQA and utility findings. Which exemption is actually relied upon, and where is the evidence for each element and the applicable exceptions? Does the environmental description include every proposed use and unit? What project-specific facts or qualified utility assessment support adequate wastewater service for its actual loading?

The complete hearing record. Which documents and revised plans are part of the decisional record? When were material additions disclosed, and did the affected participant have a meaningful opportunity to answer them? On a variance appeal, has the complete Commission record required by CCMC §17.56.040(A) been transmitted?

Certifications and the final document. Does this recommendation conflict with any project representation used in a funding application or compliance certification? Which version of the resolution is being adopted, and have conflicting project descriptions, figures and conditions been corrected? Counsel, how do the proposed findings satisfy the ordinance and the authorities identified in this notice?

Battery Point Apartments transit scoring public financing and Council action

Council received notice, heard an assurance, and approved the item

On September 21, I hand-delivered my Battery Point notice before Council voted. During Item 4, I stated that I had submitted a document and asked Council to consider the project's defects before approval. The City's own draft minutes record City Clerk Altman confirming that Council received the document through email distribution. The recorded sequence therefore establishes notice before the decision. [E01, original October 5 Council packet p. 9.]

Council Member Greenough then asked about transit funds, bus stops and State funding issues. The minutes record Mr. Hobson stating that the funding criteria had been met and all funding requirements followed. On the next page, Council approved the BPR plan-review amendment and Resolution 2026-61 by a 4–0 polled vote. The motion was made by Council Member Shamblin and seconded by Council Member Greenough; Mayor Pro Tem Tinkler was absent. [E01 pp. 9–10.]

Those minutes contain the compliance assurance and the vote. They contain no substantive reconciliation of the application's 30-minute transit representation with the contrary service evidence identified in my notice. I am documenting that public sequence. Receipt is recorded; approval is recorded; resolution of the specific discrepancy is not recorded. Whether an individual privately read the notice is a separate fact that the minutes do not establish.

The same discussion recorded City Manager Wier reporting extensive weather damage and stating that all buildings would need reinspection. It also recorded his description of Battery Point as a private developer's project on private property, with its own funding. Private ownership is established by that description; an absence of public financial support is not. The documented public awards and financing are set out below. [E01 pp. 9–10.]

The application selected a measurable service requirement

The CA-23-518 application selected transit option (i), which requires a qualifying stop within one-third mile, service at least every 30 minutes throughout 7–9 a.m. and 4–6 p.m., Monday through Friday, and density above 25 units per acre. The following page records seven transit points. This is a frequency requirement during both complete peak periods, not merely a requirement that a bus stop exist nearby. [E22, original application PDF pp. 95–96; E04 pp. 41–42.]

Application record	Exact documented entry	Original location
Selected transit criterion	Option (i): 30-minute service in both weekday peak periods; seven points	E22 pp. 95–96
Transit-support checklist	Attachment 23-C marked Provided; prior bus-line aggregation approval marked Not Applicable	E22 p. 69; E21 checklist B899, B918
Transit Benefit	Seven points produced \$5,642,000 in the formula	E22 p. 102; E21 G62, G65
Separate Mass Transit Benefit	Yes to a stop within one-quarter mile with service every 30 minutes; \$5,037,500	E22 p. 102; E21 G74, G81
Overall calculations	119-point self-score; 85.791% tiebreaker	E22 pp. 99–100, 102, 104

The one-third-mile seven-point criterion and the separate one-quarter-mile Mass Transit Benefit entry are distinct representations. Both invoke 30-minute service. The application checklist expressly requires relevant schedules demonstrating the selected service; it labels prior approval of bus-line aggregation Not Applicable. The rule permits aggregation of multiple lines from the designated stop to an employment center only with prior Executive Director approval. Nearby stops cannot simply be pooled. The public copy does not establish that a separate aggregation approval never existed. [E22 p. 69; E04 pp. 41–42.]

The transit agency's record conflicts with the selected claim

RCTA's 2022–23 System Performance Report, dated October 30, 2023, describes four local routes operating once hourly, with an extra 7:00 a.m. Route 1 trip. This is historical agency evidence, not a current timetable. Hourly service and one extra trip do not establish service every 30 minutes throughout both peaks. Final verification requires the application's designated stop, operative schedule and any approved aggregation. [Source 3, PDF p. 7, printed p. 6.]

RCTA's September 18–21, 2024 boarding survey independently records Pacific & E Street under Route 1 and A & Condor Street under Route 2. It separately lists A & Pacific Street under Route 2; A/Condor and A/Pacific are distinct stops, and exact A/Pacific timetable times must not be presented as A/Condor times. These later agency records corroborate the route connections, not the complete 2023 schedule. The two Battery Point stops cannot simply be combined into one designated scoring stop. [Source 15, original PDF pp. 109–110, printed D-2–D-3; Sources 1–2.]

The City's October 2023 Battery Point report identifies Pacific & E as Stop 2716 and A & Condor as Stop 2731. Downtown's March 12, 2026 report identifies Cultural Center Stop 2721. These are project-specific stop references in the City's original records. Qualification requires the designated stop and service operative on the relevant application or approval date. [Source 4 p. 53; Source 9 p. 72.]

Please reconcile the application's designated stop, submitted Attachment 23-C, operative weekday peak timetable and any approved aggregation under the applicable scoring rule. [E22 p. 69; Sources 1–3, 15.]

The application's transit entries feed financial scoring calculations: \$5,642,000 for Transit Benefit and \$5,037,500 for Mass Transit Benefit. They are not separate cash grants. The application/workbook records a 119-point self-score and an 85.791% calculated CDLAC tiebreaker; the retained CTCAC staff report does not independently print these figures. This establishes the material role of the transit entries in the application's scoring calculation; it does not, by itself, establish the precise ranking after correction or that the entire award depended on these entries. [E22 pp. 99–104; E02 pp. 21–24.]

The application identifies Step Forward Communities and displays Duane Henry's typed name and Executive Director title. Pages 77–78 impose an affirmative duty to update information that ceases to be true and contain a declaration under penalty of perjury that the application and supporting material are true and correct to the applicant's best knowledge and belief. The public copy's original-signature and date fields are blank; that does not establish whether the State received an executed copy. The May 10, 2023 CTCAC regulations separately address material misrepresentation of any application fact or requirement in §10325(c)(2)(I), and inaccurate or misleading site-amenity/service certifications in §10325(c)(2)(N). The site-amenity scoring instructions require accurate information and provide negative-point consequences for inaccurate information. Those administrative requirements apply directly to this application; an established inaccurate entry and an established knowing false declaration remain different conclusions. [E22 pp. 77–79; E04 pp. 39, 41–42.]

Battery Point's documented public support is substantial

The following amounts come from official award or financing records. Each is identified by transaction type and stage so that loans, credits, bond authority and rental assistance are not inaccurately described as one cash payment.

Program / instrument	Documented amount	Record and meaning
HCD IIG Round 8	\$7,500,000	February 8, 2023 award list, p. 1; award
HCD HOME	\$9,708,129	August 14, 2025 award list, p. 1; 70 HOME units
CalHFA permanent financing	\$16,375,000	February 2024 financing analysis, E03 pp. 20, 22
CalHFA MIP financing	\$4,000,000	February 2024 subsidy-loan analysis, E03 pp. 20, 22
Federal credits	\$3,879,952 annually	Preliminary reservation approved August 23, 2023; E02 pp. 21–23 and committee minutes pp. 2–3
State credits	\$16,011,905 total	Preliminary reservation approved August 23, 2023; E02 pp. 21–23 and committee minutes pp. 2–3
Initial tax-exempt bonds	\$38,430,000	Initial bond request in application, E22 p. 104; not proof of allocation
2024 construction financing	\$40,662,000, plus \$6,588,000 recycled conduit financing	E03 pp. 20, 22; financing overlaps later permanent sources
Modeled permanent equity	\$47,362,000	2024 financing model, E03 p. 22; investor equity differs from nominal credits
Project-based vouchers	70 vouchers	Rental assistance; a voucher count is not a capital-dollar award

The two HCD awards total \$17,208,129. The two listed CalHFA loan figures total \$20,375,000. Together those four historical amounts arithmetically total \$37,583,129, but they come from different financing stages and are not a verified current capital stack or cash already received. The 2024 CalHFA model used \$7,435,400 in IIG sponsor financing, compared with the earlier \$7,500,000 award, and predates the 2025

HOME award. This difference is preserved rather than concealed in a single inflated total. [E03 pp. 20, 22; HCD award lists.]

Ten years of the listed federal annual credits would total \$38,799,520; with the listed state credits, nominal credit value would be \$54,811,425 if those figures remained unchanged and fully available. That is not additional money to add to modeled investor equity. Bond proceeds likewise cannot be added again to overlapping permanent financing. These distinctions establish the scale and forms of public support without overstating money paid.

The Manager's September 21 private-project description does not account for this documented public financing. The public record contains both statements: private ownership and substantial public support. The latter carries factual representations and program obligations independent of who owns the land. A general assurance of funding compliance does not resolve a specific conflict in the underlying application.

The original workbook calculated an 85.791% tiebreaker. If the project qualified only for the ordinary 4-point nearby-stop category and did not qualify for the separate Mass Transit Benefit, the same formula would produce 68.673%. That is a reduction of 17.118 percentage points. [Source 1, Tie Breaker worksheet.]

That calculation assumes the nearby stop still qualifies and no other approved service or independent mass-transit basis supports the higher entries. It shows how the selected claims affected the calculation; the records do not establish that correcting them would necessarily have changed the final award.

These figures identify awards, preliminary credit reservations and financing approvals at different dates. They are not a total of cash already paid. The \$5,642,000 transit calculation is not a separate subsidy payment. The August 23, 2023 CTCAC minutes record unanimous approval of the staff recommendations for preliminary reservations, subject to revisions concerning two other projects. Read with the Battery Point staff recommendation, that vote verifies the preliminary reservation; it does not establish a final placed-in-service allocation. [Sources 5–7; CTCAC August 23, 2023 minutes pp. 2–3.]

Each funding connection must follow its own dates and documents. The February 2023 IIG award came before the consultant's August letter and the October City packet. Those later documents cannot be described as causing that earlier award.

Battery Point City approval and the separate CEQA transit representation

The October 12, 2023 packet also carried attorney John G. McClendon's August 26, 2023 letter to William (Bill) E. Rice. It states Battery Point is within one-half mile of an existing "major transit stop and/or a stop along an existing high quality transit corridor" and invokes the CEQA VMT presumption. Staff referred the Commission to the applicant-side analysis as Class 32 support. Rice was the addressee, not the author. This CEQA assertion used the historical 15-minute major-bus-stop/HQTC standards; it does not establish the application's separate 30-minute CTCAC qualification. Please identify the dated service evidence supporting each representation under its own standard. [Battery Point packet pp. 37, 57, 95–100; E07 p. 72; PRC §§21064.3, 21155(b), as operative in 2023.]

Stover's analysis cites stops at 7:18 and 7:48 a.m. Those two times do not establish qualifying service throughout both peak periods, but the pair is not proven false merely because other service was hourly. The relevant qualifications and full schedules must be tested under the rule applicable to the particular benefit.

Downtown Redwoods transit density parking and project descriptions

Matter: AR26-02, 36-unit mixed-use development, 962/964 Third Street. Lawton's March 12, 2026 report is the identified City staff source. The March 12 official minutes confirm adoption of PC2026-05 by 3–0–1, Commissioner Hyatt abstaining and Chair Walp absent. The May 4 City report also confirms approval and describes the density, parking, height and setback benefits. [D1, pp. 57, 60; D2, pp. 3–5; F2, p. 83.]

Downtown Redwoods, AR26-02 at 962/964 Third Street, was presented on March 12, 2026 as a 36-unit mixed-use development. "100% affordable" describes the proposed restricted unit mix; the staff report actually claimed UNLIMITED density based on proximity to a qualifying major transit stop. It did not describe the approval merely as a 100% density increase. Contract planner Ethan Lawton's staff report §6.6 quotes

the 20-minute peak-service requirement, then says the Cultural Center hub “meets this definition” because it serves listed routes. Listing routes establishes their presence, not their frequency. The report supplies no qualifying two-route peak-frequency calculation. [E07 original PDF pp. 71–73; supplemental source pages F04–F06.]

The legal tests must be kept separate. Battery Point’s financing entry used 30 minutes. The 2026 major-bus-stop definition uses intervals no greater than 20 minutes during peak periods for two or more major bus routes. The separate high-quality-transit-corridor definition uses 15 minutes; the density-bonus cross-reference also includes qualifying major stops in the applicable regional transportation plan. The reviewed RTP discussion does not expressly establish the statutory classification relied upon. The stated premise remains unsubstantiated in these records; an alternative statutory basis cannot simply be assumed away. [PRC §§21064.3(c), 21155(b); Gov. Code §65915(o)(5); E07 p. 72; E11 pp. 41, 43.]

The report expressly used that transit classification to justify unlimited density, no minimum vehicular parking and additional height. It calculated 44 spaces under its ordinary density-bonus ratios, accepted 2 spaces, and stated that no off-street parking was required. The report thereby provided a specific route from the transit assertion to valuable development treatment. This is more precise than saying transit merely appeared in the packet. Whether an independent concession, waiver or other statutory eligibility could support the same design is a separate question. [E07 original PDF pp. 72–74.]

RCTA independently identifies Cultural Center as serving Routes 1, 2, 3, 4, 20, 199 and 300. Thus, the City’s list of route numbers is corroborated by the agency’s own record; the issue is the claimed qualifying frequency. RCTA’s service summary, expressly accurate as of October 2024, lists Routes 1–4 at 60-minute frequency, Routes 20 and 199 at a few daily round trips, and Route 300 as one trip on school days. That record supports the frequency concern but does not establish that no service changed before March 12, 2026. Please reconcile the approval-date timetable and any separate qualifying regional-plan basis with the City’s stated finding. [Source 16, original PDF pp. 26, 33, printed pp. 20, 27.]

The parking provision for qualifying all-affordable projects is Gov. Code §65915(p)(3)(A), rather than the report’s cited (p)(2)(A). A mistaken subdivision reference does not itself disqualify a project if the correct provision’s actual elements are satisfied. The substantive problem is the unsupported eligibility determination.

“100% affordable” describes the affordability mix: 29 low-income and 7 moderate-income units. It is not a description of a 100% density increase. Staff claimed unlimited density. Applicable base density must also be determined under the governing §65915 definition, including the greatest applicable General Plan, zoning or specific-plan maximum; the report’s 8-unit comparison should not be treated as the final legally controlling base without that reconciliation. [D1, pp. 71–73; L5.]

A qualifying regional-transportation-plan major stop is an alternative statutory route that must be tested. Operative schedules, peak periods, route qualification and any applicable planned-stop designation resolve actual eligibility. Failure of this particular transit explanation does not automatically eliminate every independent density-bonus or parking entitlement.

Downtown Redwoods: false project descriptions and mismatched conditions

Mixed-use in the application; residential-only in the effects reasoning

Lawton’s report identifies a 36-unit mixed-use project. Its Class 32 traffic, noise, air-quality and water-quality explanation instead describes residential-only use. The proposed resolution’s title also describes residential-only development while other portions describe mixed use. That is a demonstrably inaccurate project description in City-prepared approval material. [D1, pp. 57, 60, 80–81, 111–114.]

This false description continued beyond the agenda report. The City’s Notice of Exemption filed March 20, 2026 identifies the project as mixed-use on page 1, then states residential-only use in its exemption reasoning on page 2. Page 2 bears a lead-agency signature dated March 20 with the title Contract City Planner; the contact is Ethan Lawton. This is an independently located filed record, not merely an unsigned recommendation. [D3, pp. 1–2; SCH 2026030906.]

CEQA Guidelines §15332(d) requires that approval not result in significant effects relating to those subjects. An effects conclusion premised on residential-only use does not explain the actual commercial component. The question is material: the correct uses, floor area, operating characteristics and trip generation must support the conclusion. The false description is documented; whether a separate study or complete hearing record cures its analytical consequences requires the project-specific evidence. [L8.]

Conditions describe a different building arrangement

Downtown's fire-access condition refers to East and West fiveplex buildings and a south-facing fourplex. That is the arrangement in the 708 J Street Fire referral, not Downtown's 2-building, 36-unit mixed-use project. These mismatched descriptions appear in the City's proposed conditions, where actual emergency access is supposed to be identified. [D1, p. 109; J2, p. 33.]

Under CCMC §17.46.080, building-permit and occupancy determinations depend on conformity with approved plans and conditions. Cross-project conditions undermine a clear, project-specific compliance baseline. They do not establish that any building has already been constructed contrary to code. [L12.]

Downtown Redwoods City loan and developer substitution

The City loan documents identify \$1,032,371.43 for Downtown Redwoods: \$383,099.10 in PLHA funding and \$649,272.33 in PIP funding. The exact figure is approximately \$1.032 million, not \$1.1 million. It is City-administered, grant-backed financing; the loan commitment does not itself prove complete disbursement. [E08 pp. 98–99, 116–117.]

The earlier approved PIP developer task lists \$620,000 and a February 28, 2026 completion date. The City packet separately identifies \$649,272.33 available for the project. The May 4 packet describes CSS funding difficulties, a substitution to the Danco partnership and an extension for reimbursement submissions. A reimbursement-submission extension is not, by its description alone, proof that the operative scope, work and expenditure dates were all amended. The posted documents establish the difference; the executed amendments determine its compliance significance. [E08 pp. 99, 196–197; E09 pp. 83–84.]

The May 4, 2026 City packet describes Community System Solutions' financing difficulties, a proposed substitution to Crescent City 3rd Street LP/Danco and an assignment and loan assumption. Please identify the executed assignment, any required State approval and the governing amendments. The City report establishes the proposed transaction; it does not itself establish three completed property sales. [E09 pp. 83–84.]

The May 4 loan discussion identifies four restricted units, while the density-bonus approval describes a 29-low-income/7-moderate-income mix across all 36 units. Separate loan and land-use covenants can impose different obligations; the four-unit loan provision cannot itself establish the 36-unit restriction. CCMC §17.48.030(E) separately requires the affordability instrument before a building permit. [E09 p. 83; E07 pp. 71–75; CCMC §17.48.030(E).]

Project funding certifications and incorporated obligations

Downtown's loan §3.1.1 incorporates PLHA Standard Agreement 23-PLHA-18498; §3.1.2 incorporates PIP Standard Agreement 23-PIP-18478 and the PLHA guidelines. These are express developer obligations, not voluntary assurances. The loan is made in reliance on the developer's representations and warranties. Its disbursement provisions require security and an affordability covenant for the initial PLHA payment, and purpose and proof of eligible predevelopment expenditures for PIP reimbursement. The packet establishes the proposed/approved terms; payment records and the executed closing instruments remain necessary to establish what was actually paid and certified. [E08 original PDF pp. 116–117; F07–F08.]

The City is the named State grantee/contractor. PLHA Exhibit D §3 warrants that funding-application facts and representations are true, correct and complete to the best of the contractor's knowledge. Untrue, incorrect, incomplete or misleading information that would substantially affect approval, disbursement or monitoring can support a declared breach. Exhibit D §14 requires compliance with applicable State and federal laws concerning construction, health and safety and other grant matters. The agreement also

requires monitoring and retains audit and repayment remedies. [E09 May 4 packet original PDF pp. 124, 127, 129–132; F10–F14.]

PIP Exhibit B §1 likewise incorporates the funding application and warrants its accuracy to the best of the grantee's knowledge; breach remedies address misinformation that would substantially affect approval, disbursement, reimbursement or monitoring. PIP Exhibit D §2 requires strict program compliance; §16 requires compliance with applicable State and federal laws and carries compliance provisions into agreements with subrecipients, contractors and subcontractors. These obligations run through City-administered funding. [E09 original PDF pp. 167, 172, 182; F15–F17.]

Battery Point's project-specific CalHFA approval also conditions financing on receipt of evidence that the borrower complied with Crescent City's conditions of approval. It requires an engineer's current-seismic-code certification before permanent closing and reserves adjustment of the subsidy if financial assumptions change. This is the February 2024 project approval, not a generic loan template. [E03 original project PDF p. 11, printed board-binder p. 76; F02.]

Battery Point's July 2022 IIG guidelines separately require entitlements and funding commitments before initial disbursement. The executed award agreements determine the incorporated requirements. [Source 8, §305(g), (i).]

A false planning statement affects another funding stream when it is used in a material funding representation, certification, reimbursement or compliance determination. The planning report alone does not establish that the same statement appeared in every funding application. The Downtown State grants and December 2025 loan predate Lawton's March 2026 statement; the later statement's use in continuing project administration is a separate part of the record.

Please identify the application, certification, approved amendment, reimbursement and monitoring records governing these obligations, and reconcile any material project representation used in them with the actual approved project and transit evidence. The planning report alone does not establish that its transit statement appeared in the City's PLHA/PIP applications. The \$5,642,000 scoring calculation is not a \$5,642,000 cash payment. These separate records determine whether a specific funding requirement was breached.

Findings ordinary variances and separate approval standards

A finding is the deciding body's factual determination explaining how the project meets a legal requirement. It is not merely a recital that staff recommends approval. The Council or Commission adopts the findings, even when the applicant or staff drafted them.

Topanga Assn. for a Scenic Community v. County of Los Angeles (1974) 11 Cal.3d 506, 514–517, 520–522, requires findings that expose the analytical connection between evidence and decision. For a variance, the relevant comparison includes privileges enjoyed by properties in the same vicinity and zone. Preferred development or an isolated description of the parcel does not establish that comparison. [L1.]

Broadway, Laguna, Vallejo Assn. v. Board of Permit Appeals (1967) 66 Cal.2d 767, 774–781, rejects ordinary variance reasoning based on a preferred building, attractiveness, economic advantage or community benefit without the required necessity. Those considerations do not replace the statutory criteria. [L2.]

Requirement	Evidence needed
CCMC §17.56.010(A): exceptional circumstances	Property-specific circumstances, and why they are exceptional under the governing standard.
§17.56.010(B); Gov. Code §65906: necessity and parity	What substantial property right comparable properties possess; same vicinity and zone; why this property is deprived of it; why the requested relief is necessary without granting special privilege.

Requirement	Evidence needed
§17.56.010(C)–(D): welfare and General Plan	Evidence supporting no material detriment or injury and consistency with applicable General Plan requirements.
§17.56.010(E)–(F): substantiation and decision	Applicant substantiation and the deciding body's determination that every required condition is present.

Findings may be concise. *Topanga Assn. v. County of Los Angeles* (1989) 214 Cal.App.3d 1348, 1356–1364, recognizes that findings are read reasonably with the record; using statutory language does not itself make them defective. No rule requires a member to discuss every document aloud. The issue is whether legally relevant facts and the record support the actual findings. [L3.]

Topanga concerns administrative findings and evidentiary support. It does not automatically establish a constitutional violation or an obligation to read every submitted page aloud. Density-bonus concessions have separate statutory standards; ordinary variance hardship cannot substitute for Gov. Code §65915. [L4–L5.]

Ordinary variances: the complete legal test

Government Code §65906 permits a variance only where special circumstances applicable to the property cause strict zoning enforcement to deprive it of privileges enjoyed by nearby property under identical zoning. Conditions must prevent a special privilege. A variance cannot authorize a use otherwise prohibited in the zone. The statute expressly distinguishes conditional use permits. CCMC §17.56.010 adds its own required findings; the introduction's reference to the spirit of the code does not dispense with those findings. [L4.]

Element	Proof and application
Property circumstance and causation	Size, shape, topography, location or surroundings may be relevant. Naming one does not complete the finding: explain how it causes the denied privilege. For 511, small size must connect to necessity rather than simply the difficulty of the preferred four-unit layout.
Actual comparable privilege	Identify the nearby parcels, identical zoning, applicable standards and lawful rights. A balcony projection does not establish the same privilege as a principal wall encroachment. Earlier lawful variances can be relevant, but their actual zoning, relief and property circumstances must be established.
Necessity, not preference	Identify conforming alternatives and why they do not preserve the comparable right. A more attractive, larger or more profitable preferred building does not alone establish necessity. The 511 report's conforming 35-foot alternative is directly relevant.
No special privilege	The relief and conditions must preserve parity with the legal limitations on other properties. Repeating an earlier exception does not answer this question.
Local welfare and plan requirements	Safety evidence and General Plan support remain necessary under local law, but neither substitutes for exceptional circumstances or the denied property right.

Element	Proof and application
Each distinct item of relief	Rear and side setbacks require justification for the requested reductions. The separate sidewalk-backing waiver has its own hardship/hazard test. One favorable general statement does not establish all forms of relief.

Orinda Assn. v. Board of Supervisors (1986) 182 Cal.App.3d 1145, 1160–1168, applied *Topanga* and §65906 to lengthy height-variance findings. Attractive design, compensating benefits and earlier variances did not establish the required legally relevant difference from other parcels. It is particularly relevant to the use of general housing or design benefits to bypass specific limits. [L16.]

Miller v. Board of Supervisors (1981) 122 Cal.App.3d 539, 545–548, upheld a variance supported by detailed comparisons and existing property circumstances. Earlier variances were relevant to the privileges enjoyed by comparable property, but did not alone establish special circumstances. The defect alleged here is an unexplained comparison, not a categorical claim that prior variances are legally irrelevant. [L17.]

This is not an absolute prohibition on relief for a small or irregular parcel. A supported property-specific comparison and necessity finding can justify relief. The defect arises when a relevant circumstance is asserted but its legal consequence is not established.

Findings, evidence and the deciding body's responsibility

CCMC §17.56.010(E) places substantiation at the public hearing on the applicant. Applicant testimony is evidence; City employees do not have to author every underlying fact. Conversely, repeating a conclusion does not make it substantiated. The deciding body must determine whether the evidence actually establishes every required condition. [L4.]

Topanga requires two relationships: evidence must support findings, and findings must support the decision under the governing criteria. Substantial-evidence review allows supported factual choices; it does not permit use of a legally irrelevant test. A Council hearing may receive additional evidence where authorized, but replacement findings still need lawful criteria and actual support. [L1, L3.]

Record requirement	Specific duty / timing
Commission written findings — §17.56.020	Formal report of facts, reasons, decision and conditions within 20 days after the hearing ends; permanent retention; mailing to applicant and requesting persons within 10 days after decision.
Appeal — §17.56.030	The local appeal period and stay are tied to the Commission report. A date analysis must identify that report and its actual rendering date.
Council hearing — §17.56.040(A)	Complete Commission record transmitted; advertised public hearing within the code's 40-day period following receipt of written appeal.
Council decision — §17.56.040(B), .050	Formal resolution with facts, reasons and disposition within 40 days after proceedings end; required mailing and permanent-file handling.

A vote and a generic statement that all requirements are satisfied do not replace the code's required factual reasons. However, absence of a criterion-by-criterion oral discussion does not by itself prove that the written findings and whole record fail. Prepared findings are not categorically unlawful; supported adoption is the relevant question.

The variance test above governs ordinary variances. A State density-bonus concession or waiver under §65915 is a separate statutory entitlement with different burdens and permitted grounds for denial. General affordable-housing policy cannot supply ordinary variance hardship, and ordinary variance hardship cannot be added to a valid State housing entitlement. [L5.]

Use permits and continuing conditions follow a separate code track

CCMC §17.54.010(B) addresses compatibility, site adequacy, traffic, nuisance, General Plan conformity, parking, loading and landscaping. Section 17.54.020 covers required permits for new construction and enlargements or extensions of use. Section 17.54.030(B) attaches the permission and responsibility for conditions to ownership; transfer does not erase the owner's compliance duties. Section 17.54.040 incorporates the variance hearing procedure, not ordinary variance hardship as a universal CUP criterion. Project conditions and legally applicable State housing rules must still be checked separately. [L19.]

511 Eighth Street variance appeal

Matter: Battery Point Group LLC, VAR25-01, four units at 511 Eighth Street. This is separate from the 162-unit Battery Point Apartments financing project. The January 14, 2026 Council minutes record adoption of Resolution 2026-02 by a 3–0 vote: Ray Altman, Candace Tinkler and Mayor Isaiah Wright; Jason Greenough and Steve Shamblin were absent. [V3, pp. 28–29.]

The Council report identifies Ethan Lawton and Martha Rice as its preparers. It expressly says: “Staff have drafted a resolution using the applicant’s arguments.” Applicant-origin findings are permissible only if the Council actually determines that legally relevant evidence supports them. Labeling the source as the applicant does not relieve the City’s decisionmakers of that duty. [V1, pp. 3–5; L1, L4.]

Proposed finding / source	The evidentiary defect
Exceptional circumstances: small size and shape make functional space, parking, setbacks and the desired units difficult. [V1, p. 232, §1.3.1.]	Difficulty fitting the selected design is not the required comparison with similarly situated properties. The finding combines parcel circumstances with the applicant’s desired layout without explaining why that difficulty satisfies the legal test.
Necessity: Sixth/D and Fifth/C developments received similar variances. [V1, p. 232, §1.3.2.]	The finding does not establish comparator zoning, parcel dimensions, applicable standards, precise relief or the lawful property right supposedly denied here. Earlier exceptions are not automatically rights available as of right.
Backing over the sidewalk is the only feasible configuration. [V1, pp. 232–233, §1.3.3.]	Feasibility must address alternatives, not only the submitted layout. Staff acknowledged a 35-foot design accommodating development standards. That alternative needed evaluation against the claimed necessity. [V1, p. 20.]
Applicant substantiated every condition at the hearing. [V1, p. 233, §1.3.5.]	This statement records an ultimate conclusion. The underlying evidence still must establish each condition; the sentence itself does not prove substantiation.

The official minutes establish approval of Resolution 2026-02. The passages analyzed below are from the resolution presented in the Council packet. Please identify the executed resolution and any adopted changes, and reconcile the necessity and parity findings with the conforming alternative and comparator evidence. The issue is the evidentiary support for the findings, rather than the mere fact that they were drafted before the hearing.

For 511, CCMC §17.16.020(A) expressly permits dwelling groups consisting of one-family, two-family or multiple-family dwellings. It is inaccurate to describe R-3 as categorically prohibiting every one-family dwelling. But §17.16.030(D) separately states a minimum of 1 dwelling per 1,500 square feet and a maximum of 30 dwellings per acre; §17.16.040(B) addresses arranging new structures for maximum dwelling-unit potential. A new single-unit project must be evaluated under those density and placement rules as well as the General Plan. Please reconcile any categorical exclusion of a single-family use with the

permitted-use text, the separate density and placement requirements and the applicable General Plan provisions. [L18; V1, pp. 14–15.]

The balcony rule does not authorize a building wall in the same place

CCMC §17.44.090 permits the specified fire escapes, porches, stairways and balcony projections into minimum front and rear yards by no more than 4 feet. That provision does not reduce the setback for a principal building wall. A balcony's edge cannot alone establish a right to place the entire building there. With a 10-foot required yard, a 4-foot projection leaves 6 feet; an asserted 5-foot balcony location requires actual measurements, approval history and the correct yard classification. [L6.]

That distinction directly affects 511's comparator reasoning. The proposed finding names earlier developments but does not identify whether the comparison concerns principal walls, balcony projections, earlier standards or lawful nonconforming conditions. Those categories cannot be treated as interchangeable evidence of the same property right. [V1, p. 232; L1, L4.]

A four-unit project does not receive the small-dwelling backing exception automatically

CCMC §17.42.120(H) treats properties devoted exclusively to one-, two- or three-family dwellings differently. Four units require the applicable waiver authority and its findings, including hardship and absence of a hazardous condition under that provision. General parking reductions also require the considerations in §17.42.130. Numerical parking compliance does not decide sidewalk safety. [L7.]

Public Works supplied actual City evidence: it opposed continuous roll-over curb/parking because of lost on-street parking and potential pedestrian danger, while also describing light E Street traffic and benefits from new sidewalks and an ADA ramp. Fire Chief Kevin Carey identified reduced emergency access and said design or parking changes could remedy the variance request. He recommended 5–7 feet; the approved rear minimum was 5 feet. The record therefore contains both supportive evidence and concerns. It is inaccurate to say the City provided no evidence at all. [V1, pp. 24, 54, 234.]

The fourth unit needs its own density authority

At 5,227 square feet and 30 units per acre, the raw calculation is approximately 3.60 units. Four units require an applicable rounding or other density rule. Density-bonus rounding under §65915 cannot silently be imported into an ordinary project without establishing that statutory track. The reviewed approval does not establish a density-bonus application for this four-unit project. The same code also states the separate minimum-density rule; any interpretation resolving fractional units must reconcile both limits. This is an unresolved calculation issue, not proof that a bonus was actually granted. [V1, PDF pp. 9, 232; L5.]

511 Eighth Street: procedure, records and CEQA

The local procedure requires reasons, not merely a motion

CCMC §17.56.040(B) requires a formal Council resolution stating facts and reasons for granting, denying or modifying a variance. The staff instruction that the Council could simply deny by motion incompletely described that requirement. Council approved by resolution, so this inaccurate denial instruction did not produce an actual denial without a resolution. [V1, p. 5; L4.]

The same chapter requires the complete Planning Commission record to be transmitted on appeal. The Council report identifies a Fire Chief response and an updated site plan discussed at the Commission but omitted from the earlier packet. Those records concern actual design and safety, not merely background correspondence. [V1, p. 5; L4, §17.56.040(A).]

Ardette Esselstrom objected to missing records, spam-filter problems and inadequate preparation time. The minutes record Rice responding that formal discovery and strict courtroom evidentiary standards did not apply and that the hearing could proceed. That explanation did not itself establish what decisional evidence was disclosed, when it was disclosed, or what opportunity existed to answer it. A completed records request and a fair adjudicatory hearing are different questions. A separate fair-hearing conclusion requires the actual disclosure chronology, relied-upon evidence and resulting material prejudice; the minutes alone do not establish all of those facts. [V3, p. 29.]

English v. City of Long Beach (1950) 35 Cal.2d 155, 158–160, involved an adjudicatory civil-service hearing in which the board relied on evidence obtained outside the hearing without an opportunity to answer it. Its holding distinguishes that denial of a fair hearing from ordinary evidentiary rulings. Applied here, the relevant inquiry is what material the Council actually relied on and what opportunity Ardette had to answer it; the absence of formal civil discovery does not resolve that narrower inquiry. [L20.]

The CEQA analysis needs precise exemption rules

The proposed resolution invokes Classes 3, 5 and 32. City limits and surrounding development alone do not establish “urbanized area” under Guidelines §15387. However, Class 3 §15303(b) already covers qualifying multifamily structures with no more than 4 units outside urbanized areas; urbanized status expands the limit to 6. Thus, the defective urbanized-area explanation does not by itself defeat the four-unit Class 3 basis. [V1, pp. 233–234; L8.]

Class 5 §15305 concerns minor alterations of land-use limitations without changes in use or density. Its application must identify the actual scope of the action. Class 32 requires all of its own elements. One valid exemption can suffice, subject to applicable exceptions under §15300.2. It would be inaccurate to state that this record proves every claimed exemption invalid. The ordinary variance findings remain a separate legal question.

The Council's choice to proceed and its adoption of findings are official decisions. Staff advice and applicant assertions remain identifiable sources; they do not become true merely because Council adopted an approval.

Fifth and C Streets: the earlier variance used as a comparator

Matter: VAR22-01, proposed eightplex, July 21, 2022. The later official minutes record Lawton explaining that General Plan flexibility accommodated multifamily setback reductions. Chair Wendt described increased housing density as desirable and as reinforcing easy access to variances. The Commission approved 3–1, Commissioner Amer voting no and Vice Chair Walp recused, subject to final parking layout and staff issuance of up to 4 parking waivers as needed. [C2, pp. 5–6.]

Housing policy is relevant to General Plan consistency, but it does not replace the separately required exceptional circumstances, necessary property right, welfare and applicant-substantiation findings. The staff packet listed those criteria and said the application had not substantiated them, anticipating substantiation at the hearing. The legal question is what actual hearing evidence supplied the missing elements and what final written findings recorded the reasoning. [C1, pp. 13–15; L4.]

Record issue	Why it matters
Approval reasoning emphasizes density and General Plan flexibility.	General Plan support is one required element. It does not establish all ordinary variance elements. Preferred density cannot function as a blanket hardship rule.
Minutes describe parking relief to be issued later by staff.	The final parking arrangement and applicable waiver determinations matter. The minutes alone do not prove that required hardship, hazard and traffic/site considerations were later established. [L7.]
Public comments identified substantial drainage through neighboring parcels.	Those are recorded objections, not independently proven hydrologic measurements. The engineering response, drainage plan and conditions determine whether material concerns were addressed. [C2, pp. 5–6.]

Record issue	Why it matters
511 later relies on Fifth/C as proof of a comparable property right.	A previous variance is an exception based on its own record. Without the earlier parcel, zone, circumstances and lawful approval terms, it cannot establish the necessary like-for-like comparison for 511. [V1, p. 232.]

The documented concern is substitution of generalized housing benefit for property-specific variance requirements and use of that earlier exception to justify another exception. Final written findings, parking determinations and the complete earlier hearing record would establish how far the approval itself departed from the requirements. The available minutes do not justify declaring every element conclusively violated.

This example illustrates why individual decisions must remain traceable: the earlier record, the later comparator statement and the relevant legal standard are three different pieces of evidence.

Additional historical examples: 2023 variance and 2023–2024 sidewalk waivers

1348 Front Street — VAR23-01 / AR23-04, April 20, 2023

The staff report says no support for the mandatory variance findings was submitted with the application and that staff could not analyze the adequacy of that support. The applicant's stated purpose was cold storage, an employee break room and general storage. [H1, p. 22.]

The official minutes record later applicant testimony about best use of space, a larger restaurant, loss of parking from alternatives and surrounding zero setbacks. Fire Chief Carey supplied actual access and construction evidence. Lawton said the Commission could grant a setback anywhere from 0–10 feet. The Commission approved a 3-foot rear setback 4–0. [H2, pp. 5–6.]

The numerical range described physical options, not unconditional legal authority. Any selected setback still required every ordinary variance finding. Operational preference and unverified neighboring zero setbacks do not themselves establish exceptional property circumstances and a denied comparable right. At the same time, the hearing contains evidence: it would be false to claim no evidence was ever offered. The final formal report and comparator details determine whether that evidence actually supported the mandatory findings. [L2, L4, L16.]

Roosevelt — PWR23-10, August 10, 2023; later February 8, 2024 record

Staff presented a waiver for 44 stalls to back across California/Hoover sidewalks. Applicant evidence emphasized maximizing units, lack of a second driveway in the chosen layout and additional cost or fewer units under alternatives. The draft resolution states hardship and no hazard but does not explain those conclusions in its text. [H3, pp. 290–292, 298.]

This is the distinct §17.42.120(H)/.130 waiver track. Ordinary variance parity cannot simply be imported. More parking and unchanged vehicle totals do not establish the absence of pedestrian conflict from 44 backing stalls. The applicable safety finding needs the actual maneuvering, sidewalk and site conditions; technical evidence elsewhere in the record can support it. [L7.]

The February 2024 report describes three buildings under construction and the earlier sidewalk-backing arrangement, citing PWR23-01 rather than PWR23-10. Phase and permit identity must be reconciled before counting another approval or describing the approved scope. This is evidence of continuing reliance on earlier relief, not proof of a second independent waiver violation. [H4, p. 44.]

These examples fall within the five-year review period. They show recurring questions about preferred designs, comparator proof, later engineering and generic findings. They do not establish that every City approval in that period was unlawful, or that distinct permits all used the same legal standard.

140 Truman Court approved August 20 2026

The City's August 20, 2026 packet identifies Branden Bieber's VAR26-01 at 140 Truman Court, APN 118-341-034. It requests a garage front setback reduction from 25 feet to 20 feet and a rear setback reduction from 20 feet to 19 feet, for a residence with an accessory dwelling unit above the garage. I was present and

witnessed approval. The written-record conflicts below are established by the packet itself. [N1 pp. 35, 43, 48–50, 67–73.]

Staff repeated the same asserted fact across different mandatory findings

Packet pp. 48–49 say the parcel is not a standard rectangle and neighboring cul-de-sac corner parcels appear to have reduced setbacks. Staff uses that same explanation for exceptional circumstances, necessary property rights and lack of public-welfare detriment, and repeats it within the General Plan finding. A nonrectangular shape can be a legally relevant property condition. It does not by itself explain why these two particular reductions are necessary or why they will not injure neighboring properties. [N1; L1, L4.]

The staff report relies on neighboring cul-de-sac parcels that “appear to enjoy reduced setbacks.” Please identify the comparator permits, zoning, measured setbacks, approval dates and lawful status, and explain how those records establish the property right and necessity required for these specific reductions. The appearance of a reduced setback is not, by itself, its approval history. [N1 pp. 48–49; L17.]

An incorrect staff setback table

Table 5-2 on packet p. 43 reverses the R-1 interior and exterior side-yard standards: it assigns 5 feet to exterior and 10 feet to interior. CCMC §17.10.040(B)(2) instead provides a 5-foot interior side yard and a 10-foot exterior side yard. The circulated table is factually incorrect. The proposed 6-foot interior side yard does not violate the actual 5-foot minimum. Please identify the corrected table and the standards incorporated into the final approval. [N1 p. 43; L24.]

Conflicting resolutions and the remaining findings question

The packet contains two drafts labeled Resolution PC2026-14, beginning on pp. 67 and 71. The second, p. 72, describes a four-unit multifamily structure in its CEQA reasoning. That description is false for this residence-plus-ADU application. The first describes a single-family residential development. Both refer to side and rear setback variances, although the request is for garage front and rear reductions. Please identify the executed resolution and reconcile these conflicting descriptions with the actual application. This notice does not attribute the four-unit language to the executed approval without that record. [N1 pp. 67–73.]

The variance clauses in both drafts recite the code criteria without identifying the project-specific facts establishing necessity, comparative property rights or absence of detriment. The staff report adds the parcel shape and apparent neighboring setbacks. Under Topanga, the question is whether those findings, read with the whole record, disclose the analytical connection supporting every required element. A small reduction, a desirable house or a finding of general zoning consistency does not dispense with CCMC §17.56.010 and Gov. Code §65906. Calling the approval a minor variance does not identify a separate exception to those criteria. [L1, L3–L4; N1, pp. 48–50, 68, 72.]

The strongest contrary explanation is that the irregular cul-de-sac geometry actually limits placement, neighboring properties possess comparable lawful privileges, and the site plans and departmental evidence support the small reductions. Prior variances can be relevant under Miller; concise findings can be sufficient under Topanga (1989). Those authorities prevent treating repetition or brevity alone as conclusive illegality. They do not permit staff to substitute an unverified appearance of neighboring setbacks for the required factual comparison. [L3, L17.]

Questions requiring reconciliation

Please reconcile the incorrect table, the conflicting resolution drafts and the repeated parcel-shape rationale with the code and the approved project. Identify the executed PC2026-14, the incorporated report and plans, and the comparator approvals supporting the findings. The packet establishes the written errors; it does not establish intentional deception or which conflicting draft was executed.

Evidence location: Approval Record Evidence Appendix, original August 20 packet pp. 35, 43, 48–50 and 67–73. The source packet is listed as N1 below.

Chipotle approved restaurant project

Matter: AR23-02, a new 2,325-square-foot restaurant with mobile-order pickup drive-through at 895 L Street. Ethan Lawton is the identified preparer of the March 9, 2023 staff report. The official minutes confirm a 5–0 approval on that date. This is a completed land-use approval, not an unapproved proposal. [T1, pp. 3–4; T2, pp. 13–14.]

The exact false statement and the contrary evidence

In its Class 32 explanation, the staff report says the project will be located “on a developed site in an existing building.” Its own project description and signed application instead describe a vacant parcel and a new restaurant, retaining walls and new access driveways. The effects paragraph on the very same page also calls it a restaurant on a vacant parcel. These statements cannot all accurately describe the same project. [T1, pp. 4, 7, 9.]

This is a false factual description in City-prepared environmental reasoning. It matters because the purported existing-building premise is used to establish the site and habitat circumstances for the exemption. A vacant urban infill parcel can still qualify under Class 32; the contradiction does not itself prove significant habitat impacts or defeat every exemption. The supported criticism is that the stated factual premise is wrong, and the actual site conditions must supply the exemption support. [L8, §15332(c).]

Traffic and access require the actual project facts

The application describes new driveways on L and M Streets and a right-only driveway on 9th Street, with the first 2 streets within Caltrans rights-of-way. The minutes record discussion of driveway entrances. The environmental paragraph nevertheless supports its traffic conclusion with a general statement of limited potential, without a daily-trip calculation in that passage. [T1, pp. 4, 7; T2, p. 14.]

General Plan Policy 3.A.16 requires a submitted traffic analysis when expected generation exceeds 50 daily trips. Establishing noncompliance requires the project estimate and the actual submitted studies, including any Caltrans review. Restaurant size and the presence of driveways are relevant leads, not a substitute for that proof. The record already proves the false existing-building premise; it does not yet prove that no traffic study existed anywhere. [G1, PDF p. 96.]

The official minutes confirm the Commission approved the project after Lawton presented the exemption and recommended findings. The minutes do not independently establish whether additional hearing evidence or later documentation corrected the written contradiction. The original report, contrary application and recorded approval are the specific facts placed on notice here. [T2, pp. 13–14.]

Traffic analysis General Plan Policy 3 A 16 and SB 743

General Plan Policy 3.A.16 requires a traffic analysis as part of the permit application for a project expected to generate more than 50 trips per day, and mitigation of identified traffic impacts. It also permits a safety-based study regardless of trip count. The threshold concerns daily trips, not the number of housing units alone. [G1, PDF p. 96, printed p. 3-10.]

SB 743 changes CEQA's treatment of automobile delay, while preserving consideration of safety and other environmental effects. Local traffic analysis, CEQA VMT and parking relief are distinct inquiries. State housing law also matters: Gov. Code §65915(a)(2) bars conditioning a density-bonus application on additional studies not otherwise required by State law, while permitting reasonable eligibility documentation. Policy 3.A.16 therefore cannot be asserted as an unconditional additional-study requirement for every housing approval. The applicable State duties and protections must be reconciled with the local rule. [L8, L13, L25; Gov. Code §65915(a)(2).]

Project	What the evidence actually shows
Battery Point Apartments — 162 units	The packet expressly contains Stover Engineering's September 28, 2023 trip analysis. It identifies 41 multifamily AM peak-hour trips and 51 PM trips, with separate senior estimates. A "no traffic analysis existed" allegation is contradicted by the packet. [B1, pp. 157–158.]
Downtown Redwoods — 36 mixed-use units	The effects reasoning misdescribes the actual use. Establishing Policy 3.A.16 compliance requires the daily trip estimate, actual commercial component and any submitted analysis. The unit count alone is not the legally sufficient threshold calculation. [D1, pp. 80–81; G1.]
Chipotle — new restaurant and driveways	The staff report calls new construction an existing building. Actual daily-trip estimates, access review and any submitted studies establish traffic-policy compliance. A generic limited-potential conclusion does not itself provide that analysis. [T1, pp. 4, 7; T2, pp. 13–14.]
511 Eighth Street — four units	The sidewalk-backing waiver has a separate safety/hardship inquiry even if the 50-daily-trip threshold is not met. Public Works' competing observations are relevant evidence that must be weighed. [V1, p. 24; L7.]

The City-hosted June 2020 regional SB 743 plan screens certain affordable housing and local-serving uses from detailed VMT analysis. It screens projects below 110 daily trips and recommends a screening discussion above 60. These are VMT screens, distinct from other applicable requirements. Section 2.2 presents recommendations agencies may adopt or replace. Please identify the City's adopting instrument and applicable methodology; website publication alone does not establish adoption. Guidelines §15064.3 applied statewide July 1, 2020. Historical transit-area conditions do not establish 2026 eligibility. [G2 pp. 5–7, 10–11; L13.]

CEQA landscaping and utility evidence

Class 32 is an element-by-element exemption

Guidelines §15332 requires General Plan and zoning consistency, a site within City limits of no more than 5 acres substantially surrounded by urban uses, no qualifying habitat value, no significant traffic/noise/air/water effects, and adequate utilities and public services. Existing development addresses only some of those elements. Repeating "limited potential" is a conclusion whose factual basis still matters. [L8.]

Examples are Downtown's residential-only description in its effects reasoning and Chipotle's existing-building description in its habitat reasoning. Each concerns a factual predicate of the exemption being claimed. For Battery Point, the existence of the Stover analysis is actual contrary evidence to an allegation of wholly unsupported traffic review; its scope and assumptions remain examinable. [D1, pp. 80–81; T1, p. 7; B1, pp. 157–158.]

United Neighborhoods for Los Angeles v. City of Los Angeles (2023) 93 Cal.App.5th 1074 affirmed setting aside a Class 32 exemption where the City did not consider applicable Housing Element policies. The holding requires consideration of applicable General Plan policies; it does not require a formal separate written finding on every policy. Here, Policy 3.A.16 cannot be disregarded merely because the designation and zoning permit the use. [L22.]

Guidelines §15300.2 supplies exceptions, including significant cumulative impacts and unusual circumstances. *Berkeley Hillside Preservation v. City of Berkeley* (2015) 60 Cal.4th 1086, as modified May 27, 2015, distinguishes unusual circumstances from effects caused by those circumstances and applies different evidentiary standards to those questions. A generalized objection does not automatically defeat every categorical exemption. [L14.]

A sewer connection is not a treatment-capacity calculation

Downtown states that existing utilities adequately serve the site. Class 32 requires adequate service to the proposed project. A connection count alone does not quantify flow, organic loading, peak conditions or remaining permitted treatment capacity. A supported assessment by qualified staff may establish adequacy; §15332(e) does not invariably require a separate engineering report. The cited passage supplies no project-loading calculation, and the complete utility assessment remains needed. [D1, p. 81; L8, §15332(e).]

Downtown's March 12 minutes record Commissioner Hyatt saying she had requested flow reports 3 times. Her motion to delay for WWTP information failed for lack of a second. The minutes attribute to City Manager Eric Wier the explanation that flow and connections are different, and that the amount of connections did not affect that night's decision. Flow and connection count are indeed different measures; however, the claimed Class 32 utility finding still requires adequate service to the proposed development. Treating connection count as nondispositive does not establish available hydraulic and organic capacity. The documented issue is the missing analytical connection to adequacy, not proof that the plant had zero capacity. [D2, p. 5; L8, §15332(e).]

A large WWTP repair estimate or enforcement order alone does not prove that a particular connection is prohibited. The controlling permit/order, current load and proposed contribution must be compared. This notice identifies the unresolved support for project-specific utility adequacy in the cited record; it does not establish zero capacity, invent a BOD limit or prove a project-specific exceedance.

The five-unit open-space threshold is not a blanket landscaping exemption

For 511, the common-open-space threshold in CCMC §17.43.060 is separate from the landscaping applicability and development provisions in §§17.43.010(B), .020–.030 and parking-area requirements in §17.42.120(M). Four units do not eliminate every landscaping obligation. The approved landscape plan and any lawful relief determine compliance; the record does not establish a completed landscaping violation. [L7, L15.]

Evidence and questions requiring reconciliation

Issue	Present assessment / decisive evidence
False project descriptions	Documented: Downtown is mixed-use, not residential-only; Chipotle proposes new construction on a vacant parcel, not use of an existing building. Their completed approvals are independently confirmed.
Downtown transit eligibility	Documented analytical failure: a route list does not establish peak frequency. Actual ineligibility requires the operative schedules and any qualifying RTP designation; independent statutory alternatives must also be checked.
511 ordinary variance findings	Substantial documented concern: preferred layout, unestablished comparators and unreconciled conforming alternative do not explain necessity/parity. Whole hearing evidence and executed findings determine the final conclusion.

Issue	Present assessment / decisive evidence
No City evidence / no traffic analysis	Rejected as a blanket assertion: 511 contains Public Works/Fire evidence; Battery Point contains Stover's traffic analysis. Criticism must address the quality, relevance and treatment of that evidence.
Funding noncompliance	Actual PLHA/PIP accuracy, monitoring and applicable-law duties are documented. A specific breach depends on the applicable obligation and actual certification, reimbursement or funded activity. No automatic all-funds forfeiture is established.
Disclosure / fair hearing	Material disclosure questions are documented. The relied-upon item, delivery date, opportunity to respond and material prejudice remain necessary to establish a completed fair-hearing defect.

WWTP capacity industrial loads and ratepayer costs

The City's own letter documents the treatment problem

The June 25, 2026 City letter included in this agenda packet connects chronic effluent violations to high-rainfall flows exceeding the membrane bioreactor system's ability to treat the entire flow. It identifies that system as limited to 1.1 million gallons per day and states that excess flow was diverted to the rotating biological contactor system, which does not provide tertiary treatment and cannot meet the new effluent limits. This explanation comes from the City's letter to the regulator, not from my speculation. [E01, original Council packet p. 95.]

The letter identifies chlorine/residual chlorine, settleable solids, ammonia, enterococci and total coliform among the chronic exceedances. The adopted June 6, 2025 Water Board order independently describes bacteria-compliance difficulty when flows exceed 1.1 MGD and RBC treatment is required. That is a documented treatment-compliance problem, even though it is not proof that every additional connection is prohibited. [E01 p. 95; E14 pp. 2–3.]

The letter's project-benefit calculation reports a minimum dry-weather influent flow of 0.77 MGD in 2024. For January 1–March 30, 2025, it reports average daily wet-weather flow of 2.316 MGD, with daily flows ranging from 1.257 to 5.337 MGD. Those are measured-flow figures reported by the City. The proposed repairs cover approximately 1.7 percent of total system length and are estimated to reduce infiltration by 26,000 gallons/day. An estimated reduction is not a measured completed improvement, and this repair project is not the comprehensive treatment upgrade. [E01 p. 97.]

A general statement that the plant has capacity is incomplete unless it identifies the kind of capacity being described. Hydraulic design capacity, reliable tertiary treatment capacity, organic-load capacity, disinfection performance and remaining capacity after committed development are different measures. A design number cannot contradict the City's documented operational limitation simply by describing a different part of the system.

The October 5 settlement is evidence of violations, not a clean bill of health

Item 9 proposes authorization of Order R1-2026-0058. The settlement materials identify 89 effluent violations through March 23, 2026; 86 carry mandatory minimum penalties totaling \$258,000. The proposal suspends that liability while the City completes a qualifying compliance project estimated at \$300,300. Suspension subject to compliance is different from an unconditional cancellation. The settlement does not establish the plant's compliance after its cutoff date. [E01 pp. 74–81, 94–97.]

Documented figure	What it establishes	What it does not establish
89 violations / 86 MMP violations	The settlement identifies violations and the penalty-bearing subset	That all 89 receive a \$3,000 penalty, or that later violations are resolved
\$258,000 suspended liability	Penalty exposure subject to settlement conditions	Unconditional forgiveness or proof this amount was charged through rates
\$300,300 compliance project	Estimated corrective project in the settlement record	A complete WWTP upgrade or a new capacity certification
Repair costs already budgeted	Staff's statement that sewer-budget funding exists	A separate penalty allowance or transaction-level rate reconciliation

The staff report attributes exceedances to heavy precipitation and inflow/infiltration. It identifies the 2023 collection-system evaluation and CIPP repairs as the corrective project. The proposal consequently addresses a real collection-system problem that sends additional wet-weather flow to the plant. It does not establish the remaining treatment margin after residential, commercial and industrial commitments. [E01 pp. 74–75.] The fiscal analysis expressly places the necessary sewer funds in the approved FY 2026–27 budget. [E23 p. 76.]

The long-term cost and schedule qualify assurances of capacity

The selected upgrade's preliminary probable construction estimate is \$57,700,000. Its published Class 5 range is \$46,160,000–\$86,550,000. These are planning estimates, not a fixed construction contract. The City's June 25 letter anticipates comprehensive-upgrade completion in October 2035, assuming full funding and no delays. [E17 pp. 127, 132, 212–213; E01 p. 95.]

Order R1-2025-0015 requires completion of the chosen corrective construction by December 31, 2029 (milestone F) and full compliance by May 1, 2030 (milestone G). Its conditional mandatory-minimum-penalty relief for specified bacteria exceedances extends through April 1, 2030; that relief is not a general waiver of discharge requirements. The City's letter instead assumes comprehensive-upgrade completion in October 2035. Please identify any operative amended order, interim corrective project or other regulator-approved basis that reconciles the 2035 assumption with the adopted 2029 construction and 2030 compliance milestones. [E14 pp. 5, 8; E01 p. 95.]

The basis-of-design material identifies existing MBR performance figures of 1.2 MGD average dry-weather flow, 1.5 MGD maximum-day wet-weather flow and 1.9 MGD peak hourly flow. It also reports four of twelve RBC units permanently offline as of March 2025. Those engineering figures are not interchangeable with the City's 1.1 MGD operational/disinfection threshold. The actual available margin depends on equipment, wet-weather operation and the applicable limits. [E16 pp. 43, 50.]

The expense of an upgrade does not prove that current unused capacity is zero. Conversely, a legacy plant rating does not prove that uncommitted, reliable, permit-compliant capacity remains. Neither proposition can be established by substituting a cost estimate or a design label for measured loads and a current engineering calculation.

BOD limits and industrial allocations measure different things

BOD is biochemical oxygen demand. It measures the oxygen demand associated with organic material. An effluent concentration in milligrams per liter, an industrial allocation in pounds per day, and wastewater flow in gallons per day are different quantities. A high-strength user can consume substantial treatment capacity while remaining one billing account; wet-weather infiltration can consume hydraulic capacity without a matching increase in industrial organic load.

The 2023 ocean-discharge permit specifies BOD limits of 30 mg/L monthly average, 45 mg/L weekly average, and at least 85 percent monthly removal. The 2026 general order repeats those BOD requirements. Its October 1 effective date does not, by itself, enroll the City: coverage requires its Notice of Applicability. The City's actual enrollment, Attachment G and applicable interim conditions determine the present obligations. Recycled-water specifications and individual industrial allocations are separate. [E13 pp. 9, 11; E15 pp. 1, 12.]

User / requirement	Reported quantity	Evidence status
Rumiano	Current allocation not independently established in this packet	Executed permit, amendments and monitored loads needed; identify executed permits, amendments and monitored loads
Sea Quake	Current allocation not independently established in this packet	Executed permit, amendments and monitored loads needed; identify executed permits, amendments and monitored loads
Three significant industrial users	One cheese factory and two breweries	E14 p. 2 identifies the categories; it does not name the breweries.
City ocean-discharge BOD	30 monthly / 45 weekly mg/L; 85% removal	2023 permit E13 pp. 9, 11; general order E15 p. 12

Industrial-user discharge ceilings and actual monitored loads must be established from executed permits, amendments and reporting records. This notice does not state unverified Rumiano or Sea Quake allocation figures as established current limits, nor attribute the plant's violations to those users. The adopted Water Board order identifies three significant industrial users; billing accounts alone do not quantify their treatment demand. [E14 p. 2.]

City and County counts do not presently reconcile

Source and date	Published count	Exact source
County service-area snapshot, 2015	Approximately 2,436 customers/connections	E19 p. 11
County sewer rate study, 2023	3,347 billed connections; flat projection through FY 2033	E18 pp. 11, 17
City sewer rate study, 2026	2,562 outside-City customer accounts	E20 pp. 20, 42

The County figures in the table below differ by 911 between 2015 and 2023. The 2023 County and 2026 City figures differ by 785. Those arithmetic differences do not prove 911 new physical hookups or 785 omitted customers: billing units, master accounts, service definitions, dates and methodologies may differ. They do establish that the published figures cannot be treated as one reconciled physical-connection inventory. [E18 pp. 11, 17; E19 p. 11; E20 pp. 20, 42.]

The County's flat financial projection does not establish flat wastewater loading. A multifamily account can represent several dwellings; an industrial account can represent substantial organic demand; and approved but unoccupied development does not yet appear as an occupied flow. A revenue-study count is not an engineering capacity calculation.

Battery Point's City land-use record describes 162 units and Downtown Redwoods describes 36, totaling 198 planned units. Funding records can count restricted units differently from the physical project. Connected, occupied, approved but unconnected and proposed units must remain distinct. This total does not prove that every unit currently discharges to the plant. [E06 pp. 42, 44; E07 pp. 71–75.]

The present capacity record must account for growth and industrial changes accepted since reconstruction, equipment limitations and commitments not yet flowing. Historical expansion projections are not present calculations of reliable, uncommitted treatment capacity. The engineering record reports equipment limitations as of March 2025. [E16 p. 50.]

Budgeted repairs and penalties must not be conflated

The Item 9 staff report states that the compliance repairs are already in the sewer budget. The 2026 rate study includes approximately \$263,000 in cash-funded collection repairs for FY 2027. The settlement separately identifies the \$300,300 project and the suspended \$258,000 liability. These are three different

figures. Their similarity does not establish the same expenditure or that the penalty itself was included in the rates. [E23 p. 76; E01 p. 97; E20 p. 12.]

The documented fact is ratepayer exposure to utility repairs and compliance costs. A separate penalty allowance in the new rates remains unproved without the rate-model and ledger crosswalk. I will not turn that suspicion into a factual assertion. The notice preserves the distinction between an actual fine, corrective work credited against liability, routine maintenance and capacity improvements for growth.

The June 25 letter conditions its October 2035 completion assumption on full funding and no delays. It does not certify that all construction money has been secured. Please identify the awarded or committed funding and reconcile it with the capital estimate and the adopted Water Board milestones. A planning award, funding application and complete construction financing package are different stages. [E01 p. 95; E14 p. 8; E17 pp. 127, 132, 212–213.]

What this notice establishes about further commitments

The City has documented effluent violations, a treatment limitation during high flows, a conditional regulatory schedule and a major capital obligation. Its rate and County records use different customer-count measures. Its approved housing and industrial users create present and committed demands that a billing count cannot describe. These records materially qualify a general public assurance that the system has capacity.

The available exhibits do not contain one current, reconciled calculation showing reliable treatment capacity minus actual loads and every accepted future commitment, under the applicable discharge requirements and equipment conditions. That is an evidentiary gap in the assurance, not proof of a universal connection ban. The historical restrictions are not asserted to remain in force, and the reported industrial permits are not treated as proof of wrongdoing by the users.

Please reconcile the capacity assurances with the documented violations, reliable treatment limits, adopted regulatory schedule, accepted development commitments and differing customer counts. Identify the current capacity calculation and the rate-model and ledger entries distinguishing repair expenditures from penalty liability. The listed records establish those issues; they do not establish a universal connection ban or prove that the penalty itself was included in rates.

Please retain this complete notice and its supporting exhibits in the written public-comment records of the City Council and Planning Commission and distribute it to every named recipient.

Respectfully submitted

Thomas Beers

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October 5, 2026

Source references and original record locations

E01–E23 refer to the accompanying evidence appendix. Page citations mean original one-based PDF pages. The evidence index identifies each source group and its location in the final packet. E22 reproduces selected application pages; E21 identifies native-workbook cells. E23 supplies original budget and settlement-cover pages. The evidence appendix includes the committee's reservation vote and the verified workbook cell extract.

HCD IIG award list, p. 1: <https://www.hcd.ca.gov/sites/default/files/docs/grants-and-funding/IIG-R8-Award-Listing.pdf> . HCD HOME award list, p. 1: <https://www.hcd.ca.gov/sites/default/files/docs/grants-and-funding/home-2022-2023-nofa-project-activities-final-point-score-and-awardee-list.pdf> . Additional primary-source locations follow in this register.

All page numbers refer to the original PDF, counting its first page as page 1. Sources 1–16 below identify the underlying records. Selected original pages are reproduced in the indexed evidence excerpts, funding sources and supplemental transit records.

1 Battery Point CA-23-518 application PDF pp. 69, 77–79, 95–96, 99–104. Native workbook: Points System! H595/AJ610; Tie Breaker!G62:G65, G74:G81, H3:H5; Application Checklist!B899/B918. Official workbook: <https://www.treasurer.ca.gov/sites/default/files/ctcac/23-518.xlsx> . Selected application pages and a verified cell extract accompany this notice.

2 CTCAC May 10, 2023 regulations. Material misrepresentation and inaccurate/misleading amenity certifications p. 39; site-amenity accuracy, transit scoring and aggregation pp. 41–42. https://www.treasurer.ca.gov/sites/default/files/2025-12/regulations_committee.pdf

3. RCTA 2022–23 System Performance Report

Dated October 30, 2023; PDF p. 7, printed p. 6.

<https://redwoodcoasttransit.org/wp-content/uploads/2025/01/RCTA-2022-23-Annual-Report-Performance.pdf>

4 Battery Point City packet, October 12, 2023. Identified staff author p. 37; staff CEQA-support reference p. 57; stop IDs p. 53; McClendon letter pp. 95–100.

<https://evogov.s3.us-west-2.amazonaws.com/meetings/205/agendas/27694.pdf>

5 CTCAC August 23, 2023 staff report pp. 21–24 and committee minutes pp. 2–3.

[https://www.treasurer.ca.gov/sites/default/files/2025-12/ebinder%20\(12\).pdf](https://www.treasurer.ca.gov/sites/default/files/2025-12/ebinder%20(12).pdf) ;

[https://www.treasurer.ca.gov/sites/default/files/2025-12/minutes%20\(18\).pdf](https://www.treasurer.ca.gov/sites/default/files/2025-12/minutes%20(18).pdf)

6. CalHFA February 21, 2024 project analysis

pp. 11, 20, 22. <https://www.calhfa.ca.gov/multifamily/mixedincome/approved/20240221-Battery-Point-Apartments.pdf>

7 HCD official award lists, each p. 1: <https://www.hcd.ca.gov/sites/default/files/docs/grants-and-funding/IIG-R8-Award-Listing.pdf> ; <https://www.hcd.ca.gov/sites/default/files/docs/grants-and-funding/home-2022-2023-nofa-project-activities-final-point-score-and-awardee-list.pdf>

8. IIG July 2022 guidelines

§305(g), p. 17. <https://www.hcd.ca.gov/sites/default/files/docs/grants-and-funding/iig/IIG-Guidelines-july2022.pdf>

9. Downtown March 12, 2026 staff report

pp. 57, 71–74. <https://evogov.s3.us-west-2.amazonaws.com/meetings/205/agendas/37172.pdf>

10. Transit and density-bonus statutes

PRC §§21064.3(c), 21155(b); Gov. Code §65915(o)(5). Official California Code Section service:

https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml

11. Regional transportation plan appendices

pp. 41, 43. https://www.dnltc.org/s/2024-DNLTC-RTP-Appendices-Final-Feb-2025_compressed-4d9f.pdf

12. Downtown City loan, December 1, 2025

pp. 116–117. <https://evogov.s3.us-west-2.amazonaws.com/meetings/205/agendas/35944.pdf>

13. Assignment and State agreements, May 4, 2026

pp. 83–84, 124, 127, 129–132, 167, 172, 182.

<https://www.crescentcity.org/meetingfiles/99597/agendas/2b1acebb9594426ca3601d45fd1a8786.pdf>

14. September 21 draft minutes in October 5 Council packet

pp. 9–10. October 5, 2026 Agenda Packet, retained as exhibit E01 in the indexed evidence package.

15. RCTA original stop and route survey

November 25, 2024 Board packet, original PDF pp. 109–110, printed D-2–D-3; survey conducted September 18–21, 2024. <https://redwoodcoasttransit.org/wp-content/uploads/2024/11/RCTA-Agenda-Packet-11-25-2024-v2.pdf>

16. RCTA service summary and Cultural Center route list

November 2024 technical memorandum; original PDF pp. 26, 33, printed pp. 20, 27. Table 8 states its service summary is accurate as of October 2024.

<https://redwoodcoasttransit.org/wp-content/uploads/2024/11/RCTA-SRTP-TM1.pdf>

Approval sources and operative dates

The evidence appendix reproduces selected original pages, labeled with these source IDs and original PDF page numbers. Full records remain available at the URLs below. The classifications in this notice concern the specific passages identified, not every assertion in each packet.

V1 — Jan. 14, 2026 Council packet (511)
<https://evogov.s3.us-west-2.amazonaws.com/meetings/205/agendas/36447.pdf>

V3 — Jan. 14 minutes in Feb. 2 Council packet
<https://evogov.s3.us-west-2.amazonaws.com/meetings/205/agendas/36718.pdf>

C1 — July 21, 2022 Fifth/C packet
<https://evogov.s3.us-west-2.amazonaws.com/meetings/205/agendas/23155.pdf>

C2 — Fifth/C official minutes
<https://evogov.s3.us-west-2.amazonaws.com/meetings/205/agendas/23583.pdf>

D1 — Mar. 12, 2026 Downtown packet
<https://evogov.s3.us-west-2.amazonaws.com/meetings/205/agendas/37172.pdf>

D2 — Mar. 12 minutes in July 9 packet
<https://www.crescentcity.org/meetingfiles/100450/agendas/b1923003a9574962bb72cad569523564.pdf>

D3 — Filed Downtown Notice of Exemption March 20 2026
<https://ceqanet.lci.ca.gov/2026030906/Attachment/data01j>

J2 — Feb. 12, 2026 packet used only to compare the original Fire referral at p. 33
<https://evogov.s3.us-west-2.amazonaws.com/meetings/205/agendas/36844.pdf>

T1 — Mar. 9, 2023 Chipotle packet
<https://evogov.s3.us-west-2.amazonaws.com/meetings/205/agendas/25457.pdf>

Source register

T2 — Mar. 9 minutes in Apr. 20 packet
<https://evogov.s3.us-west-2.amazonaws.com/meetings/205/agendas/25904.pdf>

B1 — Oct. 12, 2023 Battery Point packet
<https://evogov.s3.us-west-2.amazonaws.com/meetings/205/agendas/27694.pdf>

G1 — General Plan, adopted May 21, 2001
<https://www.crescentcity.org/media/Community-Development/General%20Plan%20Documents/Crescent%20City%20General%20Plan.pdf>

G2 — 2020 regional SB 743 Implementation Plan
[https://www.crescentcity.org/media/Public%20Works/Documents/2020%20DEL%20NORTE%20REGION%20OSB%20743%20IMPLEMENTATION%20PLAN%20\(2020-06-30\).pdf](https://www.crescentcity.org/media/Public%20Works/Documents/2020%20DEL%20NORTE%20REGION%20OSB%20743%20IMPLEMENTATION%20PLAN%20(2020-06-30).pdf)

F1 — Dec. 1, 2025 Downtown loan packet
<https://evogov.s3.us-west-2.amazonaws.com/meetings/205/agendas/35944.pdf>

F2 — May 4, 2026 transfer and State agreements
<https://www.crescentcity.org/meetingfiles/99597/agendas/2b1acebb9594426ca3601d45fd1a8786.pdf>

F3 — Feb. 21, 2024 CalHFA Battery Point analysis
<https://www.calhfa.ca.gov/multifamily/mixedincome/approved/20240221-Battery-Point-Apartments.pdf>

H1 — Apr. 20, 2023 1348 Front packet
<https://evogov.s3.us-west-2.amazonaws.com/meetings/205/agendas/25904.pdf>

H2 — 1348 Front official minutes
<https://evogov.s3.us-west-2.amazonaws.com/meetings/205/agendas/26730.pdf>

Source register

H3 — Aug. 10, 2023 Roosevelt waiver packet
<https://evogov.s3.us-west-2.amazonaws.com/meetings/205/agendas/26977.pdf>

H4 — Feb. 8, 2024 Roosevelt report
<https://evogov.s3.us-west-2.amazonaws.com/meetings/205/agendas/28795.pdf>

Legal date control: Fifth/C is evaluated as a July 2022 ordinary variance; Battery Point's October 2023 major-stop rule used 15-minute bus frequency, distinct from tax-credit transit scoring. PRC §21064.3 changed to 20 minutes effective January 1, 2025. Downtown's March 2026 transit determination uses that 20-minute rule and the applicable 2026 density-bonus provisions. Federal-award duties depend on the version and terms incorporated in the actual award. Historical code criteria are also reproduced in the respective City packets; a later amendment is not silently applied to an earlier action.

N1 August 20, 2026 Planning Commission packet VAR26-01.

<https://www.crescentcity.org/meetingfiles/101006/agendas/9ba802d036f441428a80731021cac852.pdf> .

Cited written passages: pp. 35, 43, 48–50 and 67–73.

Legal sources

L1 — Topanga (1974), 11 Cal.3d 506, 514–517, 520–522

<https://scocal.stanford.edu/opinion/topanga-assn-scenic-community-v-county-los-angeles-27785/>

L2 — Broadway, Laguna, Vallejo (1967), 66 Cal.2d 767, 774–781

<https://law.justia.com/cases/california/supreme-court/2d/66/767.html>

L3 — Topanga (1989), 214 Cal.App.3d 1348, 1356–1364

<https://law.justia.com/cases/california/court-of-appeal/3d/214/1348.html>

L4 — CCMC ch. 17.56; Gov. Code §65906

<https://ecode360.com/44243242>

L5 — Gov. Code §65915

https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV§ionNum=65915.

L6 — CCMC §17.44.090

<https://ecode360.com/44242989>

L7 — CCMC ch. 17.42

<https://ecode360.com/44242794>

L8 — CEQA Guidelines §§15064.3, 15300.2, 15303, 15305, 15332, 15387; 2025 State-hosted AEP transcription, PDF pp. 259, 373, 376–377, 384–385, 395

https://www.conservation.ca.gov/calgem/CEQA/Documents/CEQA_Handbook_2025.pdf

Legal sources continued

L9 — IIG Guidelines, July 29, 2022, §305(g), (i), p. 17

<https://www.hcd.ca.gov/sites/default/files/docs/grants-and-funding/iig/IIG-Guidelines-july2022.pdf>

L10 — 2 C.F.R. §§200.415, 200.339

<https://www.ecfr.gov/current/title-2/part-200>

L11 — PRC §§21064.3(c), 21155(b)

https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=PRC§ionNum=21155.

L12 — CCMC ch. 17.46

<https://ecode360.com/44243014>

L13 — PRC §21099(b), (d)

https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=PRC§ionNum=21099.

L14 — Berkeley Hillside (2015), 60 Cal.4th 1086, majority opinion and modification

<https://law.justia.com/cases/california/supreme-court/2015/s201116.html>

L15 — CCMC ch. 17.43

<https://ecode360.com/44242940>

L16 — Orinda Assn. (1986), 182 Cal.App.3d 1145, 1160–1168

<https://law.justia.com/cases/california/court-of-appeal/3d/182/1145.html>

Legal sources and verification continued

L17 — Miller (1981), 122 Cal.App.3d 539, 545–548

<https://law.justia.com/cases/california/court-of-appeal/3d/122/539.html>

L18 — CCMC ch. 17.16 adopted by Ord. 843 September 3 2024

<https://ecode360.com/44241272>

L19 — CCMC ch. 17.54 use permits

<https://ecode360.com/44243228>

L20 — English (1950), 35 Cal.2d 155, 158–160

<https://scocal.stanford.edu/opinion/english-v-city-long-beach-26270/>

L21 — PRC §21080.66 qualifying infill housing statutory exemption

https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=PRC§ionNum=21080.66

L22 — United Neighborhoods (2023), 93 Cal.App.5th 1074, 1087–1093

<https://law.justia.com/cases/california/court-of-appeal/2023/b321050.html>

Additional official statute locators: Gov. Code §65906:

https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV§ionNum=65906.

PRC §21064.3: [https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?](https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=PRC§ionNum=21064.3)

[lawCode=PRC§ionNum=21064.3](https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=PRC§ionNum=21064.3).

Berkeley Hillside modification: <https://law.justia.com/cases/california/supreme-court/2015/s201116m.html>

L25 | West Adams Heritage Assn. v. City of Los Angeles (Oct. 31, 2024), B319121, published Discussion

E.5.c (additional density-bonus requirements preempted; not a holding that this City's traffic policy is invalid):

<https://law.justia.com/cases/california/court-of-appeal/2024/b319121-0.html>

L24 R-1 development standards, CCMC §17.10.040. <https://ecode360.com/46612519>

Evidence index

October 5 2026 Crescent City direct notice

The notice appears on packet pages 1–29. The following index locates the reproduced source records in this final packet. Citations in the notice refer to the source document's original one-based PDF page, rather than the packet page.

Source IDs and original PDF page labels are preserved. Earlier appendix-page numbers printed on some reproduced sheets are legacy numbering; use this index and the "Final packet page" footer for the current location. Identical source pages are reproduced once and indexed under each applicable source group.

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T1 approval record Original PDF pages 3, 4, 7, 9	66–69
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CTCAC August 23 2023 approval minutes original pages 2 and 3	218–219
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M1 City Manager employment agreement June 12, 2018 packet, original PDF p. 99; section 11(B)	227
M2 Minutes authorizing agreement July 2, 2018 packet, original PDF p. 9; June 12 minutes, item 7	228

Additional original source locations

M1: <https://evogov.s3.us-west-2.amazonaws.com/meetings/205/agendas/16697.pdf>

M2: <https://evogov.s3.us-west-2.amazonaws.com/meetings/205/agendas/16698.pdf>

Other source URLs and original page citations appear in the notice's consolidated source register, packet pages 25–29.

The E21 page is a checked cell extract from the official workbook, not a facsimile of a worksheet. The RCTA supplemental cover is an explanatory source guide; the following four sheets are original agency records. The selected records retain their dates and do not establish an unavailable complete 2023 or March 2026 transit timetable.



CITY COUNCIL AGENDA REPORT

TO: MAYOR WRIGHT AND MEMBERS OF THE CITY COUNCIL

FROM: ERIC WIER, CITY MANAGER

**BY: ETHAN LAWTON, CONTRACT PLANNER
MARTHA D. RICE, CITY ATTORNEY**

DATE: JANUARY 14, 2026

**SUBJECT: APPEAL OF VARIANCE PERMIT (APPLICATION VAR25-01) FOR
DEVELOPMENT AT 511 8th STREET (APN 118-230-003)**

RECOMMENDATION

- Open public hearing
 - Hear staff report / presentation
 - Receive testimony from Appellant
 - Receive testimony from Applicant
 - Receive public comment
 - Technical questions from the Council
- Further Council discussion
- Close public hearing
- Council deliberation
- Possible Motions:
 - Motion to grant the Variance Permit (Application VAR25-01) with conditions and adopt Resolution No. 2026-02, A Resolution of the City Council of the City of Crescent City Approving Variance Permit (Application VAR25-01) for Development at 511 8th Street (APN 118-230-003) *(or as amended by the City Council)*
 - Motion to deny the Variance Permit (Application VAR25-01)
 - Motion to continue the hearing to receive additional information and provide direction to staff

BACKGROUND

Applicant and property owner Battery Point Group, LLC submitted an application for a variance permit to allow for a reduction of the **rear yard setback from 10 feet to 5 feet** and a reduction of the **exterior side-yard setback from 10 feet to 8 feet 4 inches**. The applicant also requested a parking waiver to allow for **one additional driveway to back over the sidewalk (for a total of 4)**. The Planning Commission held a duly-noticed public hearing on December 4, 2025 and approved the Variance Permit (Application VAR25-01)

by way of Resolution No. PC2025-14. At that public hearing, appellant Ardette Esselstrom voiced her objection to the variance and submitted her objection in writing (included as part of Planning Commission Record). Following the public hearing and within the time allowed, Ms. Esselstrom filed an appeal of the Planning Commission decision. Subsequently, Ms. Esselstrom has submitted a revised appeal document, which is also attached to this staff report.

ITEM ANALYSIS

PUBLIC HEARING

While hearing this appeal, the City Council is sitting in its quasi-judicial capacity. This means that the Council is tasked with ascertaining if the relevant facts support the findings required to be made under the regulations for granting a variance. The Council's decision must be supported by "substantial evidence," generally defined as enough relevant information and reasonable inferences from that information that a fair argument can be made to support the conclusion, even though other conclusions might also be reached. This is standard that is very deferential to the decision-making body, the City Council. In addition to avoiding any conflicts of interest, Council Members are required to be fair and impartial when making a quasi-judicial decision.

The Council is limited to considering only evidence and information submitted as part of this public hearing, including the documents submitted as part of the agenda and any documents or testimony that may be presented at the public hearing. Council Members must disclose if they have had any communication regarding the variance application with either the applicant or the appellant and disclose the contents of those communications.

VARIANCE CRITERIA

Variances are covered by Chapter 17.56 of the Crescent City Municipal Code (included with this staff report for your reference). The purpose of a variance is to prevent discrimination and undue hardship. No variance shall be granted which would have the effect of granting a special privilege not shared by other property in the same vicinity and zone.

The criteria for granting a variance are as follows:

- A. That there are exceptional and extraordinary circumstances of conditions applicable to the property involved;
- B. That such variance is necessary for the preservation and enjoyment of the substantial property right possessed by other property in the same vicinity and zone and denied to the property in question;
- C. That the granting of such variance will not be materially detrimental to the public welfare or injurious to the property or improvements in such vicinity and zone in which property is located;
- D. The granting of such variances will not adversely affect the general plan for Crescent City;

E. That a public hearing wherein the applicant is heard and in which he substantiates all of the conditions cited above; and

F. The conditions of subsections A through E of this section have been met.

The applicant submitted arguments and evidence in support of its application for a variance, which are included in the Planning Commission Record. If the City Council agrees with the applicant that the proposed variances meet the criteria set forth in the municipal code, then the City Council will need to adopt a resolution. Staff have drafted a resolution using the applicant's arguments. If the City Council does not agree with the applicant that the proposed variances meet the criteria set forth in the municipal code, then the City Council simply needs to deny the application by motion.

EVIDENCE TO BE CONSIDERED

The City Council is to consider all of the evidence in the record to this point, which includes the attachments to this staff report, as well as any evidence and testimony given at the public hearing.

ENVIRONMENTAL DETERMINATION

If the City Council approves the variance, it will need to make a CEQA determination. Staff have prepared findings in the draft resolution finding the proposed project to be CEQA exempt under Class 3 § 15303(b) (New Construction of Small Structures), Class 5 § 15305(a) (Minor Alterations in Land Use Limitations), and Class 32 § 15332 (In-fill Development) of the CEQA Guidelines.

ATTACHMENTS

1. Planning Commission Record for Variance Permit (Application VAR25-01)
2. Fire Chief Referral Response (was spoke about at PC hearing but was not included with packet)
3. Updated Site Plan (was spoke about at PC hearing but was not included with packet)
4. Resolution No. PC2025-14
5. Appeal from Ardette Esselstrom
6. Amended Appeal from Ardette Esselstrom
7. Crescent City Municipal Code Chapter 17.56
8. *Draft* Resolution No. 2026-02

*City of Crescent City – Special Planning Commission Meeting
Staff Report - Agenda Item: #1*

The Variance requests required the scheduled public hearing for the Planning Commission to determine whether the proposed Variance Permit shall be approved or denied (CCMC §17.56.010(F)), based on the following standards:

7.1. Exceptional and Extraordinary Circumstances (CCMC 17.56.010(A))

That there are exceptional and extraordinary circumstances of conditions applicable to the property involved;

“The property is uniquely constrained by its smaller lot size and dimensions, limiting the ability to comply with standard setbacks while still achieving the number of multi-family units permitted by zoning. The lot's shape and area make it difficult to design functional living space, parking, and required setbacks simultaneously. The requested variances are therefore essential to utilize the property in the manner intended under its zoning classification. Also, due to the layout to maximize the space of the lot, the building is facing E Street instead of 8th Street how it was in the past. Due to this, the rear set back changed due to the layout of the building, increasing the setback from 5' to 10' due to orientation of the building.” (Provided by Applicant, see ATT.A Application VAR25-01).

7.2. Necessary Property Right (CCMC 17.56.010(B))

That such variance is necessary for the preservation and enjoyment of the substantial property right possessed by other property in the same vicinity and zone and denied to the property in question;

“The requested variances are necessary to ensure the property owner enjoys the same substantial property rights as other nearby owners of multi-family lots. Several comparable properties in the immediate vicinity-such as the newer multi-family developments at 6th and D Streets and 5th and C Streets-have received similar variances for reduced setbacks and parking configurations. These projects have operated successfully without negative impact, establishing a precedent and demonstrating that granting this request would not provide any undue advantage but simply parity with surrounding developments.” (Provided by Applicant, see ATT.A Application VAR25-01).

7.3. Public Welfare (CCMC 17.56.010(C))

That the granting of such variance will not be materially detrimental to the public welfare or injurious to the property or improvements in such vicinity and zone in which property is located;

“The requested variances will not be detrimental to the public welfare or injurious to nearby properties. The proposed rear and side setback reductions will maintain adequate open space, privacy, and visual harmony with surrounding structures. The parking variance is necessary because backing over the sidewalk is the only feasible parking configuration for a lot of this size and shape. Similar conditions exist throughout the neighborhood and have functioned safely without incident. Furthermore, the proposed backing area is located on E Street, a low-

*City of Crescent City - Special Planning Commission Meeting
Staff Report - Agenda Item: #1*

traffic area, minimizing any potential safety concerns.” (Provided by Applicant, see ATT.A Application VAR25-01).

7.4. General Plan (CCMC 17.56.010(D))

The granting of such variances will not adversely affect the general plan for Crescent City;

“The requested variances are fully consistent with the Crescent City General Plan, which encourages development that supports housing availability and efficient land use. The proposed multi-family use aligns with the existing zoning and the predominant land use pattern of neighboring multi-family residences. Approval of this variance will contribute positively to local housing stock and neighborhood aesthetics, transforming currently vacant land into well-designed, livable housing that complements the community fabric.” (Provided by Applicant, see ATT.A. Application VAR25-01).

Staff Analysis: The MF 15-30 General Plan land use designation principally permits “townhouses (row houses)” with “Residential densities range from a minimum of 15 to a maximum of 30 dwelling units per acre” as the intended uses “provides for high density residential development within the urban boundary.” Additionally, Policy 1.F.3. states that “the City shall encourage higher residential densities at locations where convenient access and adequate facilities, including parks and open space, are readily available.” The parcel is located where there is convenient access and adequate facilities. The designation allows 30-du per acre which permits 4-du on the proposed parcel. The variances would allow the 4-unit development for multi-family use. Otherwise, the development could be constructed at 35-ft height to accommodate the development standards.

7.5. Public Hearing (CCMC 17.56.010(E))

That a public hearing wherein the applicant is heard and in which he substantiates all of the conditions cited above; and

“The applicant will participate in the required public hearing to provide any additional documentation or testimony to ensure that all required conditions have been met. We are committed to working collaboratively with the Planning Commission to ensure the proposal meets city objectives and meets community expectations” (Provided by Applicant, see ATT.A Application VAR25-01).

Staff Analysis: A Notice of Public Hearing was submitted to the Del Norte Triplicate newspaper (on 11/17/25) to be published (on 11/20/25) in print/online circulation and provided to the Commissioners (on 11/17/25). A similar Notice of Public Hearing was mailed (on 11/17/25) to the property owners within 300-ft of the project location (CCMC § 17.46.050) as required (Cal. Gov. Code §§ 65090 & 65094). A Notice of Public hearing was posted (on 11/19/25) at City Hall, Del Norte County Library, and the Flynn Center. The notice was also posted at the project location and on the City’s website

*City of Crescent City - Special Planning Commission Meeting
Staff Report - Agenda Item: #1*

SECTION 9: INTER-DEPARTMENTAL PLANNING REFERRALS

The Inter-Departmental Planning Referrals were provided (on 11/04/25) to other City departments which included the following comments/conditions:

9.1. Police Department: Approved with "No comments or concerns." (11/04/25)

9.2. Fire and Rescue: None

9.3. Building Department: None

9.4. Public Works Department: Approved with the following comments (11/18/25):

1. For rear setback (east) against the property at 537 8th Street Public Works Building Department requests a fire wall on exterior wall facing east, with the rating (1-hr, 2-hr, 4-hr) as determined by building code and allowed by the City Fire Chief.

2. For setbacks adjustment to North and South side of the project, Public Works has no objection.

3. Regarding continuous roll-over sidewalk requested variance. Public Works is not in favor of allowing roll-over curb and continuous parking, as supported by the current ordinance. The loss of on-street parking and potential danger to pedestrians support the ordinance.

For this project the vehicle traffic and pedestrian traffic on E Street south of 8th Street is light. E Street is not deemed a collector street, and the addition of sidewalks on E Street and 8th Street as well as the ADA compliant ramp installed by this project will benefit pedestrian traffic.

9.5. REQUIRED FINDING BY THE COMMISSION:

The proposed project is to be subject to the Conditions of Approval found in Attachment B.

CITY OF CRESCENT CITY
COMMUNITY DEVELOPMENT DEPARTMENT - PLANNING & ZONING
(Address) 377 J Street, Crescent City, CA 95531 (Phone) 707-464-9506



Incorporated April 13, 1854

(Website) www.crescentcity.org

PLANNING & ZONING REFERRAL FORM
Variance Permit – Application VAR25-01

The Department provides the following review regarding the submitted Variance Permit (Application VAR25-01) to request a reduction in setbacks for a proposed 4-plex multi-family residential development located at 511 8th Street (APN 118-230-003):

☐ ON HOLD

☒ APPROVED

☐ DENIED

DEPARTMENT COMMENTS, QUESTIONS, CONCERNS, and/or CONDITIONS:

Fire has some concerns with this request. Please find my explanation below. In navigating around established laws and requirements for setbacks in residential scenarios, one must consider the perspective of responders in times of emergency.

1. Limited setback distance creates diminished access to critical areas of residential structures. These critical areas are often second story bedroom windows which also serve as required egress in case of a fire. In upper floor residential fires, stairwells or primary means of egress are often cut off for residents trying to evacuate.
2. Although the proposed project will be sprinkled, there remains an increase to the westerly exposure in fire conditions upon the residence to the east border boundary. Recommended solution: to increase requested setback variance to 5 or 7 feet. This will allow a fully equipped responder with fire hose or ladders to more safely navigate fire conditions or effect a victim rescue from upper floors of the structure.
3. Setting frequent precedence that becomes the norm for future residential building projects with little to no lot line setbacks. Recommended solution: consider at minimum, to make reasonable accommodation for responders access by considering 5-7' request. Additionally, if required setbacks are not kept, AHJ (fire marshal) can work with contractors to increase the fire/building code construction materials to be greater than 1 hour construction (including windows). This will further protect existing exposures if the setback variance is granted. It seems that changes to parking design or slightly less building square footage can remedy this variance request.

PROVIDED BY THE CITY OF CRESCENT CITY:

- ☒ Kevin Carey, Fire Chief, Fire and Rescue
- ☐ Dan Minges, Building Inspector, Building Department
- ☐ David Yeager, Public Works Director, Public Works Department
- ☐ Richard Griffin, Chief of Police, Police Department
- ☐ Other: _____

Signature: 

Date: 12/2/25

process” because this project exceeds the minimum density standards.

1.2 Zoning Code Consistency. The proposed project (with a Variance Permit) is consistent with the Crescent City’s High-Density Residential District (R-3) Zoning Code, in that the proposed project:

- 1.2.1** *Is not located within the Coastal Zone and is not appealable to the Coastal Commission;*
- 1.2.2** *Is consistent with the “Dwelling groups consisting of one-family, two-family, or multiple-family dwellings” (CCMC § 17.16.020(A)) as the proposed project is a multi-family dwelling;*
- 1.2.3** *“Provides for high density concentrations of dwelling units together with specific ancillary and complementary uses” (CCMC § 17.16.010(A)) as the proposed project includes the maximum density of dwelling units; and*
- 1.2.4** *Is subject to all zoning regulations (CCMC § 17.16.010(B)).*

1.3 Variance Requirements. The proposed variance requests satisfy the Variance Permit Review requirements (CCMC §§ 17.56.010 (A through E)), as follows:

- 1.3.1** *There are exceptional and extraordinary circumstances or conditions applicable to the property involved (CCMC 17.56.010(A)) because the shape and small size of the parcel make it difficult to design functional livings space, parking and required setbacks simultaneously while also achieving the number of dwelling units allowed by its zoning designation;*
- 1.3.2** *Such variance is necessary for the preservation and enjoyment of the substantial property right possessed by other property in the same vicinity and zone and denied to the property in question (CCMC 17.56.010(B)) because multiple comparable properties in the vicinity (e.g., multi-family developments at 6th & D Streets and 5th & C Streets) have received similar variances for reduced setbacks and parking configurations without reports of negative impacts;*
- 1.3.3** *The granting of such variance will not be materially detrimental to the public welfare or injurious to the property or improvements in such vicinity and zone in which property is located (CCMC 17.56.010(C)) because (1) the setback reductions will maintain adequate open space, privacy, and visual harmony with surrounding structures, (2) the parking variance is necessary because backing over the sidewalk is the only feasible parking configuration for a lot of his size*

and shape, and (3) similar conditions exist throughout the neighborhood and have functioned safely, and (4) the proposed backing area is located on E Street, a low-traffic road;

1.3.4 *The granting of such variances will not adversely affect the general plan for Crescent City (CCMC 17.56.010(D)) because the proposed project is consistent with the general plan as stated in Section 1.1; and*

1.3.5 *A public hearing wherein the applicant is heard and in which he substantiated all of the conditions cited above (CCMC 17.56.010(E)) was held January 14, 2026.*

1.4 CEQA Determination. The proposed project is determined to be categorically exempt from the California Environmental Quality Act (CEQA) under the following CEQA Guidelines:

1.4.1 Class 3 § 15303(b) (New Construction of Small Structures) in that the proposed project is (1) *within an urbanized area* (within the city limits and surrounded by existing development); and (2) *a multi-family residential structure totaling no more than six dwelling units* (project is 4 dwelling units).

1.4.2 Class 5 § 15305(a) (Minor Alterations in Land Use Limitations) in that the proposed project consists of “*minor alterations in land use limitations in areas with an average slope of less than 20%, which do not result in any changes in land use or density*” because the setback limitations with a slope less than 20% does not result in any changes to residential use or exceed density; and “*minor side yard and setback variances not resulting in the creation of any new parcel*” because the requested variances are for minor side and rear yard setbacks and a parking waiver, none of which will result in a new parcel.

1.4.3 Class 32 § 15332 (In-fill Development) in that the proposed project:

- a.** Is consistent with the Crescent City General Plan’s Multi-Family Residential 15-30-du per acre (MF 15-30) land use designation and is consistent with the Crescent City’s High-Density Residential District (R-3) Zoning Code (with a Variance Permit) as stated in Sections 1.1 and 1.2;
- b.** Is located in the City of Crescent City, is approximately 0.12 acres, and is located adjacent to existing commercial uses;
- c.** Is located on a site which has had past disturbances, contains existing development, and is surrounded by paved surfaces

containing no habitat for rare, threatened, or endangered species;

- d. Is within a developed commercial area that already services commercial use and the four dwelling unit multi-family residential structure has a limited potential to result in significant traffic, noise, air quality, or water quality impacts;
- e. Is surrounded by and is already adequately served by utilities and public services, including water, sewer and power;
- f. Qualifies as a Class 3 exemption as stated in Section 1.4.1; and
- g. Qualifies as a Class 5 exemption as stated in Section 1.4.2.

2. VARIANCE APPROVAL. Variance Permit (Application VAR25-01) for development at 511 8th Street (APN 118-230-003) is approved as follows:

- 2.1** Rear yard setback is reduced to 5 ft (minimum).
- 2.2** Exterior side yard setback is reduced to 8 ft 4 in (minimum).
- 2.3** One additional driveway is permitted to back over the sidewalk (4 total).
- 2.4** Subject to the Conditions of Approval attached hereto.

PASSED AND ADOPTED at a meeting of the City Council of the City of Crescent City held on this 14th day of January 2026, by the following polled vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Isaiah Wright, Mayor

ATTEST:

Robin Altman, City Clerk



CITY OF CRESCENT CITY

MAYOR ISAIAH WRIGHT
COUNCIL MEMBER RAY ALTMAN
COUNCIL MEMBER STEVE SHAMBLIN

MAYOR PRO TEM CANDACE TINKLER
COUNCIL MEMBER JASON GREENOUGH

**MINUTES
SPECIAL MEETING OF THE
CITY COUNCIL OF THE CITY OF CRESCENT CITY
FLYNN CENTER BOARD CHAMBERS
981 H STREET
CRESCENT CITY, CA 95531**

WEDNESDAY

JANUARY 14, 2026

5:30 P.M.

OPEN SESSION

Call to order Mayor Wright called the meeting to order at 5:30 p.m.

Roll call Council Members present: Council Member Ray Altman, Mayor Pro Tem Candace Tinkler, and Mayor Isaiah Wright
Council Member absent: Council Member Steve Shamblyn and Council Member Jason Greenough
Staff members present: City Manager Eric Wier, City Attorney Martha Rice (via Zoom), City Clerk/Administrative Analyst Robin Altman, Contract Planner Ethan Lawton, Contract Planner, Public Works Director Dave Yeager and Police Chief Richard Griffin

Pledge of Allegiance led by Mayor Wright

PUBLIC HEARING

1. APPEAL OF VARIANCE PERMIT (APPLICATION VAR25-01) FOR DEVELOPMENT AT 511 8th STREET (APN 118-230-003)

DESCRIPTION OF VARIANCES REQUESTED: Reduced rear yard setback, reduced exterior side yard setback, parking waiver for one additional unit to back over the sidewalk
POSSIBLE ACTION:

- Motion to grant the Variance Permit (Application VAR25-01) with conditions and adopt Resolution No. 2026-02, A Resolution of the City Council of the City of Crescent City (or as amended by the City Council); or
- Motion to deny the Variance Permit (Application VAR25-01); or
- Motion to continue the hearing to receive additional information and provide direction to staff

Mayor Wright opened the public hearing at 5:31 p.m.

City Attorney Rice explained the background of the project as well as the appeal process and the role of the City Council. SHN Contract Planner Ethan Lawton addressed the Council and explained the setbacks and the process the Planning Commission took to approve the project. This application was for a variance permit that went before the Planning Commission in a public hearing. Mr. Lawton stated that this project is consistent with the General Plan. This is consistent with other residential dwellings in the area. No conditional use permit is required. The variances were requested because of the rear setback being reduced from 10 feet to 5, and the side setback from 10 feet to 8 feet 4 inches. Mayor Pro Tem Tinkler asked for clarification on the height of the

building; Mr. Lawton stated that it will be a 2-story building. Ardette Esselstrom, appellant, addressed the Council stating that since her emails were caught in a spam filter and she stated she has not been able to be fully prepared for this meeting since she wasn't able to receive the documents she requested. City Attorney Rice stated that this hearing is not subject to formal discovery or strict evidentiary standards. Since Ms. Esselstrom submitted a public records request that was quite extensive, it will take the City some time to compile all the records. There is no legal reason why the hearing cannot continue based on the fact that Ms. Esselstrom didn't get the documents she requested before the meeting. Applicant, Sam Schauerman of Elk Creek Builders was present to answer any questions the Council may have. Mayor Pro Tem Tinkler asked about landscaping and how that would be approved; Planner Lawton stated that the requirement for open space is for 5 units or more. Since this is a 4 unit project, the landscaping requirements are minimal.

There were no comments from the public.

Mayor Wright closed the public hearing at 6:11 p.m.

On a motion by Council Member Altman, seconded by Mayor Pro Tem Tinkler, and carried on a 3-0 polled vote with Council Member Shamblin being absent, the City Council of the City of Crescent City Motion to grant the Variance Permit (Application VAR25-01) with conditions and adopt Resolution No. 2026-02, A Resolution of the City Council of the City of Crescent City.

ADJOURNMENT

There being no further business to come before the Council, Mayor Wright adjourned the meeting at 6:14 p.m. to the regular meeting of the City Council of the City of Crescent City on Tuesday, January 20, 2026 at 6:00 p.m. at the Flynn Center Board Chambers, 981 H Street, Crescent City, CA 95531.

ATTEST:

Robin Altman, City Clerk/Administrative Analyst

CCMC Title 17 Zoning, Section 17.16.020 allows the 8-Plex housing development within City limits, including the R-3 High Density Residential District, subject to securing a variance permit. When considering the 8-Plex housing development, the Planning Commission should consider the following:

17.56.010 [Variance] Purpose.

When unreasonable and unnecessary hardships or results inconsistent with the general purpose of this title result through the strict and literal interpretation and enforcement of the provisions thereof, the planning commission of the city shall have authority as an administrative act subject to the provisions of this section, to grant upon such conditions as it may determine such variances from the provisions of this code as may be in harmony with its general purpose and intent so that the spirit of this code shall be observed, public safety and welfare secured, and substantial justice done. The sole purpose of any variance shall be to prevent discrimination and undue hardship and no variance shall be granted which would have the effect of granting a special privilege not shared by other property in the same vicinity and zone. Before any variance may be granted the planning commission or the city council on appeal, it shall be shown:

A. That there are exceptional and extraordinary circumstances of conditions applicable to the property involved;

B. That such variance is necessary for the preservation and enjoyment of the substantial property right possessed by other property in the same vicinity and zone and denied to the property in question;

C. That the granting of such variance will not be materially detrimental to the public welfare or injurious to the property or improvements in such vicinity and zone in which property is located;

D. The granting of such variances will not adversely affect the general plan for Crescent City;

E. That a public hearing wherein the applicant is heard and in which he substantiates all of the conditions cited above; and

F. That the planning commission is reviewing such requests and hearing the evidence finds that conditions of subsections A through E of this section have been met. (Prior code § 30-502)

The Applicant shall provide the above information during the Planning Commission Meeting.

(G) ENVIRONMENTAL DETERMINATION:

The proposed project is determined to be exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15305(a) and 15332 of the CEQA Guidelines:

§ 15305. Minor Alterations in Land Use Limitations.

Class 5 consists of minor alterations in land use limitations in areas with an average slope of less than 20%, which do not result in any changes in land use or density, including but not limited to:

(a) Minor lot line adjustments, side yard, and set back variances not resulting in the creation of any new parcel;

§ 15332. In-Fill Development Projects.

Class 32 consists of projects characterized as in-fill development meeting the conditions described in this section.(a) The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations.(b) The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses.(c) The project site has no value, as habitat for endangered, rare or threatened species.(d) Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.(e) The site can be adequately served by all required utilities and public services.

(H) STAFF ANALYSIS:

Below is the staff analysis for the Planning Commission's consideration in determining the variance permit outcome, with the Conditions of Approval found within Attachment B:

- A. **Background Information:** Staff believes that the proposed location of the variance permit will not be detrimental to the public health, safety, or welfare, or materially injurious to properties or improvements in the vicinity.
- B. **Project Description:** Staff believes that the proposed activity, as conditioned (see Attachment B), will not result in significant and unavoidable impacts on the environment.
- C. **General Plan Consistency:** Staff believes that the proposed reduced setbacks for the 8-Plex housing development is consistent with the General Plan as it provides flexibility in accommodating setback reductions for multi-family housing developments.
- D. **Zoning Code Consistency:** Staff believes that the proposed project is principally permitted, but the reduced setbacks require a variance permit. Therefore, with a variance permit, the proposed project would be consistent with the R-3 High Density Residential District.
- E. **Site Plan & Architectural Review:** Applicable Zoning: R-3 High Density Residential
 - i. **(Off-street) Parking:** Staff believes that the proposed parking is partially located within the Public Right of Way (ROW). Staff recommends the off-street parking layout be revised, removing any part of the proposed parking stalls out of the City ROW. Staff recommends that the commission allow staff to grant up to 4 parking waivers to accommodate this adjustment.
 - ii. **Landscaping:** Any landscaping would be subject to CCMC 17.43.030.
 - iii. **Fencing:** Staff believes that the proposed fencing is consistent with 6ft rear and side fences.
 - iv. **Signage:** The applicant has not proposed any signage for this development.
 - v. **Public improvements:** Staff recommends the installation of public sidewalks be required within City ROW per CCMC 17.04.020.

F. **Variance Permit Review:** Staff received no comments addressing the below items, suggesting that the proposed project does not meets the following criteria:

- i. Section 17.56.010(A): That there are exceptional and extraordinary circumstances of conditions applicable to the property involved;
- ii. Section 17.56.010(B): That such variance is necessary for the preservation and enjoyment of the substantial property right possessed by other property in the same vicinity and zone and denied to the property in question;
- iii. Section 17.56.010(C): That the granting of such variance will not be materially detrimental to the public welfare or injurious to the property or improvements in such vicinity and zone in which property is located;
- iv. Section 17.56.010(D): The granting of such variances will not adversely affect the general plan for Crescent City;
- v. Section 17.56.010(E): That a public hearing wherein the applicant is heard and in which he substantiates all of the conditions cited above;
- vi. Section 17.56.010(F): That the planning commission is reviewing such requests and hearing the evidence finds that conditions of subsections A through E of this section have been met. (Prior code § 30-502)).

G. **Environmental Review:** Staff believes the proposed project meets the above criteria for the following reasons: the proposed variance consists of minor alterations in land use limitations in areas with an average slope of less than 20%, which do not result in any changes in land use or density, including but not limited to side yard, and set back variances not resulting in the creation of any new parcel; a) the proposed reduced setbacks for the 8-Plex housing development is consistent with the General Plan Designation of Residential multi-family (15-30) and the R-3 High Density Residential Zoning District with a variance permit; b) the project site is located in the City of Crescent City, is approximately 0.29 acres, and is located adjacent to medium and high density residential uses along C & 5th Streets; c) the project will be located within a developed area on a vacant lot that is surrounded by paved surfaces and contains no habitat for rare, threatened, or endangered species; d) the project proposes a multi-family residential use in a residential zoning that has a limited potential to result in significant traffic, noise, air quality, or water quality impacts; and e) the site is already served by utilities and public services.

RECOMMENDED FINDINGS:

Staff recommends that the Planning Commission make the following findings:

- A. The proposed location of the variance permit will not be detrimental to the public health, safety, or welfare, or materially injurious to properties or improvements in the vicinity
- B. The proposed variance, as conditioned, will not result in significant and unavoidable impacts on the environment.
- C. The proposed project is consistent with the Crescent City General Plan.
- D. The proposed project is consistent with the Crescent City Zoning Code with a variance permit.
- E. The proposed project is consistent with Site Plan and Architectural Review standards

VIA- Variance Permit (VAR22-01) for Sam Schauerman

Applicant requests a Variance Permit (VAR) to allow reduced setbacks for a residential eight-plex within the R-3 zone (High Density Residential District). The R-3 zone requires a 10-ft rear yard setback. The proposed variance requests a 5-ft reduction to the rear yard setbacks. The proposed eight-plex is proposed to be located within a vacant lot on 5th and C Street (APN 118-190-026).

Commissioner Amer joined the meeting at 5:37pm.

Chairman Wendt opened public hearing at 5:40pm.

Vice Chair Walp recused himself.

Ethan Lawton, SHN Contract Planner, gave a PowerPoint presentation for a variance of the rear yard to have a set back of five feet instead of the required ten feet for a proposed 8 plex project in the R-3 zone. He said the proposed setbacks for the 8-plex is consistent with the general plan as it provides flexibility in accommodating setback reductions for multi-family housing developments. He said that the proposed project is principally permitted, but the reduced setbacks require a variance permit. Therefore, with a variance permit, the proposed project would be consistent with the R-3 High Density Residential District zoning code. Regarding the site plan Ethan advised the parking layout be revised and stated that up to four parking waivers may be granted to accommodate this adjustment and that staff believes that the installation of public sidewalks within City ROW would be required for public improvements per CCMC 17.04.020. Regarding environmental review he said its consistent and is exempt from CEQA.

The City right of way was discussed on a Commission level.

Commissioner Dewar asked is there has ever been a time when a set back has been granted and a time when it has been denied.

Director Olson stated that in the past there have been times where variances have been granted and denied for various reasons. He gave an example of a 6-plex that had requested a side yard and rear yard set back and Planning Commission granted them permission.

Variances were discussed on a Commission level.

Chairman Wendt stated there is a desire to increase housing density in Crescent City. This reinforces that variances could be easily obtained because it adds housing density per acre and is desirable.

The following residents spoke at public comment:

Ray Walp, City resident- *Stated he is the neighbor of the property and he has several issues with this project. First, he said along the fence line there is a water drainage that runs through several parcels through a culvert that is about fifteen feet from the property line with a ditch that is six feet wide and deep. He fears with the set back variance they would not be able to contain the water and wants the City to look at this matter. Second, he said his house is the oldest house in Crescent City and from the second floor he can*

see the ocean and the bay and if they put a two-story building on the lot it would block his view, he thinks it is not legal and would like the City legal department to weigh in. He thinks the builder may want to consider making it a 7 plex with the last unit not being two stories or moving the units around.

Coastal views were discussed on a Commission level. Public views are protected, not views from private properties generally.

Grading and drainage plans were discussed on a Commission level.

Andrea Borges, County resident- *Spoke on behalf of the applicant. She thanked everyone for their input and questions. She wanted to remind everyone that the only thing being discussed for approval tonight is the 5 foot setback variance. She asked whose responsibility it would be to move the culvert. She asked for clarification on the parking and sidewalks.*

Pat Black, City resident- *Lives near the proposed variance location. She was concerned about the stream of water that flows through the property and vegetation that she said is valuable. She said she is in support of building new housing, but she doesn't think the back windows should open up to a creek.*

Ray Walp, City resident- *He said the depth of the water that goes through his back yard from one side to the other is generally between two and half and three feet deep, he said they are discussing a lot of water that flows between the parcels.*

Andrea Borges, County resident- *Spoke on behalf of the applicant and wanted to reiterate that only a variance for rear set back is what the Commission is deciding on tonight. She said the drainage plan involved will be reviewed by engineering in the submittal process.*

There was no further public comment.

Chairman Wendt closed public hearing at 6.34pm.

On a motion by Commissioner Kime, seconded by Chairman Wendt and carried on a 3-1 polled vote with Commissioner Amer voting no, and Vice Chair Walp recusing himself, the Crescent City Planning Commission and Architectural Review Committee approved VAR 22-01 with the adopted conditions subject to final approval of parking layout, and direct staff to issue up to four parking waivers as needed to accommodate final parking layout.

VIB- Petition for Street Name Change for Ed Edwards

Applicant requests a street name change from Taylor Street to South Pebble Beach Drive between West 5th Street and West 6th Street. The proposed street name change would affect the following addresses: 520 Taylor Street (APN 118-150-011), 504 Taylor Street (APN-118-150-012), and 515 Taylor Street (APN 118-150-075).

Chairman Wendt opened public hearing opened at 6:39pm.

Ethan Lawton, SHN Contract Planner, went over the proposed street name change and the process to change the name. If Planning Commission recommends approval, then it

CITY OF CRESCENT CITY
PLANNING COMMISSION & ARCHITECTURAL DESIGN REVIEW COMMITTEE

Commission Members: Ray Walp, Chairperson * Kristine DeCossio, Vice-Chair
Shawna Hyatt * Debra Perius * Paul Martinez



Incorporated April 13, 1854

web: www.crescentcity.org

STAFF REPORT
AGENDA ITEM #2

TO: Vice-Chairperson DeCossio and Members of the Planning Commission

FROM: Community Development Department, Planning & Zoning
Ethan Lawton, Contract City Planner

BY: Community Development Department, Planning & Zoning
Ethan Lawton, Contract City Planner

DATE: Thursday, March 12, 2026

SUBJECT: A Public Hearing to consider a Site Plan & Architectural Design Review (Application AR26-02) for Community System Solutions proposed 36-unit mixed-use development, located at 962 & 964 3rd Street, Crescent City, CA 95531 (APN 118-120-025-000).

SECTION 1: EXECUTIVE SUMMARY

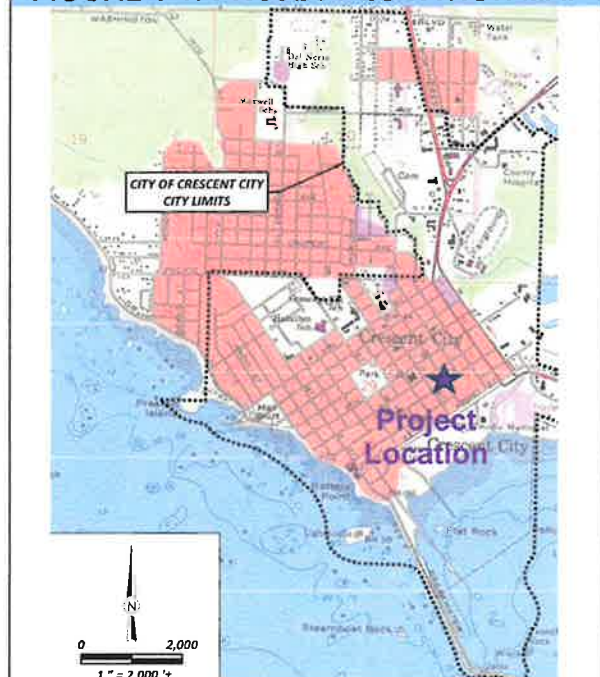
Community System Solutions submitted a Major Site Plan & Architectural Design Review (Application AR26-02) for a proposed 36-unit mixed-use development within the C-1 Zoning (Downtown Business District) located at 962 & 964 3rd Street, Crescent City, CA 95531 (APN 118-120-025-000).

STAFF RECOMMENDS: "Motion to adopt Resolution No. PC2026-05, A Resolution of the Planning Commission of the City of Crescent City Approving a Major Site Plan & Architectural Design Review (Application AR26-02) granting Community System Solutions 36-unit mixed-use development."

ATTACHMENTS:

- A) AR26-02 Application
- B) AR26-02 Conditions of Approval
- C) Resolution No. PC2026-05

FIGURE 1-1: PROJECT LOCATION MAP



Source: Housing Element (December 2022)

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SECTION 3: PROPOSED PROJECT DESCRIPTION

The proposed 36-unit mixed-use development, “The Redwood Downtown” will set a new standard for multifamily affordable workforce housing in Crescent City. This infill ground-up housing development, located at 962/ 964 Third Street, transforms a 0.51-acre vacant downtown site bounded by Third Street, J Street, and Fourth Street. (APN 118-120-025-000). The site will feature two new buildings anchored by a publicly accessible central green space serving commercial and residential tenants and the community at large.



Both buildings will feature a mix of studios, one - and two-bedroom apartments, the North building being fully residential, and the South building being mixed-use with retail along Third Street and J street. With monthly rents below local market rates, per tenant annual income limits will range from \$32,900 - \$112,700 (50% to 120% AMI for households with 1-4 occupants).

Each apartment will have in-unit washer and dryers, energy efficient appliances, smart heating and cooling systems, and on-demand hot water. The project is a catalyst for the City's downtown revitalization goals. Tenants will be a short walk, bike, or bus ride to work, shop, or play almost anywhere in the urban area.

The building will feature 6 studio apartments, 14 one-bedroom apartments, and 16 two-bedroom apartments. 81% of the units will be priced for lower income households and 19% for moderate-income households.

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Additionally, according to the City's General Plan (2001), "the granting of a bonus in density for residential development that provides qualifying low- and or moderate-income housing shall be permitted, subject to individual project review. As defined by State law, the additional density is to be calculated based on the maximum basic density identified by the Land Use Diagram. No change in the basic permitted density itself shall be necessary for the bonus, provided that the following findings are made a) The proposal is found to qualify for bonus units under State guidelines; and b) A program for ensuring continued use as low and/or moderate-income units is included in any approval" (Page 1-5).

The City's "Special Zoning Uses" (Chapter 17.48) states that 100% Affordable Housing means "One hundred percent of all units in the shared housing building development, including total units and density bonus units, but exclusive of a manager's unit or units, are for lower income households, as defined in Section 50079.5 of the Health and Safety Code, except that a maximum of twenty percent of the units in the development, including total units and density bonus units, may be for moderate-income households, as defined in Section 50053 of the Health and Safety Code (Government Code Section 65915(b)(1)(G))" (CCMC § 17.48.030(A)(7)).

6.4. Project Applicability:

The applicant has applied for 100% Affordable Housing Development in that a minimum of 80% of the proposed units would be restricted for low-income (50% to 80% of Average Median-Income (AMI)) and a maximum of 20% of the proposed units would be restricted for moderate-income (80% to 120% of AMI) households (CCMC § 17.48.030(A)(7) & Gov. Code § 65915(b)(1)(G)).

TABLE 6-2: PROJECT UNIT BREAKDOWN				
Unit Size	# of Units	Rental AMI Percentage	Min. Monthly Rental Amount (2025 limits)	Max Monthly Rental Amount (2025 limits)
Studio	6	50%-80% AMI	\$821.88	\$986.25
1 bedroom	14	50%-80% AMI	\$938.75	\$1,126.50
2 bedroom	9	50%-80% AMI	\$1,056.25	\$1,267.50
2 bedroom	7	100-120% AMI	\$2,112.50	\$2,323.75

As a result, since the proposed project includes 36-units, 80.55% of the 36-units (29-units) will be restricted for low-income (50% to 80% of AMI) households and 19.44% of the 36-units (7-units) will be restricted for moderate-income (80% to 120% of AMI) households (CCMC § 17.48.030(A)(7) & Gov. Code § 65915(b)(1)(G)).

6.5. Project Incentives & Concessions:

When an applicant applies to the City, in writing, for a Density Bonus, subject to a recorded affordability restriction of 55 years, the applicant is to receive several incentives according to the affordability of the development (Gov. Code § 65915(c)(1)(A)) in exchange for providing affordable residential units. If the proposed project is a 100% affordable Housing development that is located within one-half mile of a major transit stop (Gov. Code § 65915(o)(2)), the State Density Bonus Law provides

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several incentives/concessions including receiving an unlimited density bonus increase (Gov. Code § 65915(f)(3)(D)(ii)), no minimum vehicular parking requirement (Gov. Code § 65915(p)(2)(A)), a height increase of up to three additional stories, or 33 feet (Gov. Code § 65915(d)(2)(D)), and 5 incentives/concessions (Gov. Code § 65915(d)(2)(D)) which can be used as a concession of a local development standards as an incentive from the State in exchange for providing affordable housing. Development standard includes *“a site or construction condition, including, but not limited to, a height limitation, a setback requirement, a floor area ratio, an onsite open-space requirement, a minimum lot area per unit requirement, or a parking ratio that applies to a residential development pursuant to any ordinance, general plan element, specific plan, charter, or other local condition, law, policy, resolution, or regulation”* (Gov. Code § 65915(o)(1)).

6.6. Located Within One-Half Mile of a Major Transit Stop Definition:

According to the State Density Bonus Law, “Located within one-half mile of a major transit stop” means that any point on a proposed development, for which an applicant seeks a density bonus, other incentives or concessions, waivers or reductions of development standards, or a vehicular parking ratio pursuant to this section, is within one-half mile of any point on the property on which a major transit stop is located, including any parking lot owned by the transit authority or other local agency operating the major transit stop (Gov. Code § 65915(o)(2)).

A “Major transit stop” has the same meaning as defined in subdivision (b) of Section 21155 of the Public Resources Code (Gov. Code § 65915(o)(2)). PRC § 2115(b) further references defined in Section 21064.3 which states that a major transit stop is defined as, *“The intersection of two or more major bus routes with a frequency of service interval of 20 minutes or less during the morning and afternoon peak commute periods”* (PRC § 21064.3(c)). The Redwood Coast Transit Authority’s Cultural Center Transit Hub (Stop Code: 2721) located on Front Street between K and L street near the Del Norte County Veteran’s Memorial Monument meets this definition as it serves several lines (1, 2, 3, 4, 20, 199, & 300). The proposed project is located ~1,000-ft from the Cultural Center Transit Hub which is under one-half mile (2,640-ft).

6.7. PROPOSED PROJECT REQUESTS:

The applicant has submitted written request for several items in conjunction with the proposed project as it relates to the State Density Bonus Law, which are further discussed below but include an:

- A. **Increase in Density** (Increase by 28-units per GP)
- B. **Reduction in Off-Street Parking Spaces** (Reduced by 42-spaces)
- C. **Increase in Height Limitations** (Increase of 4-ft, 8-in)
- D. **Reduction in Rear Yard Setbacks** (Reduced by 2-ft, 8-in)

6.8. Increase in Density:

The proposed 36-unit residential development on a 0.51-acre/22,215-sf project site exceeds (by 28-units) the GP maximum density of 15 dwelling units per acre, totaling 8 units. However, the State Density Bonus Law states that if a 100% affordable housing project is located within one-half mile of a major transit stop, the city shall not impose

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any maximum controls on density (Gov. Code §65915(f)(3)(D)(ii)) to this project, allowing an additional 28-units to be added to the development. Including the Density Bonus, the developer is allowed to develop an unlimited number of units.

TABLE 6-3: DENSITY BONUS CALCULATION					
Project Parcels	Proposed Units	C-1 Zoning Allows	GP Allows	Unlimited Density Bonus	Total Allowed
0.51-acre/ 22,215-sf	36-units	15-units (16-units over)	8-units (28-units over)	+Unlimited units	Unlimited units

Therefore, the proposed 36-dwelling units, without any incentive/concession, are consistent with the State Density Bonus Law. The proposed project has 5 incentives/concessions remaining.

6.9. Reduction in Off-Street Parking Spaces:

The proposed 2 off-street parking spaces does not meet (by 52 spaces) the minimum 1.5 spaces per “three or more family dwellings” (CCMC §17.42.040(B)) totaling 54 spaces (CCMC § 17.42.030). Additionally, the State Density Bonus Law provides a more relaxed parking ratio per bedroom (BR): 1 space per 0-1 BR and 1.5 spaces per 2-3 BR (Gov. Code §65915(p)(1)(A-C)) for this project (20, 0-1 BR and 16, 2 BR), lowering (by 10 spaces) the minimum off-street parking spaces, totaling 44 spaces. Therefore, the proposed 2 off-street parking spaces do not meet (by 42 spaces) the standard minimum 44 off-street parking space with the State Density Bonus Law.

However, the State Density Bonus Law states that if a 100% affordable housing project is located within one-half mile of a major transit stop, and there is unobstructed access to the major transit stop from the development, then, upon the request of the developer, a city shall not impose any minimum vehicular parking requirement (Gov. Code § 65915(p)(2)(A)), allowing 2-spaces for the development. Including the Density Bonus, the developer is not required to develop any off-street parking spaces.

TABLE 6-4: PARKING RATIO CALCULATION					
Parcel	Bedroom	Proposed Spaces	C-1 Zoning	Density Bonus Law	Incentive / Concession
0.51-acre / 22,215-sf	6 (0-BR)	0	9-spaces (1.5 = MF)	6-spaces (1 = 0-BR)	Covers All-spaces
	14 (1-BR)	0	21-spaces (1.5 = MF)	14-spaces (1 = 1-BR)	
	16 (2-BR)	0	24-spaces (1.5 = MF)	24-spaces (1.5 = 2-BR)	
Total	36-units	2-spaces	54-spaces (52 under)	44-spaces (42 under)	Covers 44-spaces
*0.5-spaces were rounded up to 1.0-space (CCMC § 17.42.030 & Gov. Code § 65915(p)(4))					

Therefore, since the 100% affordable housing proposed project is located within one-

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half mile of a major transit stop, the proposed 2 off-street parking spaces, without any incentive/concession, are consistent with the State Density Bonus Law. The proposed project has 5 incentives/concessions remaining.

6.10. Increase in Height Limitations:

The proposed 44-ft, 8-in height does not meet (by 4-ft, 8-in) the maximum 40-ft height limit for the C-1 zone (CCMC 17.20.040(A)(1)). However, the State Density Bonus Law states that if a 100% affordable housing project is located within one-half mile of a major transit stop, the applicant shall also receive a height increase of up to three additional stories, or 33 feet (Gov. Code § 65915(d)(2)(D)), allowing the proposed 44-ft, 8-in height. Including the Density Bonus, the developer is allowed to develop up to 77-ft.

TABLE 6-5: HEIGHT CALCULATION			
Proposed Height	C-1 Zoning	Density Bonus Law	Allowable
44-ft, 8-in	Max. 40-ft	+33-ft	77-ft

Therefore, since the 100% affordable housing proposed project is located within one-half mile of a major transit stop, the proposed 44-ft, 8-in height, without any incentive/concession, is consistent with the State Density Bonus Law. The proposed project has 5 incentives/concessions remaining.

6.11. Reduction in Rear Yard Setbacks:

The proposed 7-ft, 4-in rear-yard setbacks does not meet (by 2-ft, 8-in) the minimum 10-ft height limit for the C-1 zone (CCMC 17.20.040(B)(3)). However, the State Density Bonus Law states that if a project is a 100% affordable housing project the applicant shall receive concession of local development standards including “a setback requirement... pursuant to any ordinance, general plan” as an incentive from the State in exchange for providing affordable housing (Gov. Code § 65915(o)(2)). The applicant has requested that 1 incentive/concession be applied to the rear-yard setback requirement in exchange for providing affordable housing. Allowing the reduced 7-ft, 4-in rear-yard setback. Including the Density Bonus, the developer is allowed to develop with a 7-ft, 4-in rear-yard setback.

TABLE 6-6: SETBACK CALCULATION			
Proposed Setback	C-1 Zoning	Density Bonus Law	Allowable
7-ft, 4-in	10-ft	Concession	7-ft, 4-in

Therefore, the 100% affordable housing proposed project, utilizing 1 incentive/concession for the proposed 7-ft, 4-in rear-yard setback, is consistent with the State Density Bonus Law. The proposed project has 4 incentives/concessions remaining.

6.12. GRANTING INCENTIVES/CONCESSIONS:

An applicant may submit to a city, with a density bonus application, a request for a specific incentive or concession that will assist the developer in providing affordable residential units (CCMC § 17.48.030(H) & Gov. Code § 65915(d)(1)). The city shall

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SECTION 8: ENVIRONMENTAL DETERMINATION SUMMARY

The California Environmental Quality Act (CEQA) requires government agencies to consider the environmental consequences of their actions before approving plans and policies or committing to a course of action on a project.

This process is intended to: (1) inform government decision makers and the public about the potential environmental effects of proposed activities; (2) identify the ways that environmental damage can be avoided or significantly reduced; (3) prevent significant, avoidable environmental damage by requiring changes in projects, either by the adoption of alternatives or imposition of mitigation measures; and (4) disclose to the public why a project was approved if that project has significant environmental impacts that cannot be mitigated to a less than significant level.

8.1. Project: A "project" is defined by CEQA as a "whole action" subject to a public agency's discretionary funding or approval that has the potential to either (1) cause a direct physical change in the environment or (2) cause a reasonably foreseeable indirect physical change in the environment. "Projects" include discretionary activity by a public agency, a private activity that receives any public funding, or activities that involve the public agency's issuance of a discretionary approval and is not statutorily or categorically exempt from CEQA. (Pub. Res. Code § 21065.)

8.2. Exemption: There are CEQA exemptions (including categorical exemptions) that are created through the regulatory process and are found in CEQA Guidelines §§ 15300-15333. The proposed 36-unit mixed-use development is recommended by staff to be categorically exempt from the California Environmental Quality Act (CEQA) pursuant to the following sections of the CEQA Guidelines:

Class 32 § 15332. In-Fill Development Projects, consists of the proposed project:

1. Is consistent with the applicable general plan designation, policies, and zoning designation and regulations:

The proposed project (with Site Plan & Architectural Design Review) is consistent with the Crescent City General Plan's Commercial Business-Professional (B-P) land use designation and is consistent with the Crescent City's Downtown Business District (C-1) Zoning Code;

2. Development occurs within city limits on a project site (<5 acres) substantially surrounded by urban uses:

The project site is located in the City of Crescent City, is approximately 0.51 acres, and is located adjacent to existing commercial uses;

3. Site has no value, as habitat for endangered, rare, or threatened species:

The project will be located on a site that has had past disturbances, is already developed and is surrounded by paved surfaces and contains no habitat for rare, threatened, or endangered species;

4. Approval would not result in any significant effects relating to traffic, noise, air quality, or water quality:

The project proposes residential-only use surrounded by developed commercial area

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that already services commercial uses and has a limited potential to result in significant traffic, noise, air quality, or water quality impacts;

5. Site can be adequately served by all required utilities and public services:

The site is surrounded by and is already adequately served by utilities and public services.

8.3. Additional Analysis of Parking:

On September 2013, the Governor signed Senate Bill (SB) 743 into law, which instituted changes to the California Environmental Quality Act (CEQA) when evaluating environmental impacts on projects located in areas served by transit. While the thrust of SB 743 addressed a major overhaul on how transportation impacts are evaluated under CEQA, it also limited the extent to which aesthetics and parking are defined as impacts under CEQA. Specifically, Section 21099 (d)(1) of the Public Resources Code (PRC) states that a project's aesthetic and parking impacts shall not be considered a significant impact on the environment if: 1. The project is a residential, mixed-use residential, or employment center project, and 2. The project is located on an infill site within a transit priority area.

Section 21099 (a) of the PRC defines the following terms:

(1) "Employment center project" (TPAs) means a project located on property zoned for commercial uses with a floor area ratio of no less than 0.75 and that is located within a transit priority area.

(4) "Infill site" means a lot located within an urban area that has been previously developed, or on a vacant site where at least 75 percent of the perimeter of the site adjoins or is separated only by an improved public right-of-way from, parcels that are developed with qualified urban uses.

(7) "Transit priority area" means an area within one-half mile of a major transit stop that is existing or planned. Section 21064.3 of the PRC defines a "major transit stop" as a site containing an existing rail transit station, a ferry terminal served by either a bus or rail transit service, or the intersection of two or more major bus routes with a frequency of service interval of 20 minutes [modified by AB 2553] or less during the morning and afternoon peak commute periods. For purposes of Section 21099 of the PRC, a transit priority area also includes major transit stops in the City of Los Angeles (city) that are scheduled to be completed within the planning horizon of the Southern California Association of Governments (SCAG) Regional Transportation Plan / Sustainable Community Strategy (RTP/SCS).

8.4. Exceptions: No exceptions apply to the proposed project in that (1) there is NO reasonable possibility of a significant effect on the environment due to unusual circumstances; (2) NO significant cumulative impacts from projects of the same type will result; or (3) the project will NOT have impacts on a uniquely sensitive environment (CEQA Guidelines § 15300.2.).

8.5. Notice: A Notice of Exemption (NOE) will be filed at the County Courthouse and the State Clearing House upon project approval (Pub. Res. Code § 21167(d) & Guidelines § 15062(d)).

CONDITIONS OF APPROVAL
Site Plan & Architectural Design Review - Application AR26-02

- a. **Codes.** Project will conform to applicable California Codes, including Building Code, Fire Code, and Automatic Fire Sprinkler Code.
 - b. **Access.** Access points will need to be maintained at the fences from the East and West five-plex buildings (north side of each building to the north property line), and on each side of the south facing four-plex to allow fire department personnel access to the rear of all buildings with hose lines and ladders.
 - c. **Addressing.** Each unit shall be identified with code compliant numbering visible from the street showing the address and unit number.
9. **Public Works Department.** The applicant shall comply with the following requirements of the City of Crescent City's Public Works Department, including:
 - a. **Right-of-Way.** Project to comply with City Right of Way requirements including 520 linear feet of new ADA approved sidewalks and (2) ADA corners, improvements to adjacent off-site Storm Drain, and driveway spacing complies with municipal code requirements.
 - b. **Building.** On site plans shall comply with current building codes.
 - c. **Drainage.** On site storm drain discharges will be engineered to control off-site impacts
10. **Building Department.** The applicant shall comply with permit requirements of the City of Crescent City's Building Department.
 - a. **Building Permit.** Before a building permit shall be issued for any building or structure proposed as part of an approved site plan or architectural design, the building official shall determine that the proposed building location facilities and improvements are in conformity with the plans and conditions approved by the Planning Commission (CCMC §17.46.080(A)).
 - b. **Issuance.** The Building Permit shall not be issued until the effective date of this notice, shown below.
 - c. **Certificate of Occupancy.** Before a building may be occupied the building official shall certify that the site or structure has been developed in conformity with the plans and conditions approved in this chapter (CCMC §17.46.080(B)).
11. **Construction Noise Standard:** The City's Municipal Code Section 8.18.060 E contains standards for construction noise that places limitations on the days and hours of construction activity to the hours of seven a.m. and six p.m. or sunset, whichever occurs later, on Monday through Friday, or between the hours of eight a.m. and six p.m. on Saturdays and Sundays
12. **Stormwater:** The Applicant shall submit a copy of the Construction General permit Stormwater Pollution Prevention Plan (SWPPP) to the Public Works Department. Design for the on and off-site improvements will conform to Municipal Code Section 17.88.310 "Stormwater Runoff Management.

CITY OF CRESCENT CITY
PLANNING COMMISSION & ARCHITECTURAL DESIGN REVIEW COMMITTEE

Commission Members: Ray Walp, Chairperson * Kristine DeCossio, Vice-Chair
Shawna Hyatt * Debra Perius * Paul Martinez



Incorporated April 13, 1854

web: www.crescentcity.org

DRAFT RESOLUTION NO. PC2026-05

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF
CRESCENT CITY APPROVING A MAJOR SITE PLAN &
ARCHITECTURAL DESIGN REVIEW (APPLICATION AR26-02)
GRANTING COMMUNITY SYSTEM SOLUTION'S 36-UNIT
RESIDENTIAL-ONLY DEVELOPMENT**

WHEREAS, Community System Solutions submitted a Major Site Plan & Architectural Design Review (Application AR26-02) for a proposed 36-unit mixed-use development within the C-1 Zoning (Downtown Business District) located at 962 & 964 3rd Street, Crescent City, CA 95531 (APN 118-120-025-000);

WHEREAS, the Planning Commission has considered this proposed project on this date at a duly noticed public hearing, staff report, and public testimony;

WHEREAS, the Planning Commission finds that the proposed project, with the State Density Bonus Law, is consistent with the Crescent City General Plan's B-P (Business-Professional) land use designation, in that the proposed project:

- a) *Is categorized as "...retail stores...and multi-family residential units" with "Multiple-unit residential uses are permitted as a secondary use at a density of 6 to 15 units per acre" within the B-P;*
- b) *"provides for a strong business, government, professional core in downtown Crescent City" within the B-P; and*
- c) *Is supported by the General Plan goals (1.F, C, G, & 3.D) and policies (1.A.2, 1.A.3, 1.B.1, 1.F.2, 1.F.3, 2.A.2, 2.B.2, 2.B.9, 2.D.1, 3.A.15, 3.C.1, 3.D.6, 4.A.2, & 4.E.5).*

WHEREAS, the Planning Commission finds that the proposed project is consistent with the Crescent City's C-1 (Downtown Business District) Zoning Code, in that the proposed project:

- a) *Is not located within the Coastal Zone and is not appealable to the Coastal Commission;*
- b) *Is consistent with the "Multifamily Residential Dwelling Units. The multifamily residential units, at designated general plan densities (e.g., fifteen-thirty units/acre), includes mixed uses with commercial or business use. New multifamily units are to be placed behind, or upstairs of, commercial spaces" (CCMC § 17.20.020(E));*
- c) *"Provides for a vibrant business, government, and professional core in the downtown area and to serve as an overall mix of commercial and multifamily residential uses" (CCMC § 17.20.010(A)); and*

CITY OF CRESCENT CITY
PLANNING COMMISSION & ARCHITECTURAL REVIEW COMMITTEE
Commission Members: Ray Walp, Chairperson * Kristine DeCossio, Vice-Chair
* Shawna Hyatt * Debra Perius * Paul Martinez



Incorporated April 13, 1854

web: www.crescentcity.org

MINUTES - REGULAR PLANNING COMMISSION MEETING

Thursday, March 12, 2026, at 5:30 P.M.

Wastewater Treatment Plant (WWTP), 210 Battery Street, Crescent City, CA 95531

PART I – CALL TO ORDER & ROLL CALL

Vice Chair DeCossio the meeting to order at 5:31 p.m.

Commissioners present: Vice Chair Kris DeCossio, Commissioner Shawna Hyatt, Commissioner Debra Perius, and Commissioner Paul Martinez

Commissioners absent: Chairman Ray Walp

Staff present: City Manager Eric Wier, City Attorney Martha Rice, Public Works Director Dave Yeager, Contract Planner Ethan Lawton, Contract Planner Bob Brown and City Clerk/Administrative Analyst Robin Altman for Community Development Specialist Heather Welton

Vice Chair DeCossio asked for item 1 to be moved to #3

On a motion by Commissioner Perius, seconded by Commissioner Martinez, and carried on a 4-0 polled vote, with Chairman Walp absent, the Crescent City Planning Commission & Architectural Design Review Committee agreed to move item 1 to item 3.

PART II - PUBLIC COMMENT PERIOD

Cate Claussen: spoke in regard to development in the City and that residents feel it is overdeveloped.

Margaret Sargent: does not want more building as she believes the WWTP is overloaded.

PART III - APPROVAL OF MINUTES: None

PART IV - AGENDA ITEMS:

A Public Hearing to consider a Site Plan & Architectural Design Review (Application AR26-02) for Community System Solutions proposed 36-unit mixed-use development, located at 962 & 964 3rd Street, Crescent City, CA 95531 (APN 118-120-025-000).

**CITY OF CRESCENT CITY PLANNING COMMISSION
AND ARCHITECTURAL REVIEW COMMITTEE**

Vice Chair DeCossio opened the public hearing at 5:44 p.m.

City Manager Wier explained the to the Commission that this project is a mixed-use project that has housing above downtown businesses. In order for the downtown to thrive, residential development opportunities are needed. City Manager Wier stated that several public workshops were held to discuss this project and received feedback from community. Commissioner Hyatt asked if grant funds have been secured; City Manager Wier answered in the affirmative in the amount of \$660k. Contract Planner Ethan Lawton outlined the project in detail as well as the State Density Bonus Law consistency of the project.

Vice Chair DeCossio was surprised at the requirement for 2 parking spaces for each unit. City Manager Wier stated that the State would rather have a parking problem than a housing problem. The parking on 3rd Street will be limited to 2-hours. He further outlined the public parking lots that are close to the project as well as the surrounding street parking opportunities. Commissioner Hyatt asked how the City came to the conclusion to waive the parking requirement; Planner Lawton stated that the City did not waive the parking requirements, the State outlines that the City cannot require a certain amount of parking spaces. Michael Bahr, CEO of Community Systems Solutions, a non-profit focused on affordable housing, went over his background and experience working within the communities he lives in. He detailed the design of the apartments that will include energy efficiency aspects. Under state law, we do not have to provide parking, however, are working with the City to provide parking in the future. The report done by Planning staff proves that this project meets all requirements for approval.

Commissioner Martinez asked how confident the applicant is to be able to provide parking; Mr. Bahr stated that occupancy is expected in 2027 and there are already designated parking lots and the property owner wants it to stay that way. Committee Member Martinez asked if CSS has any projects completed that can be viewed locally; Mr. Bahr stated that are no projects locally, but there are developers that CSS has worked with that he can provide addresses for those projects.

Adrienne McAndrews: stated that Enoteca will be affected by the lack of parking.

Lenora Carmody: stated whenever events occur downtown, she has to put cones in front of her house on J St. to preserve parking space for her home.

Cate Claussen: spoke in opposition to the project and prefers a smaller downtown.

Margaret Sargent: does not support changing the downtown area.

Mr. Bahr explained that the project has a right of way that semis can drive through for Enoteca; additionally, Enoteca does not own the parking lot, they are using CSS' property.

Commissioner Hyatt stated that the parking lot should not be taken away from the business owner. Does not agree with adding residential to this project, but does support

*CITY OF CRESCENT CITY PLANNING COMMISSION
AND ARCHITECTURAL REVIEW COMMITTEE*

businesses. City Manager Wier stated that the parking lot being spoken of is not a public parking lot and that this project is not taking away the parking for the area.

Kevin Hartwick stated that this project has already gone through the approval process and is before the Planning Commission is for an Architectural Design.

Vice Chair DeCossio closed the public hearing at 6:51 p.m.

City Manager Wier explained that State law does require what is going before the Commission tonight, the City's hands are tied. It doesn't matter if the Commissioners like it or not, it is the question before the Commission to answer if this project meets the qualifications for approval. Commissioner Hyatt stated that she's asked for flow reports three times and hasn't received it, wants clarification on the amount of hookups; City Manager Wier stated that flow and connections are different things. Commissioner Hyatt stated she would like to see this before the Commission.

Commissioner Hyatt made a motion to have additional information on the WWTP capacity and extra hookups on a future agenda; Commissioner Perius seconded the motion, however withdrew her action.

Commissioner Hyatt made a motion to delay this project until more information on the WWTP is received; motion failed for lack of a second.

Vice Chair DeCossio asked if this can be approved tonight and then the additional information be provided later; City Manager Wier explained that the amount of connections does not effect the decision for tonight.

On a motion by Commissioner Martinez, seconded by Vice Chair DeCossio, and carried on a 3-0-1, with Commissioner Hyatt abstaining and Chairman Walp being absent, the City of Crescent City Planning Commission and Architectural Design Review Committee adopted Resolution No. PC2026-05, A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF CRESCENT CITY APPROVING A MAJOR SITE PLAN & ARCHITECTURAL DESIGN REVIEW (APPLICATION AR26-02) GRANTING COMMUNITY SYSTEM SOLUTIONS 36-UNIT MIXED-USE DEVELOPMENT

2. A Public Hearing to consider a Conditional Use Permit (Application UP24-09) for Bruce Thompson's proposed 4-unit residential only development, located on a vacant parcel at Front & F St

Vice Chair DeCossio opened the public hearing at 7:00

Planner Lawton went over the project and it's qualifications to be approved for a Conditional Use Permit. Bruce Thompson, the applicant, is representing the owner to have a similar project like the one built by Marshall Jones and is on 2nd St.

There were no comments from the public.

Vice Chair DeCossio closed the public hearing at 7:10 p.m.

CITY OF CRESCENT CITY
COMMUNITY DEVELOPMENT DEPARTMENT - PLANNING & ZONING
(Address) 377 J Street, Crescent City, CA 95531 (Phone) 707-464-9506



Incorporated April 13, 1854

(Website) www.crescentcity.org

NOTICE OF EXEMPTION
CEQA – APPENDIX E

To: **Office of Land Use and Climate
Innovation (Planning and Research)**
P.O. Box 3044, Room 113
Sacramento, CA 95812-3044

From: **City of Crescent City**
377 J Street
Crescent City, CA 95531

County of Del Norte
County Clerk
981 H Street, Suite 160
Crescent City, CA 95531

Project Title: **A Site Plan & Architectural Design Review (Application AR26-02)
for Community System Solutions proposed 36-unit mixed-use
development, located at 962 & 964 3rd Street, Crescent City, CA
95531 (APN 118-120-025-000)**

Document/Project Description: **Community System Solutions submitted a Major
Site Plan & Architectural Design Review
(Application AR26-02) for a proposed 36-unit
mixed-use development within the C-1 Zoning
(Downtown Business District) located at 962 &
964 3rd Street, Crescent City, CA 95531 (APN
118-120-025-000).**

Name of Public Agency
Approving Project:

City of Crescent City

Name of Person or Agency
Carrying Out Project:

Mike Bahr (Community System Solutions)

CONTACTS:

Name:

PUBLIC/LEAD AGENCY:

Ethan Lawton

APPLICANT:

Mike Bahr

Organization:

City of Crescent City

Community Systems Solutions

Address:

**377 J Street
Crescent City, CA 95531**

**7806 Juarez Way
Fair Oaks, CA 95628**

NOTICE OF EXEMPTION
CEQA – APPENDIX E

Phone:	<u>707-464-7483</u>	<u>541-505-2429</u>
Email:	<u>elawton@shn-engr.com</u>	<u>mike.bahr@cssgrants.org</u>
Regions:	<u>Citywide</u>	
Counties:	<u>Del Norte</u>	
Cities:	<u>Crescent City</u>	
Project Location-Specific:	<u>962 & 964 3rd Street, Crescent City, CA 95531 (APN 118-120-025-000)</u>	
Exempt Status:	<u>Categorical Exemption</u>	
Type, Section Number, or Code Number:	<u>Class 32 § 15332</u>	

Reasons why the project is exempt:

Class 32 § 15332. In-Fill Development Projects, consists of the proposed project:

1. Is consistent with the applicable general plan designation, policies, and zoning designation and regulations:

The proposed project (with Site Plan & Architectural Design Review) is consistent with the Crescent City General Plan's Commercial Business-Professional (B-P) land use designation and is consistent with the Crescent City's Downtown Business District (C-1) Zoning Code;

2. Development occurs within city limits on a project site (<5 acres) substantially surrounded by urban uses:

The project site is located in the City of Crescent City, is approximately 0.51 acres, and is located adjacent to existing commercial uses;

3. Site has no value, as habitat for endangered, rare, or threatened species:

The project will be located on a site that has had past disturbances, is already developed and is surrounded by paved surfaces and contains no habitat for rare, threatened, or endangered species;

4. Approval would not result in any significant effects relating to traffic, noise, air quality, or water quality:

The project proposes residential-only use surrounded by developed commercial area that already services commercial uses and has a limited potential to result in significant traffic, noise, air quality, or water quality impacts;

5. Site can be adequately served by all required utilities and public services:

The site is surrounded by and is already adequately served by utilities and public services.

Chan Lawton
Signature by Lead Agency:

03/20/2026
Date:

Contract City Planner
Title:

*City of Crescent City - Regular Planning Commission Meeting
Staff Report - Agenda Item: #2*

SECTION 8: INTER-DEPARTMENTAL PLANNING REFERRALS

The Inter-Departmental Planning Referrals were provided (on 01/27/26) to other City departments which included the following comments/conditions:

8.1. Police Department: Approved with "No comments." (01/27/26)

8.2. Fire and Rescue: Approved with comments. (02/02/26)

"The fire department has no setback concerns with this project.

Access points will need to be present at the fences from the East and West five-plex buildings (north side of each building to the north property line), and on each side of the south facing four-plex to allow fire department personnel access to the rear of all buildings with hose lines and ladders. Per the diagram, there is adequate clearance between buildings.

Project will conform to applicable California Codes, including Building Code, Fire Code, and Automatic Fire Sprinkler Code.

The location has adequate fire hydrant distribution for the project.

Each unit shall be identified with code compliant numbering visible from the street showing the address and unit number."

8.3. Building Department: None

8.4. Public Works Department: Approved with comments. (01/30/26)

"Project to comply with City Right of Way requirements including 520 linear feet of new ADA approved sidewalks and (2) ADA corners, improvements to adjacent off-site Storm Drain, and driveway spacing complies with municipal code requirements.

On site plans shall comply with current building codes.

On site storm drain discharges will be engineered to control off-site impacts."

8.5. REQUIRED FINDING BY THE COMMISSION:

The proposed project is to be subject to the Conditions of Approval found in Attachment B.

**CITY OF CRESCENT CITY PLANNING COMMISSION
AND ARCHITECTURAL REVIEW COMMITTEE**



**STAFF REPORT
Agenda Item # IV.A**

TO: Planning Commission
(Chairperson Wendt and Members of the Planning Commission)

FROM: Community Development Department, Planning Department
(Bob Brown, AICP, Director)

PREPARED BY: Community Development Department, Planning Department
(Ethan Lawton, City Planner)

DATE: March 9, 2023

SUBJECT: SR23-02 -Chipotle

STAFF RECOMMENDED ACTIONS:

- I) Open the public hearing.
 - i) Receive the Staff Report.
 - ii) Receive public comments.
- II) Close the public hearing.
- III) Discuss and adopt the Recommended Findings.
- IV) Consider Alternatives and take action on the application #AR33-02 with any additional conditions adopted by the Planning Commission at the public hearing.

BACKGROUND INFORMATION

Project: Site Plan /Architectural Design Review Permit (AR23-02) for Chipotle
Applicant: Morton & Pitalo, Inc.
Representative: Jeff Thompson
Site Address: 895 L Street
APN: 118-250-013
Project Size: +/- 18,456 sq. ft.
General Plan Land Use: Commercial: Visitor and Local Commercial (VLC)
Zoning: C-2 General Commercial District
Coastal: No
Surrounding Zoning/Uses: South - C-2 General Commercial District, East – P-F Public Facility District, West - C-2 General Commercial District, North - C-2 General Commercial District

Aerial Photo of Project Site



Source: Google Earth, March 2023

Analysis: Staff believes that the proposed location of the use permit will not be detrimental to the public health, safety, or welfare, or materially injurious to properties or improvements in the vicinity.

PROJECT DESCRIPTION:

The project site is currently a vacant parcel bounded by L Street to the west, M Street to the east, 9th street and an existing commercial building to the north, and a vacant lot to the south. L Street and M Street are within Caltrans rights-of-way. There is a 16± foot elevation difference across the site sloping from the west to the east. The project will consist of a 2,325± sf Chipotle QSR and supporting site improvements (parking, drive isles, site lighting, landscaping, etc.) typical of a commercial project. The QSR will include a drive-thru for mobile pickup orders only. Site access will be from new driveway encroachments on L Street and M Street; a new "right only" driveway encroachment will be provided on 9th Street. The proposed site grading will require retaining walls up to 4-feet in height. The QSR building will be served by the existing 6" sewer and 6" water mains along the project's frontage to M street.

Regular Planning Commission Meeting
Agenda Item: IV.A.

8. **Public services requirements:** Proposed sewer, water, and electrical connections are proposed.

Analysis: Staff believes the proposed project is consistent with Site Plan and Architectural Review standards.

ENVIRONMENTAL DETERMINATION:

The proposed project is determined to be exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15332 of the CEQA Guidelines:

§ 15332. In-Fill Development Projects.

Class 32 consists of projects characterized as in-fill development meeting the conditions described in this section.(a) The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations.(b) The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses.(c) The project site has no value, as habitat for endangered, rare or threatened species.(d) Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.(e) The site can be adequately served by all required utilities and public services.

Analysis: Staff believes the proposed project meets the above criteria for the following reasons: a) the proposed restaurant use is consistent with the General Plan Designation of Visitor and Local Commercial and the General Commercial Zoning District; b) the project site is located in the City of Crescent City, is approximately 0.85 acres, and is located adjacent to commercial uses along L, M, and 9th Streets; c) the project will be located on a developed site in an existing building that is surrounded by paved surfaces and contains no habitat for rare, threatened, or endangered species; d) the project proposes a restaurant on a vacant commercial parcel that has a limited potential to result in significant traffic, noise, air quality, or water quality impacts; and e) the site is already served by utilities and public services.

ALTERNATIVES:

The Planning Commission has the following alternatives to consider:

1. **APPROVAL.** Should the Planning Commission adopt all the recommended findings, planning staff will send the applicant an approval letter, after the 10-day appeal period, along with the resolution, as adopted by the Planning Commission during the public hearing.
2. **DENIAL.** Should the Planning Commission deny one of the recommended findings, planning staff will send the applicant a denial letter stating why the application was denied.

Print

CITY OF CRESCENT CITY

Development Permit Application

Return completed application to:
 Planning Department
 377 J Street
 Crescent City, CA 95531
 (707) 464-9506 (707) 465-4405 fax

TYPE OR PRINT CLEARLY

Applicant Morton & Pitalo, Inc.	Street Address 600 Coolidge Drive, Suite 140	City Folsom, CA	Zip Code 95630	Day Phone (916) 496-8771
Representative (if any) Jeff Thompson	Street Address 600 Coolidge Drive, Suite 140	City Folsom, CA	Zip Code 95630	Day Phone (916) 496-8771
Property Owner LRE 895, LLC	Street Address 4302 Redwood Hwy., Suite 200	City San Rafael, CA	Zip Code 94903	Day Phone (415) 595-8051

Correspondence to be sent to ☐ Applicant ☒ Representative ☒ Owner

Project Address 895 L Street	Assessor's Parcel No. 118-250-013-000
Description of proposed project (attach sheets if necessary) The project site is currently a vacant parcel bounded by L Street to the west, M Street to the east, 9th street and an existing commercial building to the north, and a vacant lot to the south. L Street and M Street are within Caltrans rights-of-way. There is a 16± foot elevation difference across the site sloping from the west to the east. The project will consist of a 2,325± sf Chipotle QSR and supporting site improvements (parking, drive isles, site lighting, landscaping, etc.) typical of a commercial project. The QSR will include a drive-thru for mobile pickup orders only. Site access will be from new driveway encroachments on L Street and M Street; a new "right only" driveway encroachment will be provided on 9th Street. The proposed site grading will require retaining walls up to 4-feet in height. The QSR building will be served by the existing 6" sewer and 6" water mains along the project's frontage to M street.	
Existing Land Use C2 (General Commercial District)	Adjacent Uses C2 (General Commercial District)
Project Acreage 0.85±	Project Height Building Height = 19.5± ft
Parking (number of spaces) 30	Paved Area 18,456 sf
Building Coverage _____ sq.ft. existing	
Building Coverage 2,325 _____ sq.ft. proposed	
Grading Required? <u>Yes</u> (if yes, attach preliminary grading plan)	
Diking, dredging, or filling of open coastal water, wetlands or riparian/drainage areas. (Attach biological report and preliminary grading plans.)	
Land Division or Boundary Adjustment. (Include tentative map with existing property lines, proposed lots, lot sizes, dimensions, access, physical features and proposed improvements, utilities, etc.)	

Applicant/Representative: I have reviewed this application and the attached materials. The provided information is accurate. Signed Date <u>2/3/2023</u>	Property Owner/Authorized Agent: I have read this application and consent to its filing Signed <u>Victor Chiang</u> Date <u>2/3/2023</u>
TYPE OF APPLICATION	☒ Architectural Review ☐ CEQA Review ☐ Coastal Development Permit ☐ General Plan Amendment ☐ Home Occupation ☐ Lot Line Adjustment/Parcel Merger ☐ Municipal Code Amendment/Rezone ☐ ROW or Street Abandonment ☐ Special Review ☐ Subdivision/Minor ☐ Subdivision/Major ☐ Use Permit - Standard ☐ Use Permit - Cannabis ☐ Variance or Waiver ☐ Other

REQUIRED SUPPLEMENTAL	☒ Application Form ☐ Application Fee ☐ Supplemental Application Forms (variance, etc.) ☐ Project property deed(s) ☐ Proof of applicant's legal interest in the property (escrow, etc.) ☐ Commercial Cannabis Use Permit Application Checklist Project plans: * ☒ Project site plans (buildings, parking, etc.) ☒ Building floor plans and elevations ☒ Preliminary grading/drainage plans ☒ Landscaping/irrigation plans/dumpster ☒ Sign plans/elevations ☒ Color/materials samples ☐ Subdivision/lot line adjustment map ☒ Written Project Description ☐ Preliminary Title Report ☐ Special Project Justification/per code
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*Project Plans: For Subdivision one set of full-size plans and/or one set not to exceed 11" by 18" in size are to be provided. Specific information may be required for plans – ask staff for additional information.

OFFICIAL USE ONLY	Application Number(s)	Filing Fees	Date Filed	Receipt #
	Date Application Completed	Zoning	General Plan (LUP)	
	CEQA: Exempt _____ Negative Declaration _____ Mitigated Negative Declaration _____ Environmental Impact Report _____			
	Review By Planning Commission _____	City Council _____	Architectural Review _____	Planning/Public Works _____
	Public Hearing	Office Hearing	Appealable to Coastal Commission?	
	Other Notes:		Approved:	

MAKE CHECKS PAYABLE TO CITY OF CRESCENT CITY



**CITY OF CRESCENT CITY PLANNING COMMISSION
AND ARCHITECTURAL REVIEW COMMITTEE**
Commission Members: John Wendt, Chairperson • Ray Walp, Vice-Chair
Betsy Dewar • Brad Kime • Candace Tinkler

Incorporated April 13, 1854

web: www.crescentcity.org

**MINUTES
REGULAR MEETING
Thursday, March 9, 2023, at 5:30 p.m.
VIRTUAL VIA ZOOM**

I. CALL TO ORDER: Chairman Wendt called the meeting to order at 5:32 p.m.

ROLL CALL: Commissioners present: Commissioner Betsy Dewar, Commissioner Brad Kime, Commissioner Candace Tinkler, Vice-Chair Ray Walp and Chairman John Wendt
Staff present: City Manager Eric Wier, Chief of Police Richard Griffin, Contract Principal Planner Bob Brown (virtually), Contract City Planner Ethan Lawton, Contract City Planning Consultant Sophia Ross (virtually), IT GIS Technician Taylor Patch and Office Technician Heather Welton.

II. PUBLIC COMMENT: *There was no public comment.*

III. CONSENT CALENDAR: *None*

IV. CONDITIONAL USE PERMITS AND ARCHITECTURAL REVIEW:

IV.A: AR23-02 – Chipotle

Chairman Wendt opened the public hearing at 5:36pm.

Ethan Lawton, Contract City Planner, gave a slideshow presentation for the site plan and architectural design review for Chipotle proposed for 895 L Street. He said the project is consistent with the general plan and zoning. He said site plan wise it meets the off-street parking criteria and fulfills the landscape requirements. There is no fencing proposed and the signage meets requirements. There are no proposed street improvements but there are proposed sidewalk improvements. Public service requirement proposes hook ups to utilities as required. Environmental determination is exempt according to CEQA guidelines. He went over the staff recommended findings. He said the findings show the project won't be a detriment to public health safety and welfare, the activity will not result in significant unavoidable impact to the environment, it is consistent with general plan, zoning code, and the site plan and architectural design review standards and is categorially exempt from CEQA.

There was no public comment.

Chairman Wendt closed the public hearing at 5:41pm

The driveway entrances were discussed on a commission level.

Commissioner Tinkler expressed some concerns. She feared the generic fast-food chain would downgrade the uniqueness of our community and the detriment of the local restaurants that are already established.

Commissioner Kime spoke in favor of the new development.

Architectural standards were discussed on a Commission level.

Eric Wier, City Manager, said that there is currently not an architectural standard enforced by the City of Crescent City and that this is something the Planning Commission would want the City to bring back before the Commission.

Chairman Wendt was in favor of having a future discussion regarding architectural design.

Ethan Lawton, Contract City Planner, said they are currently in the process of updating C-1 zoning district and they are drafting objective design standards.

On a motion by Commissioner Dewar seconded by Commissioner Kime and carried unanimously on a 5-0 polled vote, the City of Crescent City Planning Commission and Architectural Review Committee approved AR23-02 Chipotle.

V. CONTINUING BUSINESS:

V.A: Draft 6th Cycle Housing Element

Chairman Wendt opened the public hearing at 6:04 pm.

Written public comment was acknowledged, there was no other public comment.

Chairman Wendt closed the public hearing at 6:07pm.

V.B: AB2339 - Emergency Shelters

Chairman Wendt opened the public hearing opened at 6:08 pm

There was no public comment.

Sophia Ross, Contract City Planning Consultant, gave a slideshow presentation where she went over the zone amendment process, project description and location, general plan consistency, 5th cycle housing element consistency and environmental determination. For the amendment process she said that that the Planning Commission gave city staff direction on February 9th, 2023 to prepare a zone amendment for the C-2

Mr. Willaim E. Rice
CEQA for Crescent City Battery Park Apartments
August 26, 2023
Page 6

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.”

(Guidelines § 15064.3.) The Project site is within one-half mile of an existing major transit stop and/or a stop along an existing high quality transit corridor. And given its central City location adjacent to schools, it will significantly decrease VMT in the surrounding area. Therefore, the Guidelines advise that the Project should be *presumed* to cause less than significant traffic impacts.

Residential air quality impacts are closely correlated with traffic impacts. With the Project resulting in a significant decrease in VMT, operational air quality impacts will be commensurately decreased. Potential construction and operational noise impacts will be mitigated by local ordinance, and water quality impacts will be avoided under State and Federal requirements.

Conclusion

McCorkle Eastside Neighborhood Group v. City of St. Helena, supra, provides excellent guidance for the City in understanding the limited scope of CEQA to the Project. Regardless of whether the City’s Municipal Code is similar to St. Helena’s, the Project clearly meets the criteria for a Class 32 categorical exemption, and I recommend the City adopt one for it after making a finding that none of the exceptions to categorical exemptions listed in Guidelines section 15300.2 apply to the Project—a finding easily made here.

Please let me know if you have any questions regarding any of the above.

Very truly yours,

LEIBOLD McCLENDON & MANN, P.C.

John G. McClendon

By: John G. McClendon

Attachment: JGMcC Professional Resume

US 101 - Crescent City Limits to Washington Blvd	11,000	10,900	72,000
US 101 - Washington Blvd to U.S. 199	9,600	10,900	80,000

<https://dot.ca.gov/programs/traffic-operations/census>

A traffic analysis dated September 28, 2023 by Stover Engineering determined the number of trips generated by the project in relationship to peak hour trips generated by adjacent uses. *“Trip generation estimates were calculated for the proposed Battery Point Multi-Family and Senior Adult Apartments (Project), as well as the existing Joe Hamilton Elementary School based on the Institute of Transportation Engineers (ITE) Trip Generation Manual, 10th Edition (ITE Manual). Peak AM hour traffic generated from the proposed project is not more than 21 percent of the peak AM hourly traffic generated by Joe Hamilton School and neighboring apartments.*

Multi-family Housing (greater than 20 units per acre, 3-5 stories tall): 121 Dwelling Units Senior Adult Housing: 41 Dwelling Units.

Trip Generation data was obtained from the ITE Manual. The peak hour vehicle trip ends for each generator along with time and direction distribution were calculated as follows:

Multi-Family Housing (Mid-Rise, 3-10 Floors, 121 Dwelling Units)

<i>Vehicle Trip Ends (Peak Hour)</i>	<i>Peak Hour</i>	<i>Time</i>	<i>% Entering</i>	<i>% Exiting</i>
<i>41</i>	<i>AM</i>	<i>7:00- 8:00 AM</i>	<i>27</i>	<i>73</i>
<i>51</i>	<i>PM</i>	<i>4:45 - 5:45 PM</i>	<i>60</i>	<i>40</i>

Senior Adult Housing - Attached (41 Dwelling Units)

<i>Vehicle Trip Ends (Peak Hour)</i>	<i>Peak Hour</i>	<i>Time</i>	<i>% Entering</i>	<i>% Exiting</i>
<i>16</i>	<i>AM</i>	<i>11:45 AM- 12:45 PM</i>	<i>47</i>	<i>53</i>
<i>10</i>	<i>PM</i>	<i>12:00 PM- 1:00 PM</i>	<i>53</i>	<i>47</i>

“Access to the proposed project is from three different locations: 1) E Street, 2) Margie Street, and 3) David Street via Gary Street. The area west of the project is primarily residential while the area on the east side is comprised of business and public services. The likely entrance and exit location used by most of the multi-family housing during peak hours is E Street having direct access to both Pacific Avenue and 9th Street, which are east-west main collector streets. Margie Street to the north has a 4-way controlled intersection at Pacific Avenue and experiences heavy traffic during peak hours so will be naturally avoided due to the better convenience using E Street. Gary Street is located to the west and primarily accesses residential neighborhood but does have access to A Street (a collector) via East Condor.

“There is a transit stop located at Pacific and E Street which is planned to be improved as part of this project. Redwood Coast Transit has regularly scheduled stops at that location including 7:18 and 7:48 AM. This readily accessible transit stop to the site will likely reduce the estimated peak trip ends for the project.

“For comparison to existing traffic, the major generator at E Street is Joe Hamilton School located adjacent to the project to the south on E Street. The school currently has 300 students. The entrance to the school drop off area with 30 parking spaces is from E Street. The drop off exits southerly onto 10th Street. A separate parking area with 39 parking spaces is accessed from 10th Street. 10th & E Street is controlled by a three-way stop tee intersection.

“Driftwood Apartments is located adjacent to the north of the proposed project. It is comprised of approximately 36 dwelling units in 4-plex style buildings. It has 28 parking spaces accessed from E Street and the remaining 26 accessed from Pacific Avenue. The parking area from the lower density apartments is not a significant traffic generator to E Street as compared to the existing Elementary School or the proposed project.

“The estimated peak hour vehicle trip ends for Joe Hamilton Elementary School are as follows: Elementary School (300 Students)

<i>Vehicle Trip Ends (Peak Hour)</i>	<i>Peak Hour</i>	<i>Time</i>	<i>% Enteri ng</i>	<i>% Exiti ng</i>
<i>195</i>	<i>AM</i>	<i>7:15 - 8:15 AM</i>	<i>54</i>	<i>46</i>
<i>102</i>	<i>PM</i>	<i>2:15 - 3:15 PM</i>	<i>45</i>	<i>55</i>

“The school's PM peak hour does not coincide with the proposed project's PM peak hour while the AM peak hour for the existing school and proposed project overlap. The proposed project is estimated to contribute not more than 21% of the peak hour traffic to E Street than currently estimated for the existing school and Driftwood Apartments alone.” (Stover Engineering, 2023)

Therefore, based on the project location, design, and as conditioned, the proposed project will result in a less-than-significant effect relating to traffic.

Noise:

Residential development is typically considered to be a noise-sensitive land use, as opposed to a land use that generates significant noise levels. Noise levels in the project area are primarily generated by traffic on adjacent streets and schools. The proposed residential development site is not located within an airport land use compatibility safety zone though it is approximately one-and-a-half miles (within 2 miles) of a public airport (Del Norte County Airport). Noise levels generated by the proposed project will be from short-term construction of the proposed improvements and long-term operation of the residential uses.

Construction of the proposed improvements will result in short-term increases in noise levels from the operation of stationary and mobile construction tools and equipment. The closest sensitive receptors to the proposed project development site include residents to the north and west. The City's Municipal Code Section 8.18.060 E contains standards for construction noise that places limitations on the days and hours of construction activity to the hours of seven a.m. and six p.m. or sunset, whichever occurs later, on Monday through Friday, or between the hours of eight a.m. and six p.m. on Saturdays and Sundays, which will be required as a condition of approval for the project. The implementation of the proposed project with these existing standards will prevent adverse noise impacts from construction activity.

TABLE 3-5			
LEVEL OF SERVICE DEFINITIONS FOR FOR SIGNALIZED INTERSECTIONS			
LOS	SIGNALIZED INTERSECTIONS	Unsignalized Intersections	
	Average Delay per Vehicle (Seconds)	Reserve Capacity (pcph)*	Expected Delay to Minor Street Traffic
A	≤5.0	≤400	Little or no delay
B	5.1 to 15.0	300 to 399	Short traffic delays
C	15.1 to 25.0	200 to 299	Average traffic delays
D	25.1 to 40.0	100 to 199	Long traffic delays
E	40.1 to 60.0	0 to 99	Very Long traffic delays
F	>60.0**	--	Severe congestion/Intersection blocked

*pcph = passenger cars per hour
 **60 seconds of stopped delay is considered to be unacceptable to the majority of drivers.
 Source: Transportation Research Board, *Highway Capacity Manual*, Special Report 209, 1985.

- 3.A.12 The City shall endeavor to manage its roadway system so as to maintain Level of Service C operation, except for when streets intersect with Highway 101, where Level of Service D shall be acceptable. 
- 3.A.13 The City shall strive to meet the level of service standards through a balanced transportation system that provides alternatives to the automobile. 
- 3.A.14 The City shall attempt to minimize through-traffic on neighborhood roadways. This through-traffic, including through truck-traffic, shall be directed to appropriate arterials and collectors in order to maintain public safety and local quality of life. 
- 3.A.15 The City shall continue to require all new development to provide off-street parking, either on-site or in consolidated lots. 
- 3.A.16 The City shall require new land development projects to contribute their fair share of transportation improvement costs, based on trip generation. Any project that is expected to generate more than 50 trips per day shall be required to submit a traffic analysis as part of the permit application and will be required to mitigate traffic impacts identified. Regardless of the number of trips generated by a given project, a traffic study may be required if traffic safety issues warrant such a study. 
- 3.A.17 The City shall secure financing in a timely manner for all components of its transportation system to achieve and maintain its adopted level of service standards. 
- 3.A.18 The City shall continue its program of maintenance and minor improvements to the existing public roadway system in order to maintain its capacity.
- 3.A.19 Local road construction located within the incorporated limits of Crescent City should be at the discretion of, and in accordance with, priorities established by the City Council and the City Department of Public Works. 

available from the Caltrans SB 743 website (<https://dot.ca.gov/programs/transportation-planning/office-of-smart-mobility-climate-change/sb-743>). The lead agency should be consulted if different there is a discrepancy in Caltrans and ITE maps posted for the same area. VMT/capita and VMT/employee values for base year conditions based on the CSTDM are shown in Table 3-1.

It should be noted that some projects include a mix of land uses. For these projects, one way to conduct the VMT analysis would be to use the methodology described above and analyze VMT impacts and mitigation for each land use type separately. An alternative approach would be to conduct an analysis to determine the VMT reduction that would occur due to internal capture (i.e. trips between different land uses that occur within the project site).

*Table 3-1 Vehicle Miles Traveled Analysis for
Del Norte Region Traffic Analysis Zone*

Zone Number	Base Year Daily VMT Per Capita	Base Year Daily VMT Per Employee
100	5.08	23.07
101	7.0	20.92
102	7.96	21.62
103	24.71	22.33
104	30.13	39.79

- (1) Source: California Statewide Travel Demand Model. See Caltrans SB 743 Website <https://dot.ca.gov/programs/transportation-planning/office-of-smart-mobility-climate-change/sb-743> and Northern California Institute of Transportation Engineers website www.norcalite.org.
- (2) This table is current as of the time of preparation of this report and should be updated whenever Caltrans provides updated VMT per capita and VMT per employee information.

3.2 Screening Criteria

Following is a description of projects that would have a less than significant transportation impact due to project size or project type. If a project meets at least one of the following screening criteria, it would not require a detailed VMT analysis. However, a discussion summarizing the applicability of relevant screening criteria should be prepared for projects for traffic generating projects in excess of 60 trips per day.

It should be noted that, in addition to the list below, OPR's Technical Advisory recommends that projects in Transit Priority Areas (TPA's) may be screened out from consideration to conduct a VMT analysis. However, TPA's require the presence of a rail station or buses running at headways of 15 minutes or less and there are no TPA's in the Del Norte region.

3.2.1 Small Projects

Some projects are small enough that they can be presumed to have a less than significant transportation impact without doing a detailed VMT analysis. For The Del Norte region, projects that generate less than 110 trips per day can be presumed to have a less than significant impact, per OPR's technical Advisory. Trip generation would normally be determined using the current edition of the Institute of Transportation Engineers (ITE) Trip Generation Manual. Other potential sources include the San Diego Association of Governments (SANDAG) trip generation guide (Not So Brief Guide of Vehicular Traffic Generation Rates in the San Diego Region, April 2002), articles in the ITE Journal, and customized trip generation rates based on individual research.

3.2.2 Local-Serving Retail and Similar Land Uses

Per OPR's Technical Advisory, local-serving retail uses are presumed to have a less than significant impact on VMT since they tend to attract trips from adjacent areas that would have otherwise been made to more distant retail locations. This presumption also applies in the Del Norte region.

Other developments that are not technically retail may fall under this category such as medical offices, insurance agents, and other offices that are intended to serve the general public. Project applicants may submit a written analysis to the lead agency for a determination on whether the local serving status applies.

3.2.3 Local-Serving Public Facilities (Excluding Schools)

Similar to retail land uses, local-serving public facilities other than schools are presumed to have a less than significant impact on VMT. This would include government facilities intended to serve the local public, and parks.

3.2.4 Affordable Housing Projects

OPR's Technical Advisory allows for a less than significant finding for transportation impacts of residential projects that are 100% affordable housing located in infill areas.

3.2.5 Redevelopment Projects That Result in a Net Reduction of VMT

Per CEQA, projects are considered to have a less than significant impact if they result in a net reduction in the relevant performance measure (in this case VMT). Therefore, redevelopment projects in the Del Norte region that generate less VMT than the existing project they are replacing would be considered to have a less than significant impact on VMT. Since VMT/capita and VMT/employee are efficiency metrics, a redevelopment project that would produce more VMT than the existing project it is replacing would need to conduct a VMT analysis assuming the proposed land use (with no credit taken for the existing land use) to determine whether the proposed project meets the applicable significance thresholds (i.e. a value below the appropriate average VMT/capita or VMT/employee).

**PLHA / PIP LOAN AGREEMENT BY AND BETWEEN
THE CITY OF CRESCENT CITY AND COMMUNITY SYSTEM SOLUTIONS**

THIS PLHA / PIP LOAN AGREEMENT ("Agreement") is entered into by and between the City of Crescent City, a California municipal corporation (referred to herein as "CITY"), and Community System Solutions, a California nonprofit corporation (referred to herein as "DEVELOPER").

RECITALS

WHEREAS, CITY has approximately one million dollars in Prohousing Incentive Program (PIP) and Permanent Local Housing Allocation (PLHA) funds from the California Department of Housing and Community Development (HCD) to loan to a developer to support the development of at least 4 affordable housing units for households earning up to 120% of AMI; and

WHEREAS, CITY issued a request for proposals for projects that would utilize HCD funding from PLHA and PIP to create affordable housing; and

WHEREAS, DEVELOPER'S proposed project was selected by CITY to receive the PLHA and PIP funds.

AGREEMENT

- 1. TERM.** This Agreement is effective as of the date of its execution and will continue in full force and effect until the obligations of the parties have been fulfilled hereunder.
- 2. LOAN.** Subject to the terms and conditions of this Agreement, and in reliance upon the representations and warranties of DEVELOPER set forth in this Agreement, CITY agrees to make to DEVELOPER, and DEVELOPER agrees to accept from CITY, a loan (the "Loan") in the principal amount of One Million Thirty-Two Thousand Three Hundred Seventy-One Dollars and Forty-Three Cents (\$1,032,371.43). The Loan amount includes \$383,099.10 from the City's Permanent Local Housing Allocation ("PLHA Funds") and \$649,272.33 in funds from the Prohousing Incentive Program ("PIP Funds").
- 3. LOAN TERMS.**
 - 3.1 Purpose.** The purpose of this Loan is to provide funds to assist with the development of low- to moderate-income affordable housing. The Loan proceeds can be used for any of the following purposes:
 - 3.1.1 PLHA Funds.** PLHA Funds must be utilized in accordance with the terms and conditions contained in that certain Standard Agreement No. 23-

PLHA-18498 between HCD and CITY dated 09/19/2024 (“PLHA Standard Agreement”), attached hereto as **Exhibit A-1** and the Permanent Local Housing Allocation Final Guidelines, attached hereto as **Exhibit A-2**. These documents may be amended from time to time, and DEVELOPER must adhere to any amendments.

3.1.2 PIP Funds. PIP Funds must be utilized in accordance with the terms and conditions contained in that certain Standard Agreement No. 23-PIP-18478 between HCD and CITY dated 12/09/2024 (“PIP Standard Agreement”), attached hereto as **Exhibit B-1**, Prohousing Incentive Program Guidelines, attached hereto as **Exhibit B-2**, as well as the Permanent Local Housing Allocation Final Guidelines (**Exhibit A-2**). These documents may be amended from time to time, and DEVELOPER must adhere to any amendments.

3.2 Conditions of Disbursement. Loan disbursements will be made as follows:

3.2.1 PLHA Funds.

A. City will disburse \$326,988.10 in PLHA funds once DEVELOPER has fulfilled all the following conditions:

- i. submitted the performance promissory note(s) required herein to CITY;
- ii. executed and delivered the PLHA / PIP Loan Promissory Note to CITY;
- iii. executed and delivered the Deed of Trust to CITY;
- iv. obtained for the CITY, at DEVELOPER'S expense, the Title Policy insuring the Deed of Trust required herein; and
- v. executed and delivered the Affordable Housing Covenant to CITY.

B. City will disburse \$56,111.00 in PLHA funds to DEVELOPER upon receipt of said funds from HCD.

3.2.2 PIP Funds. DEVELOPER must submit a written disbursement request identifying the amount, purpose and proof of payment for eligible predevelopment costs to CITY for reimbursement on or before February 27, 2026. CITY will then submit the request to HCD. Upon receipt of payment from HCD (6-8 weeks), CITY will issue the reimbursement payment to DEVELOPER.

3.3 Security.

3.3.1 Performance Promissory Note. DEVELOPER must deliver one or more performance promissory notes in the total amount of \$649,272.33 in a form acceptable to CITY. The performance promissory note(s) will be

On March 12, 2026, the Planning Commission approved the Site Plan & Architectural Review for the proposed mixed used development with 36 residential units and retail along Third Street on the first floor. The project was subject to certain mandatory development exemptions due to the developer’s commitment to make at least 80% of the units available to lower income households and no more than 20% of the units available to moderate income households. The exemptions applied and utilized for this project were height (+ 4ft 8in), rear yard setback (- 2ft 6in), density (+ 28 units) and parking (- 42 spaces).

AFFORDABLE HOUSING

The PLHA / PIP Loan Agreement requires that only 4 of the units remain affordable for households earning up to 120% AMI for a period of 55 years (moderate income level). The project, however, has received state-mandated development exemptions based on the condition that the entirety of the residential units will be affordable with no less than 80% of the units designated for low-income households and no more than 20% of the units designated for moderate income households. Household income designations are created in reference to the area median income (AMI). The 2025 Del Norte County AMI as determined by HCD is \$93,900 for a 4-person household. This number is adjusted based upon how many people are in the household. Low-income households are defined as households earning less than 80% of the annual AMI. Moderate-income households are defined as households earning less than 120% of the annual AMI.

Income Level	% AMI	Maximum Allowable Gross Annual Income by Household Size			
		1 person	2 persons	3 persons	4 persons
Low-Income	<80%	\$52,600	\$60,100	\$67,600	\$75,100
Moderate-Income	<120%	\$78,900	\$90,150	\$101,450	\$112,700

The State also sets “affordability” guidelines. “Affordable housing cost” is defined in State law as not more than 30% of gross household income with variations (Health and Safety Code Section 50052.5). “Housing cost” for rentals commonly includes rent and utilities (gas, electricity, water, sewer, garbage, recycling, and green waste).

ANALYSIS

The developer, Community System Solutions (CSS), ran into issues with securing and expending funds prior to the HCD deadline for PIP Grant reimbursement. Danco Communities, which recently built the 27-unit senior development, Harbor Point at 655 H Street, has offered to purchase the project and step in as the developer. Danco Communities has the financial resources to spend the required amount in a short timeframe and the experience to bring this project to completion. Danco is aware of the community’s apprehension about the lack of residential parking included as part of the

project and is actively working toward solutions. However, the project remains fully entitled without any additional parking.

Grants & Economic Development Manager Bridget Lacey has been in communication with HCD staff regarding the transfer of the project and spending deadlines. The City has been granted an extension to submit requests to HCD for reimbursement.

The agreement that the City Council is being asked to approve this evening will replace CSS with Danco with respect to this project and all agreements entered into regarding this project with the City of Crescent City. Danco Communities has created a new limited partnership, Crescent City 3rd Street, LP, for which it is the administrative general partner (same set up as Harbor Point). Both CSS and Danco have reviewed and approved the agreement as presented.

FISCAL ANALYSIS

This action will not have a fiscal impact to the City's budget.

STRATEGIC PLAN ANALYSIS

This action is consistent with the following 2016 Strategic Plan Goals:

- Goal 1: Support quality services, community safety, and health to enhance the quality of life and experience of our residents and visitors.
- Goal 2: Promote a thriving local economy.
 - Expand on the success of grant funding by maximizing utilization of opportunities with corresponding community needs.

ATTACHMENTS

1. Assignment, Assumption, and Novation Agreement of PLHA / PIP Documents

EXHIBIT D

PLHA PROGRAM TERMS AND CONDITIONS

1. Effective Date, Commencement of Work

This Agreement is effective upon the date of the Department representative's signature on page one of the fully executed Standard Agreement, STD 213. Contractor agrees that work under this agreement shall not commence until execution of the STD 213, (the "Effective Date").

2. Strict Compliance

Contractor will strictly comply with the terms, conditions and requirements of the Permanent Local Housing Allocation (PLHA) Statutes, Guidelines, the Notice of Funding Availability (NOFA), and this Agreement.

3. Contractor's Application for Funds

- A. Contractor has submitted to the Department an Application for a Grant under the Program. The Department is entering into this Agreement based on, and in substantial reliance upon, Contractor's facts, information, assertions and representations contained in that Application, and in any subsequent modifications or additions thereto approved by the Department. The Application and any approved modifications and additions thereto are hereby incorporated into this Agreement.
- B. Contractor warrants that all information, facts, assertions and representations contained in the Application and approved modifications and additions thereto are true, correct, and complete to the best of Contractor's knowledge. In the event that any part of the Application and any approved modification and addition thereto is untrue, incorrect, incomplete, or misleading in such a manner that would substantially affect the Department's approval, disbursement, or monitoring of the funding and the Grants or activities governed by this Agreement, then the Department may declare a breach hereof and take such action or pursue such remedies as are provided for breach hereof.

EXHIBIT D

5. Core Practices

- A. A Contractor or Subrecipient must provide eligible activities in a manner consistent with the housing first practices described in California Code of Regulations, title 25, section 8409(b)(1)-(6). A Contractor or Subrecipient allocated funds for eligible activities that provide permanent housing shall incorporate the core components of Housing First as provided in Section 8255(b) of the Welfare and Institutions Code.

6. Monitoring Grant Activities

- A. Contractor shall monitor the activities selected and awarded by them to ensure compliance with PLHA requirements. An onsite monitoring visit of Subrecipients and any other service providers shall occur whenever determined necessary by the Contractor, but at least once during the Grant period.
- B. The Department will monitor the performance of the Contractor based on a risk assessment and according to the terms of this Agreement. The Department may also monitor any Subrecipients of the Contractor as the Department deems appropriate based on a risk assessment.
- C. As requested by the Department, the Contractor shall submit to the Department all PLHA monitoring documentation necessary to ensure that Contractor and its Subrecipients are in continued compliance with PLHA requirements. Such documentation requirements and the submission deadline shall be provided by the Department at the time such information is requested from the Contractor.

7. Reporting/Audits

- A. Commencing with the Effective Date of this Agreement and continuing through the Expiration Date, the Contractor shall submit an annual report to the Department by July 31 of each year that reports all activities from the previous fiscal year (7/1–6/30), on forms provided by the Department.

The first report will be due on July 31, 2025 and will report all activities from date of initial fund disbursement through June 30, 2025.

- B. The annual report shall contain a detailed report which must include, at a minimum:
 - 1) Identification of the Eligible Activities to which the Contractor committed program funds, and the income levels of households assisted.

EXHIBIT D

- B. The Contractor agrees that the Department or its designee shall have the right to review, obtain, and copy all records and supporting documentation pertaining to performance of this Agreement. The Contractor agrees to provide the Department or its designee, with any relevant information requested. The Contractor agrees to permit the Department or its designee access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees who might reasonably have information related to such records and inspecting and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with the PLHA Statutes, the NOFA, and this Agreement.
- C. The Contractor further agrees to retain all records for a period of five years after the end of the term of this Agreement:
 - 1) If any litigation, claim, negotiation, audit, monitoring, inspection or other action has been started before the expiration of the required record retention period, all records must be retained until completion of the action and resolution of all issues, which arise from it.
 - 2) The Contractor also agrees to include in any contract that it enters into in an amount exceeding \$10,000, the Department's right to audit the contractor's records and interview their employees. The Contractor shall comply with the caveats and be aware of the penalties for violation of fraud and for obstruction of investigation as set forth in California Public Code Section 10115.10.
- D. The determination by the Department of the eligibility of any expenditure shall be final. If the eligibility of any expenditure cannot be determined because records or documentation are inadequate, the expenditure may be disallowed, and HCD shall determine the reimbursement method for the amount disallowed.
- E. The Contractor shall retain all books and records relevant to this Agreement for a minimum of five years after the end of the term of this Agreement. Records relating to any and all audits or litigation relevant to this Agreement shall be retained for five years after the conclusion or resolution of the matter.

9. **Breach and Remedies**

- A. The following shall each constitute a breach of this Agreement:
 - 1) Contractor's failure to comply with the terms of this Agreement.

EXHIBIT D

- 2) Use of, or permitting the use of, Grant funds provided under this Agreement for any ineligible costs or for activities not approved under this Agreement.
 - 3) Any failure to comply with the deadlines set forth in this Agreement.
- B. In addition to any other remedies that may be available to the Department in law or equity for breach of this Agreement, the Department may:
- 1) Bar the Contractor from applying for future PLHA and other HCD funds;
 - 2) Revoke any other existing PLHA award(s) to the Contractor;
 - 3) Require the return of any unexpended PLHA funds disbursed under this Agreement;
 - 4) Require repayment of PLHA funds disbursed and expended under this agreement;
 - 5) Require the immediate return to the Department of all funds derived from the use of PLHA funds including, but not limited to recaptured funds and returned funds;
 - 6) Seek, in a court of competent jurisdiction, an order for specific performance of the defaulted obligation or the appointment of a receiver to complete the technical assistance in accordance with the PLHA Program requirements; and,
 - 7) Seek such other remedies as may be available under the relevant agreement or any law.
- C. All remedies available to the Department are cumulative and not exclusive.
- D. The Department may give written notice to the Contractor to cure the breach or violation within a period of not less than fifteen days.

EXHIBIT D

10. Termination

- A. The Department may terminate this Agreement at any time for cause by giving a minimum of thirty days' notice of termination, in writing, to the Contractor. Cause shall consist of, violations of any terms and/or special conditions of this Agreement, the PLHA Statutes, or the NOFA. Upon termination of this Agreement, unless otherwise approved in writing by the Department, any unexpended funds received by the Contractor shall be returned to the Department within thirty days of the notice of termination.
- B. This Agreement is subject to any additional restrictions, limitations or conditions, or statute, regulations or any other laws, whether federal or those of the State of California, or of any agency, department, or any political subdivision of the federal or the State of California governments, which may affect the provisions, terms or funding of this Agreement in any manner.
- C. The Department has the option to terminate this Agreement under the thirty-day cancellation clause or to amend this Agreement to reflect any reduction of funds.

11. Waivers

No waiver of any breach of this Agreement shall be held to be a waiver of any prior or subsequent breach. The failure of the Department to enforce at any time the provisions of this Agreement, or to require at any time, performance by the Contractor of these provisions, shall in no way be construed to be a waiver of such provisions nor to affect the validity of this Agreement or the right of the Department to enforce these provisions.

12. Relocation

Contractor shall comply with all requirements of applicable California relocation law (Gov. Code, § 7260 et seq. and the regulations promulgated thereunder at Cal. Code Regulations, Title. 25, § 6000 et seq.). Any relocation plan for the Development shall be subject to the review and approval by the State.

EXHIBIT D

13. Special Conditions Contractors and Subrecipients

The Contractor agrees to comply with all conditions of this Agreement including the Special Conditions set forth in Exhibit E. These conditions shall be met to the satisfaction of the Department prior to disbursement of funds. The Contractor shall ensure that all Subrecipients are made aware of and agree to comply with all conditions of this Agreement and the applicable State requirements governing the use of Grant funds. The Contractor shall ensure that all Subrecipients are qualified to do business and in good standing with the California Secretary of State and the California Franchise Tax Board. Failure to comply with these conditions may result in cancellation of this Agreement.

14. Compliance with State and Federal Laws, Rules, Guidelines and Regulations

The Contractor agrees to comply with all State and Federal laws, rules and regulations that pertain to construction, health and safety, labor, fair employment practices, equal opportunity, and all other matters applicable to the Grant, the Contractor, its Subrecipients, and any other Grant activity.

15. Litigation

- A. If any provision of this Agreement, or an underlying obligation, is held invalid by a court of competent jurisdiction, such invalidity, at the sole discretion of the Department, shall not affect any other provisions of this Agreement and the remainder of this Agreement shall remain in full force and effect. Therefore, the provisions of this Agreement are, and shall be, deemed severable.
- B. The Contractor shall notify the Department immediately of any claim or action undertaken by or against it, which affects or may affect this Agreement or the Department and shall take such action with respect to the claim or action as is consistent with the terms of this Agreement and the interests of the Department.

EXHIBIT B

BUDGET DETAIL AND PAYMENT PROVISIONS

1. Application for Funds

- A. Grantee has submitted to the Department an Application for a Grant under the Program. The Department is entering into this Agreement on the basis of, and in reliance on fact, information, assertions and representations contained in the Application and any subsequent modifications or additions thereto approved by the Department. The Application and any approved modifications and additions thereto are hereby incorporated into this Agreement.
- B. The Grantee warrants that all information, facts, assertions, and representations contained in the Application and approved modifications and additions thereto are true, correct, and complete to the best of the Grantee's knowledge. In the event that any part of the Application and any approved modification and addition thereto is untrue, incorrect, incomplete, or misleading, in such a manner that would substantially affect the Department's approval, disbursement, reimbursement, or monitoring of the funding and the grant or activities governed by this Agreement, the Department may declare a breach hereof and take such action or pursue such remedies as are provided for breach hereof.

2. Grant and Reimbursement Limit

The Department's decision to approve or deny an application or request for funding pursuant to the Program, and its determination of the amount of funding provided, shall be final. The maximum total amount granted and disbursable to the Grantee pursuant to this Agreement shall not exceed \$650,000.

3. Grant Timelines

- A. This Agreement is effective upon approval by all parties and the Department, which is evidenced by the date signed by the Department on page one, Standard Agreement, STD 213 (the "Effective Date").
- B. The grant term begins on the day the Department and the grantee have fully executed the Standard Agreement as described in Exhibit D(1).
- C. All reimbursement requests for Grant funds must be submitted to the Department no later than March 30, 2026.
- D. Upon completion of all deliverables within the Standard Agreement and prior to processing final invoicing, the awardee shall submit a Close Out Report.

EXHIBIT D

PIP TERMS AND CONDITIONS

1. Effective Date, Commencement of Work

This Agreement is effective upon the date of the Department representative's signature on page one of the full executed Standard Agreement, STD 213. Grantee agrees that work under this Agreement shall not commence until execution of the STD 213, (the "Effective Date").

2. Strict Compliance

Grantee will strictly comply with the terms, conditions and requirements of the PIP Statute, Guidelines and NOFA, and PLHA Statute and Guidelines, and this Agreement.

3. Contractor's Application for Funds

- A. Grantee has submitted to the Department an Application for a Grant under the Program.
- B. Grantee warrants that all information, facts, assertions and representations contained in the Application and approved modifications and additions thereto are true, correct, and complete to the best of Grantee's knowledge.

4. Eligible Activities

- A. Grant funds awarded to the Grantee and expended by either the Grantee or any entity to which Grantee awards funds shall be used for the eligible activities set forth in Exhibit A(4). The following additional requirements shall apply:
- B. Each Grantee shall submit a Plan contained in Exhibit E detailing:
 - 1) The manner in which allocated funds will be used for eligible activities.
 - 2) A description of how the Plan is consistent with the programs set forth in the Local government's Housing Element.
 - 3) The following for each proposed Activity:
 - a) A description of each proposed Activity and the percentage of funding allocated to it.
 - b) A description of major steps/actions and a proposed schedule required for the implementation and completion of the Activity.

EXHIBIT D

10. Breach and Remedies of Non-Performance

- A. The Department may monitor expenditures and activities of an applicant, as the Department deems necessary, to ensure compliance with Program requirements.
- B. Any dispute concerning a question of fact arising under this Standard Agreement that is not disposed of by agreement shall be decided by the Department's Housing Policy Development Manager, or the Manager's designee, who may consider any written or verbal evidence submitted by the Grantee. The decision of the Department's Housing Policy Development Manager or Designee shall be the Department's final decision regarding the dispute.
- C. Neither the pendency of a dispute nor its consideration by the Department will excuse the Grantee from full and timely performance in accordance with the terms of this Standard Agreement.
- D. In the event that it is determined, at the sole discretion of the Department, that the Grantee is not meeting the terms and conditions of the Standard Agreement, immediately upon receiving a written notice from the Department to stop work, the Grantee shall cease all work under the Standard Agreement. The Department has the sole discretion to determine that the Grantee meets the terms and conditions after a stop work order, and to deliver a written notice to the Grantee to resume work under the Standard Agreement.
- E. Both the Grantee and the Department have the right to terminate the Standard Agreement at any time upon 30 days written notice. The notice shall specify the reason for early termination and may permit the Grantee or the Department to rectify any deficiency(ies) prior to the termination date. The Grantee will submit any requested documents to the Department within 30 days of the early termination notice.
- F. At any time, if the Department finds the applicant falsely proposed information in the application or as part of the application review, including documentation related to incentive payments (e.g., affordability, enhancements), the Department may require the repayment of funds or decline reimbursement.
- G. The Department may, as it deems appropriate or necessary, require the repayment of funds from a grantee, or pursue any other remedies available to it by law for failure to comply with Program requirements (Health and Safety Code section 50515.04(e)).
- H. The following shall constitute a breach of this Agreement:

EXHIBIT D

- 1) Grantee's failure to comply with any of the terms and conditions of this Agreement.
 - 2) Use of, or permitting the use of, grant funds provided under this Agreement for any ineligible costs or for any activity not approved under this Agreement.
 - 3) Any failure to comply with the deadlines set forth in this Agreement unless approved by the Program Manager.
- I. In addition to any other remedies that may be available to the Department in law or equity for breach of this Agreement, the Department may at its discretion, exercise the following remedies:
- 1) Disqualify the Grantee from applying for future Program Funds or other Department administered grant programs;
 - 2) Revoke existing PIP award(s) to the Grantee;
 - 3) Decline reimbursement of funds;
 - 4) Require the return of unexpended Program funds disbursed under this Agreement;
 - 5) Require repayment of Program funds disbursed and expended under this Agreement;
 - 6) Require the immediate return to the Department of all funds derived from the use of Program funds including, but not limited to recaptured funds and returned funds;
 - 7) Seek, in a court of competent jurisdiction, an order for specific performance of the obligation defaulted upon, or the appointment of a receiver to complete the obligations in accordance with the PIP requirements; and
 - 8) Other remedies available at law, or by and through this Agreement.
- J. All remedies available to the Department are cumulative and not exclusive.
- K. The Department may give written notice to the Grantee to cure the breach or violation within a period of not less than fifteen (15) days.

EXHIBIT D

16. Compliance with State and Federal Laws, Rules, Guidelines and Regulations

- A. The Grantee agrees to comply with all state and federal laws, rules and regulations that pertain to construction, health and safety, labor, fair employment practices, equal opportunity, and all other matters applicable to the grant, the Grantee, its contractors or subcontractors, and any other grant activity.
- B. During the performance of this Agreement, the Grantee assures that no otherwise qualified person shall be excluded from participation or employment, denied program benefits, or be subjected to discrimination based on race, color, ancestry, national origin, sex, gender, gender identity, gender expression, genetic information, age, disability, handicap, familial status, religion, or belief, under any program or activity funded by this contract, as required by Title VI of the Civil Rights Act of 1964, the Fair Housing Act (42 USC 3601-20) and all implementing regulations, and the Age Discrimination Act of 1975 and all implementing regulations.
- C. The Grantee shall include the nondiscrimination and compliance provisions of this clause in all agreements with its sub-recipients, contractors, and subcontractors, and shall include a requirement in all agreements with all of same that each of them in turn include the nondiscrimination and compliance provisions of this clause in all contracts and subcontracts they enter into to perform work under the Prohousing Incentive Program.
- D. The Grantee shall, in the course of performing project work, fully comply with the applicable provisions of the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)
- E. The Grantee shall adopt and implement affirmative processes and procedures that provide information, outreach and promotion of opportunities in the Prohousing Incentive Program project to encourage participation of all persons regardless of race, color, national origin, sex, religion, familial status, or disability. This includes, but is not limited to, a minority outreach program to ensure the inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women, as required by 24 CFR 92.351.

17. Litigation

Prohousing Incentive Program (PIP)
NOFA Date: 1/23/2024
Approved Date: 06/11/2024
Preparation Date: 10/15/2024

SLC Final Staff Report for: Battery Point Apartments
CalHFA Project Number: 23-010-A/X/N

SLC Date: 2/1/2024
Board Date: 02/21/2024

10. Project Specific Conditions of Approval

Approval is conditioned upon:

- Closing on construction financing will be subject to final Limited Partnership Agreement (LPA) being substantially consistent to the assumptions made at time of final commitment and as reflected in the attached Financial Analysis Summary attached to this Final Commitment Staff Report, and acceptable to CalHFA, in its sole discretion.
- Any default as to any loans by the Agency for the Development shall constitute a default under any other loans by the Agency for the Development
- Final subdivision structure will be subject to Agency's approval.
- No site work or construction commencement prior to the issuance of a HUD Risk Sharing Program Firm Approval Letter.
- CalHFA will require that the local funding regulatory agreements contain provisions allowing rent increases to the maximum CTCAC rents if rental subsidies are no longer available.
- The total deferred developer's fee of \$6,138,596 will not be fully repaid by year 15 per project cashflow; therefore, the owner must provide evidence of investor approval of the total deferred developer's fee structure. Receipt of LPA and investor written approval evidencing that any outstanding deferred developer fee remaining in Year 15 will be treated as a developer contribution.
- CalHFA requires that MIP affordability covenants be recorded in senior position to all foreclosable debt. However, the locality is requiring the Affordable Housing Agreement to be recorded 1st (ahead of) CalHFA Bond and CalHFA MIP Regulatory Agreement as indicated in Section 9. Allowance of the City's first lien position is subject to CalHFA receiving a Stand Still Agreement from the City in form and content acceptable to CalHFA in its sole discretion.
- The CalHFA subsidy will be, in the Agency's sole discretion, the lesser of 1) the principal amount as stated on hereto or 2) an amount as determined by the Agency in the event the financial assumptions change prior to construction loan closing and/or permanent loan closing.
- All MIP Loan principal and accrued interest will be due and payable at maturity.
- The Borrower has requested that 100% of surplus cash be available for the repayment of the deferred developer's fee (DDF) until the earlier of year 15 of operations is complete or full repayment of the DDF. Thereafter, the surplus cash split shall be 50% to Borrower and 50% to Residual Receipt lender(s). As a condition of this approval, the Borrower must provide evidence that the DDF repayment structure is required pursuant to the Limited Partnership Agreement (LPA). In addition, the owner must provide evidence of investor and all residual receipt lender(s) approvals of the total deferred developer's fee structure and residual receipt split. Residual receipt lenders must also agree to defer the payments on their loans.
- An updated Phase I is required per CalHFA underwriting standards and HUD Risk Share. The current Phase I ESA dated 3/9/2023 exceeds the 180 days validity and an updated Phase I ESA will be required prior to closing.
- Receipt of a certification by the engineer on record that Project has been built to current seismic code acceptable to the Agency prior to permanent closing.
- Funds from the CalHFA permanent loan and/or the subsidy loan shall not be used to fund or offset any portion of the offsite improvement's construction costs, except to the extent such costs are attributable to improvements for the exclusive use by the tenants of the Project.
- An estoppel as to the lien priority of the Agency loans and approval of the Agency's form of subordination agreement by all subordinate lenders prior to construction closing.
- Receipt of evidence of Borrower compliance with Crescent City conditions of approval.
- A standstill/subordination agreement may be required for the HCD-IIG restrictive covenant.

AFFORDABILITY

11. CalHFA Affordability (Occupancy and Rent) Restrictions

The CalHFA Permanent Financing Regulatory Agreement will restrict a minimum of 40% of the total units at or below 60% AMI; with 30% of the total units (48 units) at or below 60% AMI and 10% of the total units (17 units) at 50% of AMI for 55 years.

*Special Planning Commission Meeting
Agenda Item: IV.A.*

F. That the planning commission is reviewing such requests and hearing the evidence finds that conditions of subsections A through E of this section have been met. (Prior code § 30-502)

Analysis: The Applicant has provided the following: *“The reason for the variance it to accommodate cold food storage and employee break room and general storage space (03/24/23).”* The Planning Commission must make the above determinations (17.56.010(A-F)) prior to granting the Variance Permit. Since no support for the variance findings were submitted with the application, the applicant is required to provide support for each of the above findings to the Planning Commission (17.56.010(E)). Staff has not been provided information to analyze the adequacy of the support of making the variance findings. Staff is not making a recommendation to approve or deny the variance.

ENVIORNMENTAL DETERMINATION:

The proposed project is determined to be exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3), 15303(c), 15305(a), and 15332 of the CEQA Guidelines:

§ 15061(b)(3). Common Sense Exemption

(b) A project is exempt from CEQA if:

(3) The activity is covered by the common sense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

§ 15303(c). New Construction or Conversion of Small Structures

Class 3 consists of construction and location of limited numbers of new, small facilities or structures; installation of small new equipment and facilities in small structures; and the conversion of existing small structures from one use to another where only minor modifications are made in the exterior of the structure. The numbers of structures described in this section are the maximum allowable on any legal parcel. Examples of this exemption include but are not limited to:

(c) A store, motel, office, restaurant or similar structure not involving the use of significant amounts of hazardous substances, and not exceeding 2500 square feet in floor area. In urbanized areas, the exemption also applies to up to four such commercial buildings not exceeding 10,000 square feet in floor area on sites zoned for such use if not involving the use of significant amounts of hazardous substances where all necessary public services and facilities are available and the surrounding area is not environmentally sensitive.

§ 15305(a) - Minor Alterations in Land Use Limitations

Class 5 consists of minor alterations in land use limitations in areas with an average slope of less than 20%, which do not result in any changes in land use or density, including but not limited to:

(a) Minor lot line adjustments, side yard, and set back variances not resulting in the creation of any new parcel;

IV. CONDITIONAL USE PERMITS AND ARCHITECTURAL REVIEW:

IV.A: VAR23-01/AR23-04 - LNL Design and Construction [1348 Front Street; APN 118-080-017]

Chairman Wendt opened the public hearing at 5:44pm.

Ethan Lawton, Contract City Planner, gave a presentation on the proposed variance for a building set back at 1348 Front Street. He said the eight proposed findings are 1. The proposed location of the variance permit will not be detrimental to the public health, safety, or welfare, or materially injurious to properties or improvements in the vicinity. 2. The proposed activity, as conditioned, will not result in significant and unavoidable impacts on the environment. 3. The proposed project is consistent with the Crescent City General Plan. 4. The proposed project is consistent with the Crescent City Zoning Code. 5. The proposed project is consistent with Site Plan and Architectural Review standards. 6. The proposed project satisfies the variance permit requirements. 7. The proposed project is determined to be exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3), 15303(c), 15305(a), and 15332 of the CEQA Guidelines. 8. The proposed project to be approved with the Conditions of Approval found which are 1. Approval is for the project as described in the submitted Variance Permit application and Site Plan (received 03/22/23) which is included as Attachment A to the staff report. 2. The applicant will be required to comply with all requirements of the City's Municipal Code including, but not limited to, Chapters 17.22 (General Commercial District). 3. The applicant must meet all requirements of the various City Departments including, but not limited to, the City Manager, Public Works Department, City Engineer, Police Department, Fire Department, Building Department, and Planning Department. 4. The expansion shall meet all fire prevention code requirements. 5. The applicant shall obtain building permits from the Building Department for any improvements that require a permit pursuant to the building code.

The following citizens addressed the Commission:

Matt Wakefield, owner of proposed project- Spoke about Seafront Baking Company, the restaurant/bakery that will housed in the building that is requiring the proposed three foot set back variance. He the plans submitted propose the best use of the space and they are anticipating a larger restaurant than what the building was previously used for. He said that the addition that was in the setback space was going to used for storage and a break room for employees. He feared another location for the addition would take away parking from the establishment. He stated surrounding parcels have zero building setbacks.

Dan Schmidt, County resident-Owner of a neighboring Pete's Auto building. He spoke in favor of the project, but he had a concern about the elimination of the alley that runs behind the neighboring buildings and the closeness of the buildings if the set back is granted.

Mac Robertson, County resident- Owner of a neighboring business called Robertson's Automotive was concerned about the spacing between his property and the addition requiring the variance, right now he utilizes the space to drive thru to a gate on his property.

The alleyway, setbacks and landscaping were discussed on a Commission level.

Fire Chief, Kevin Carey, spoke about the fire access in the set back request. He said he visited the site with the parties involved. He said his staff can make due with the three foot set back, he said they could get a hose line behind the building and cut through any fencing in the area in case of a fire emergency. He said as far as exposure, the applicants building will have fire sprinklers, there will be fire rated construction material on the exterior, no restaurant equipment will be in the addition requiring the setback and the neighboring business is a metal building.

Ethan Lawton, Contract City Planner, said for the administration record that the set back variance is for 3 feet and the Planning Commission can grant anywhere from 0-10 feet.

Chairman Wendt closed the public hearing at 6:25pm.

On a motion by Commissioner Dewar, seconded by Chairman Wendt , and carried , unanimously on a 4-0 polled vote, with Commissioner Tinkler absent, the City of Crescent City Planning Commission and Architectural Review Committee approved VAR23-01/AR 23-04 for a 3 foot rear yard set back with conditions of approval 1-3 being met.

V. CONTINUING BUSINESS: None.

VI. NEW BUSINESS:

VI.A: DRAFT ADU Ordinance [City Wide]

City Attorney, Martha Rice gave a slide show presentation on Accessory Dwelling Units. She said that this subject had previously gone before the Planning Commission and staff was given direction on the contents of Accessory Dwelling Units for the ordinance. She said the ordinance took some time in her review and then the State laws changed. What's before the Commission tonight is an ordinance that includes the provisions directed from the Planning Commission and changes to match the state law. She said the state goal is to widen the range of housing types to increase the housing supply. The state mandates are the following: that local authorities must allow for the development of accessory dwelling units (ADUs) on all parcels zoned for residential use and requires ministerial approval for ADUs and JADUs if certain conditions are met with an option that local authorities may adopt local ordinances that are more liberal than state law in furtherance of developing more ADUs. Martha showed the types of ADUs and gave their definitions. She said an attached ADU is one that is attached to primary dwelling, a detached ADU is one that is detached from the primary dwelling, a conversion ADU is one that is a conversion of existing space that can be attached or detached and a junior ADU is one that is contained within the primary dwelling that is smaller than 500sqft. She said that motorhomes, travel trailers, park trailers and converted buses are not ADUs. The statewide exemption ADU standards that require mandatory ministerial approvals are 1. Any single family dwelling are allowed one attached ADU and one JADU if it's in an existing or proposed single-family dwelling, it must be allowed in any residential or mixed use zone, if its an ADU attached or a conversion, can be up to 150 sqft of expansion of existing footprint for ingress/egress

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MUNICIPAL CODE REQUIRMENTS

CCMC 17.42.120 (H)

Ingress and egress across public sidewalks shall be made possible without the necessity of backing over the same except for property devoted exclusively to one-family, two-family or three-family dwellings. This requirement may be waived by the planning commission upon a showing of hardship and a finding that such waiver will not create a hazardous condition.

CCMC 17.42.130

- A. Reasonable and justifiable reductions or waivers may be made to these parking regulations by the planning commission as hereinafter provided.*
- B. Such reductions or waivers shall be judged upon:*
 - 1. The effect on present and future traffic;*
 - 2. The effect on neighborhoods;*
 - 3. The effect on the stability and adequacy of the site to accommodate the proposed use; and*
 - 4. Any other conditions hereinafter specified.*

In addition to the findings required by CCMC 17.42.120 (H), the issuance of Parking Waivers is further regulated by the Crescent City Municipal Code and requires the Planning Commission to make a judgment based on specified criteria.

ANALYSIS

The Roosevelt Residential Project consists of 10 buildings. Seven (7) buildings contain six (6) units each, two (2) buildings contain five (5) units each, and one (1) building contains four (4) units (Attachment A). CCMC 17.42.120 (H) requires that a Parking Waiver be obtained by the applicant because the Project's dwelling units are proposed with four or more dwellings per building; exceeding the established threshold of a one-, two-, or three-family dwellings and because the Project proposes parking stalls that require backing and crossing, over the public sidewalk for ingress and egress.

Per CCMC 17.42.120 (H), to be eligible for a Parking Waiver, the applicant must provide evidence to demonstrate to the Planning Commission that:

- 1. A hardship would occur if the waiver was not issued; and

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2. The issuance of the waiver would not result in a hazardous condition.

Per CMMC 17.42.130 the Planning Commission will judge the issuance of the Parking Waiver upon the following criteria:

1. The effect on present and future traffic;
2. The effect on the neighborhoods; and
3. The effect on the stability and adequacy of the site to accommodate residential use.

APPLICANT EVIDENCE

The applicant has supplied the following evidence, on August 2, 2023, to support the necessary findings established by CCMC section 17.42.120 (H) and CCMC section 17.42.130. The applicant's support can also be found in Attachment B:

Supporting Information to Support request for waiver:

1. To maximize available housing units, 3 rows of units were designed to fit this lot size. Available off-street parking can only be placed between two of the rows. There is not room for a second driveway. The parking access to the third row of units must come directly from the existing street, creating the need for a waiver to allow backing over the sidewalk and driveway ramps on California Street and Hoover Avenue.
2. A benefit to direct off-street parking per this design is the parking space ratio will be 2 parking spaces for each single unit. Per code, the City can only require 1.5 parking spaces per unit. If all parking spaces were internalized or placed on the diagonal the 2:1 ratio may not have been available.
3. Site analysis
 - a. This waiver will not increase the number of vehicles traveling on Hoover or Oregon Street. Any increased traffic will be based on the number of units, not where the vehicles are parked.
 - b. There should be no detrimental effect to the neighborhood due to impacts from this waiver as California Street and Hoover Avenue are lightly populated in these blocks, and neither act as a collector. Future growth in the neighborhood will be along Oregon Street with future improvements along that vacant lot. As designed there will be no perpendicular street parking along Oregon Street. Both driveway ends for the internal drive through are attached to Hoover and California Streets.
 - c. The site design shows that the layout of these parking spaces included with this waiver request are accommodated by the existing site.

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4. Hardship Analysis

- a. To maintain the current density with a second driveway to eliminate perpendicular street parking, the units could be converted to 3 story units which would inflict additional costs per unit (hardship).
- b. The number of units could be decreased, reducing the housing created, and potentially risking the viability of the project itself(hardship).
- c. Three story units would negatively impact the feel of the neighborhood.

ENVIRONMENTAL DETERMINATION

The proposed Parking Waiver is determined to be categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15305 Minor Alterations in Land Use Limitations of the CEQA guidelines.

Class 5 consists of minor alterations in land use limitations in areas with an average slope of less than 20%, which do not result in any changes in land use or density.

ANALYSIS

The proposed Parking Waiver would result in a minor alteration of the design standard related to the access of off-street parking over public sidewalks. The proposed Parking Waiver will allow vehicles to reverse and cross over a public sidewalk. The waiver would not result in the creation of a new parcel, has no potential to change land use or density of the subject parcel, and is located on a lot that has a slope of less than 20%.

MOTIONS

1. **APPROVAL.** The Planning Commission may grant/approve the Parking Waiver and determine that the required findings can be made.

“Motion to approve Parking Waiver PWR23-10 and adopt by resolution, Resolution Number PC2023-11”

2. **DENIAL.** The Planning Commission may deny the requested Parking Waiver and determine that the required findings cannot be made. The Planning Commission should specifically state which findings cannot be and why.

“Motion to deny Parking Waiver PWR23-10 and deny by resolution, Resolution Number PC2023-11”

PWR23-10
Staff Report
Attachment D

**CITY OF CRESCENT CITY PLANNING COMMISSION
AND ARCHITECTURAL REVIEW COMMITTEE**



RESOLUTION NO. PC2023-11

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF CRESCENT
CITY APPROVING A PARKING WAIVER FOR THE ROOSEVELT RESIDENTIAL
DEVELOPMENT**

WHEREAS, Elk Creek Builders (Sam Schauerman) has applied for a Parking Waiver (PWR23-10), to allow 44 off street parking stalls at 215 E Washington Blvd, Crescent City, CA 95531 (APN: 118-403-002-000) to back over the public side walk along California and Hoover Ave (Exhibit A);

WHEREAS, after posting of the meeting agenda, the matter came on regularly for hearing before the Crescent City Planning Commission on August 8, 2023.

NOW THEREFORE, BE IT HEREBY RESOLVED by the Planning Commission of the City of Crescent City as follows:

1. The Planning Commission finds that the project is categorically exempt from the California Environmental Quality Act (CEQA) under §15305 Minor Alterations in Lot Line Adjustments of the CEQA Guidelines;
2. The Planning Commission finds that the requested Parking Waiver: 1) if not issued would result in a hardship and 2) the issuance of the Parking Waiver will not result in a hazardous condition (CCMC 17.42.120 (H));
3. The Planning Commission has judged the issuance of the Parking waiver upon the a) the effect on present and future traffic, b) the effect on the neighborhood, and c) the effect on the stability and adequacy of the site to accommodate the proposed use (CCMC 17.42.130);
4. The Parking Waiver (PWR23-10) shall permit 44 parking stalls, 32 stalls on California Ave and 12 parking stalls along Hoover Ave (consistent with the site plan proposed in Attachment A), at 215 E Washington Blvd. Crescent City, Ca 95531 (APN:118-403-002-000) to reverse and cross over the public sidewalk subject to the Conditions of Approval (Exhibit B):

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SECTION 6: SITE PLAN & ARCHITECTURAL DESIGN REVIEW

The proposed 40-unit residential use is a permitted use within the R-3 Zone (CCMC §17.16.020) requiring the scheduled public hearing for the Planning Commission to determine whether the proposed Site Plan & Architectural Design Review (Application AR23-16) (See Attachment A) shall be approved or denied (CCMC §17.46.040(A)), based on the following standards:

A. Zoning (CCMC §17.46.035(A)):

The proposed project is considerate of existing and potential uses of the proposed location and is consistent with the Crescent City's High-Density Residential District (R-3) Zoning Code (with a Site Plan & Architectural Design Review). (See Section 2: Background Information and Section 4: Project Description).

B. Parking (CCMC §17.20.060(A) & §17.46.035(A)):

The required off-street parking ratio for multi-family dwellings is 1.5 spaces per unit (CCMC §17.42.040) totaling 84-spaces. The proposed off-street parking ratio is 2 spaces per unit, totaling 112 spaces thus exceeding, by 28-spaces, the required amount. The three buildings currently under construction were granted a parking variance to back out over the sidewalk. There are 20 off-street spaces fronting California and 12 fronting Hoover under the previously approved Parking Waiver (PWR23-01). An additional 12 spaces will front California also covered under PWR23-01. The remaining 68 off-street parking will be served internally with a continuous two-way drive fronting California and Hoover. Two accessible parking spaces (or 3.6%) are proposed meeting the required 2% (Section 1109A of the 2022 California Building Code). Each dwelling unit will have one electric vehicle charging station. The proposed project meets the required off-street parking spaces, accessible parking spaces, and electric vehicle charging station requirements, specific design requirements will need to meet Public Works approval; Therefore, the proposed project is consistent with parking requirements.

C. Landscaping (CCMC §17.46.035(A) & §17.43.010(B)):

The proposed project includes a landscape plan indicating the location of open space and trees. A stormwater detention pond is proposed on the southeast corner of the parcel and will be planted with appropriate and easily managed vegetation. The side slopes of the pond will be 3:1 to permit easy maintenance. The project site is located near Del Norte High School and Mary Peacock Elementary School which have recreational areas available outside of school hours.

D. Fencing (CCMC §17.20.060(B) & §17.46.035(A)):

The proposed project includes 6-ft wood fencing encasing a small "backyard" for each unit. The proposed project also includes a trash enclosure which is required to be screened from view from adjacent streets (CCMC §17.43.050) and is therefore consistent with fencing requirements. Any future fencing would be subject to a fence permit.

E. Signage (CCMC §17.20.060(C) & §17.46.035(A)):

The proposed project does not include any proposed signage, none are required, and is therefore consistent with signage requirements. Any future signage will be subject to a sign permit.

CITY OF CRESCENT CITY
PLANNING COMMISSION & ARCHITECTURAL REVIEW COMMITTEE

Commission Members: Ray Walp, Chairperson * Kristine DeCossio, Vice-Chair
Shawna Hyatt * Debra Perius * Paul Martinez



Incorporated April 13, 1854

web: www.crescentcity.org

STAFF REPORT
AGENDA ITEM #2

TO: Chairperson Walp and Members of the Planning Commission
FROM: Community Development Department, Planning & Zoning
Ethan Lawton, Contract City Planner
BY: Community Development Department, Planning & Zoning
Ethan Lawton, Contract City Planner
DATE: Thursday, August 20, 2026
SUBJECT: A Public Hearing to consider a Minor Variance Permit (Application VAR26-01) for Branden Bieber's requested reduced front and rear setbacks for a proposed single-family residential development, located at 140 Truman Court (APN 118-341-034)

SECTION 1: EXECUTIVE SUMMARY

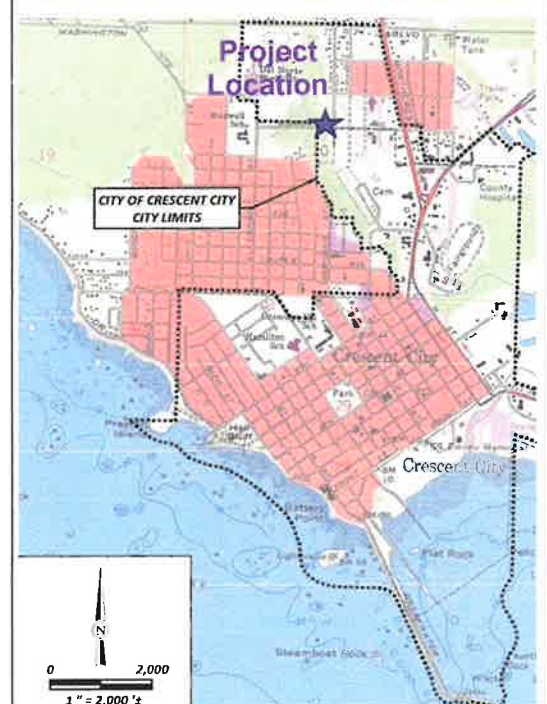
Branden Bieber submitted a Minor Variance Permit (Application VAR26-01) for a requested reduced front and rear setbacks for a proposed single-family residential development on a vacant lot within the R-1 zone (Low-Density Residential District) located at 140 Truman Court (APN 118-341-034).

STAFF RECOMMENDS: "Motion to adopt Resolution No. PC2026-14, A Resolution of the Planning Commission of the City of Crescent City to grant Branden Bieber's Minor Variance Permit (Application VAR26-01) for requested reduced front and rear setbacks for a proposed single-family residential development." -OR-
"Provide additional direction to staff regarding the requested variance

ATTACHMENTS:

- A) VAR26-01 Application
- B) VAR26-01 Conditions of Approval
- C) Resolution No. PC2026-14

FIGURE 1-1: PROJECT LOCATION MAP



Source: Housing Element (December 2022)

*City of Crescent City - Special Planning Commission Meeting
Staff Report - Agenda Item: # 2*

DEVELOPMENT STANDARDS & PROPOSED PROJECT:

The following items include a summary analysis of the Variance Application submittal (See Attachment A: VAR26-01 Application) and the R-1 (Low-Density Residential District) Zoning Development Standards (CCMC § 17.23), which is further analyzed under Section 7: Variance Permit Review below:

5.4. Conditional Use Permit: No conditional use permit is required as the R-1 Zoning District principally permits “*single-family dwellings*” (CCMC § 17.10.020(A)).

5.5. Height and Area Regulations: All permitted uses within the R-1 Zoning District are subject to height and area regulations and are addressed below (See Table 5-2: Comparison of Height and Area Regulations).

TABLE 5-2: COMPARISON OF HEIGHT AND AREA REGULATIONS			
Standards	CCMC §	Regulation	Proposed
Height	17.10.040(A)(1)	35-ft	28-ft
Front Yard	17.10.040(B)(1)(a)	20-ft	~25-ft
Front - Garage	17.10.040(B)(1)(b)	25-ft	20-ft
[Exterior] Side Yard	17.10.040(B)(2)(a)	05-ft	~30-ft
[Interior] Side Yard	17.10.040(B)(2)(b)	10-ft	06-ft
Rear Yard	17.10.040(B)(3)(a)	20-ft	19-ft
Lot Area	17.10.040(C)(1)	6,000-sf	12,774
Lot Coverage	17.10.040(E)(1)	50%	19%

The applicant has submitted a request to reduce rear setbacks (from 20-ft to 19-ft) and garage front yard setbacks (from 25-ft to 20-ft) which requires a Variance Permit. This item is further discussed under Section 7: Variance Permit Review below.

5.6. Parking, Fencing, and Signs: All permitted uses within the R-1 Zoning District are subject to the general requirements regarding Parking (CCMC § 17.10.060(B)), Fencing (CCMC § 17.40.060(C)), and Signs (CCMC § 17.10.060(D)). No signs or fencing are proposed. Any future fencing or signage will be subject to a separate permit. These items are further discussed under Section 6: Site Plan & Architectural Design Review below.

5.7. Site Plan: Although the single-family residence does not require a Site Plan & Architectural Review by the Planning Commission, the requested Variance Permit does. This item is further discussed under Section 6: Site Plan & Architectural Design Review below.

5.8. REQUIRED FINDINGS BY THE COMMISSION:

The Planning Commission finds that the proposed project (with a Variance Permit) is consistent with the Crescent City’s Low-Density Residential District (R-1) Zoning Code, in that the proposed project:

- a) *Is not located within the Coastal Zone and is not appealable to the Coastal Commission;*

*City of Crescent City – Special Planning Commission Meeting
Staff Report - Agenda Item: # 2*

SECTION 7: VARIANCE PERMIT REVIEW PROCESS

The requested reduced front and rear setbacks for a proposed single-family residential development on a vacant parcel is a permitted use within the R-1 Zone (CCMC § 17.10.020(A)) which has submitted the following variance requests:

TABLE 7-1: COMPARISON OF VARIANCE REQUESTS				
#	Variance Request	Request	Standard	Difference
#1	Garage - Front Yard Setback	20-ft	25-ft	5-ft
#2	Rear Yard Setback	19-ft	20-ft	1-ft

VARIANCE PURPOSE.

The sole purpose of any variance shall be to prevent discrimination and undue hardship, and no variance shall be granted which would have the effect of granting a special privilege not shared by other property in the same vicinity and zone (CCMC 17.56.010). When unreasonable and unnecessary hardships or results inconsistent with the general purpose of this title result through the strict and literal interpretation and enforcement of the provisions thereof, the planning commission of the city shall have authority as an administrative act subject to the provisions of this section, to grant upon such conditions as it may determine such variances from the provisions of this code as may be in harmony with its general purpose and intent so that the spirit of this code shall be observed, public safety and welfare secured, and substantial justice done (CCMC 17.56.010).

The Variance requests required the scheduled public hearing for the Planning Commission to determine whether the proposed Variance Permit shall be approved or denied (CCMC §17.56.010(F)), based on the following standards:

7.1. Exceptional and Extraordinary Circumstances (CCMC 17.56.010(A))

That there are exceptional and extraordinary circumstances of conditions applicable to the property involved;

This parcel has unique dimensions as it is not a standard rectangle. Neighboring cul-de-sac corner parcels appear to enjoy reduced setbacks due to the similar unique dimensions.

7.2. Necessary Property Right (CCMC 17.56.010(B))

That such variance is necessary for the preservation and enjoyment of the substantial property right possessed by other property in the same vicinity and zone and denied to the property in question;

This parcel has unique dimensions as it is not a standard rectangle. Neighboring cul-de-sac corner parcels appear to enjoy reduced setbacks due to the similar unique dimensions.

*City of Crescent City - Special Planning Commission Meeting
Staff Report - Agenda Item: # 2*

7.3. Public Welfare (CCMC 17.56.010(C))

That the granting of such variance will not be materially detrimental to the public welfare or injurious to the property or improvements in such vicinity and zone in which property is located;

This parcel has unique dimensions as it is not a standard rectangle. Neighboring cul-de-sac corner parcels appear to enjoy reduced setbacks due to the similar unique dimensions.

7.4. General Plan (CCMC 17.56.010(D))

The granting of such variances will not adversely affect the general plan for Crescent City;

The SF 2-6 General Plan land use designation principally permits "single family dwellings" at "densities range from two to six dwelling units per acre" as the intended uses "provides for low to moderate residential development within the urban boundary." This parcel has unique dimensions as it is not a standard rectangle. This parcel has unique dimensions as it is not a standard rectangle. Neighboring cul-de-sac corner parcels appear to enjoy reduced setbacks due to the similar unique dimensions.

7.5. Public Hearing (CCMC 17.56.010(E))

That a public hearing wherein the applicant is heard and in which he substantiates all of the conditions cited above;

A Notice of Public Hearing was submitted to the Del Norte Triplicate newspaper (on 08/04/26) to be published (on 08/06/26) in print/online circulation and provided to the Commissioners (on 08/04/26). A similar Notice of Public Hearing was mailed (on 08/06/26) to the property owners within 300-ft of the project location (CCMC § 17.46.050) as required (Cal. Gov. Code §§ 65090 & 65094). The notice was also posted at the project location and on the City's website (<https://www.crescentcity.org/PublicNotices>). The planning commission is reviewing such requests and hearing the evidence finds that conditions of subsections A through E of this section have been met (CCMC 17.56.010(F)).

7.6. REQUIRED FINDING BY THE COMMISSION:

The Planning Commission finds that the proposed variance requests satisfy the Variance Permit Review requirements (CCMC §§ 17.56.010 (A through E)), in that the requests meet:

- a) *That there are exceptional and extraordinary circumstances of conditions applicable to the property involved (CCMC 17.56.010(A));*
- b) *That such variance is necessary for the preservation and enjoyment of the substantial property right possessed by other property in the same vicinity and zone and denied to the property in question (CCMC 17.56.010(B));*

***City of Crescent City – Special Planning Commission Meeting
Staff Report - Agenda Item: # 2***

- c) That the granting of such variance will not be materially detrimental to the public welfare or injurious to the property or improvements in such vicinity and zone in which property is located (CCMC 17.56.010(C));*
- d) The granting of such variances will not adversely affect the general plan for Crescent City (CCMC 17.56.010(D));*
- e) That a public hearing wherein the applicant is heard and in which he substantiates all of the conditions cited above (CCMC 17.56.010(E)); and*
- f) That the planning commission is reviewing such requests and hearing the evidence finds that conditions of subsections A through E of this section have been met (CCMC 17.56.010(F)).*

CITY OF CRESCENT CITY
PLANNING COMMISSION & ARCHITECTURAL DESIGN REVIEW COMMITTEE

Commission Members: Ray Walp, Chairperson * Kristine DeCossio, Vice-Chair
Shawna Hyatt * Debra Perius * Paul Martinez



Incorporated April 13, 1854

web: www.crescentcity.org

DRAFT RESOLUTION NO. PC2026-14

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF
CRESCENT CITY TO GRANT BRADEN BIEBER'S MINOR VARIANCE
PERMIT (APPLICATION VAR26-01) FOR REQUESTED REDUCED
FRONT AND REAR SETBACKS FOR A PROPOSED SINGLE-FAMILY
RESIDENTIAL DEVELOPMENT**

WHEREAS, Braden Bieber submitted a Minor Variance Permit (Application VAR26-01) for a requested reduced front and rear setbacks for a proposed single-family residential development on a vacant lot within the R-1 zone (Low-Density Residential District) located at 140 Truman Court (APN 118-341-034);

WHEREAS, the Planning Commission has considered this proposed project on this date at a duly noticed public hearing, staff report, and public testimony;

WHEREAS, the Planning Commission finds that the proposed project is consistent with the Crescent City General Plan's Residential Single-Family 2-6 dwelling units (du) per acre (SF 2-6) land use designation, in that the proposed project:

- a) *Is categorized as principally permitted "single family dwellings" at "densities range from two to six dwelling units per acre" within the SF 2-6;*
- b) *Provides "for low to moderate residential development within the urban boundary" within the SF 2-6;*
- c) *Is supported by the General Plan goal (1.F) and policies (1.A.2 & 1.F.2); and*
- d) *Is supported by the Housing Element policy HP-1.1.*

WHEREAS, the Planning Commission finds that the proposed project (with a Variance Permit) is consistent with the Crescent City's Low-Density Residential District (R-1) Zoning Code, in that the proposed project:

- a) *Is not located within the Coastal Zone and is not appealable to the Coastal Commission;*
- b) *Is principally permitted as "single-family dwellings" (CCMC § 17.10.020(A));*
- c) *Provides "living areas where development is limited to low-density concentrations of single-family dwellings" (CCMC § 17.10.010(A)); and*
- d) *Is subject to all zoning regulations (CCMC § 17.10.010(B)).*

WHEREAS, Planning Commission finds that the proposed site plans and designs of structures satisfy the Site Plan & Architectural Review requirements (CCMC §§ 17.46.010 & 17.46.035). in that the structures:

- a) *Are compatible, both in harmony and in appearance with the neighborhoods;*
- b) *Reduce negative impacts on adjacent properties, reduce the unnecessary*

MINOR VARIANCE PERMIT (APPLICATION VAR26-01)

For requested reduced front and rear setbacks for a proposed single-family residential development

destruction of the environment and ground cover to avoid the creation of hazardous conditions and drainage problems;

- c) Avoid monotonous and otherwise nonaesthetic development injurious to the overall community;*
- d) Provide a [means] to encourage full development of streets servicing the properties;*
- e) Assures full installation of all public utilities necessary to serve such properties; and*
- f) Is consistent with the applicable zoning, parking and landscaping, fencing, signage, street, sidewalk and public services requirements.*

WHEREAS, the Planning Commission finds that the proposed variance requests satisfy the Variance Permit Review requirements (CCMC §§ 17.56.010 (A through E)), in that the requests meet:

- a) That there are exceptional and extraordinary circumstances of conditions applicable to the property involved (CCMC 17.56.010(A));*
- b) That such variance is necessary for the preservation and enjoyment of the substantial property right possessed by other property in the same vicinity and zone and denied to the property in question (CCMC 17.56.010(B));*
- c) That the granting of such variance will not be materially detrimental to the public welfare or injurious to the property or improvements in such vicinity and zone in which property is located (CCMC 17.56.010(C));*
- d) The granting of such variances will not adversely affect the general plan for Crescent City (CCMC 17.56.010(D));*
- e) That a public hearing wherein the applicant is heard and in which he substantiates all of the conditions cited above (CCMC 17.56.010(E)); and*
- f) That the planning commission is reviewing such requests and hearing the evidence finds that conditions of subsections A through E of this section have been met (CCMC 17.56.010(F)).*

WHEREAS, the Planning Commission finds that the proposed project is determined to be categorically exempt from the California Environmental Quality Act (CEQA) under Class 3 § 15303(b) (New Construction of Small Structures), Class 5 § 15305(a). (Minor Alterations in Land Use Limitations), and Class 32 § 15332 (In-fill Development) of the CEQA Guidelines, in that the proposed project:

- a) Is located within City limits and is surrounded by existing development;*
- b) Consists of a single-family dwelling residential development;*
- c) Is considered a minor alternation to setback limitations with a slope less than 20% and does not result in any changes to residential use or exceed density;*
- d) Requests variances for minor side and rear yard setbacks which does not result in a new parcel;*
- e) Is consistent with the Crescent City General Plan's Residential – Single-Family (2-6 du per acre) (SF 2-6) land use designation and is consistent with the Crescent City's Low-Density Residential District (R-1) Zoning Code;*
- f) Is located in the City of Crescent City, is approximately 0.29 acres, and is located adjacent to existing residential uses;*

MINOR VARIANCE PERMIT (APPLICATION VAR26-01)
For requested reduced front and rear setbacks for a proposed single-family residential development

- g) Is located on a site which has had past disturbances, contains existing development, and is surrounded by paved surfaces containing no habitat for rare, threatened, or endangered species;*
- h) Is within a developed residential area that already services residential use and has a limited potential to result in significant traffic, noise, air quality, or water quality impacts; and*
- i) Is surrounded by and is already adequately served by utilities and public services.*
- j) No exceptions apply (CEQA Guidelines § 15300.2).*

NOW THEREFORE, BE IT HEREBY RESOLVED by the Planning Commission of the City of Crescent City grants Branden Bieber's Minor Variance Permit (Application VAR26-01) for requested reduced front and rear setbacks for a proposed single-family residential development at the address above be approved subject to the Conditions of Approval (Attachment B):

PASSED AND ADOPTED at a regular meeting of the Planning Commission of the City of Crescent City held on this 20th day of August 2026, by the following polled vote.

AYES:

NOES:

ABSTAIN:

ABSENT:

Ray Walp, Chairperson

ATTEST:

Heather Welton, Community Development Specialist

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CITY OF CRESCENT CITY
PLANNING COMMISSION & ARCHITECTURAL DESIGN REVIEW COMMITTEE

Commission Members: Ray Walp, Chairperson * Kristine DeCossio, Vice-Chair
Shawna Hyatt * Debra Perius * Paul Martinez



Incorporated April 13, 1854

web: www.crescentcity.org

DRAFT RESOLUTION NO. PC2026-14

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF CRESCENT CITY TO GRANT BRADEN BIEBER'S MINOR VARIANCE PERMIT (APPLICATION VAR26-01) FOR REQUESTED REDUCED FRONT AND REAR SETBACKS FOR A PROPOSED SINGLE-FAMILY RESIDENTIAL DEVELOPMENT

WHEREAS, Braden Bieber submitted a Minor Variance Permit (Application VAR26-01) for a requested reduced front and rear setbacks for a proposed single-family residential development on a vacant lot within the R-1 zone (Low-Density Residential District) located at 140 Truman Court (APN 118-341-034);

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WHEREAS, the Planning Commission finds that the proposed project is consistent with the Crescent City General Plan's Residential Single-Family 2-6 dwelling units (du) per acre (SF 2-6) land use designation, in that the proposed project:

- a) *Is categorized as principally permitted "single family dwellings" at "densities range from two to six dwelling units per acre" within the SF 2-6;*
- b) *Provides "for low to moderate residential development within the urban boundary" within the SF 2-6;*
- c) *Is supported by the General Plan goal (1.F) and policies (1.A.2 & 1.F.2); and*
- d) *Is supported by the Housing Element policy HP-1.1.*

WHEREAS, the Planning Commission finds that the proposed project (with a Variance Permit) is consistent with the Crescent City's Low-Density Residential District (R-1) Zoning Code, in that the proposed project:

- a) *Is not located within the Coastal Zone and is not appealable to the Coastal Commission;*
- b) *Is principally permitted as "single-family dwellings" (CCMC § 17.10.020(A));*
- c) *Provides "living areas where development is limited to low-density concentrations of single-family dwellings" (CCMC § 17.10.010(A)); and*
- d) *Is subject to all zoning regulations (CCMC § 17.10.010(B)).*

WHEREAS, Planning Commission finds that the proposed site plans and designs of structures satisfy the Site Plan & Architectural Review requirements (CCMC §§ 17.46.010 & 17.46.035). in that the structures:

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MINOR VARIANCE PERMIT (APPLICATION VAR26-01)

For requested reduced front and rear setbacks for a proposed single-family residential development

destruction of the environment and ground cover to avoid the creation of hazardous conditions and drainage problems;

- c) Avoid monotonous and otherwise nonaesthetic development injurious to the overall community;*
- d) Provide a [means] to encourage full development of streets servicing the properties;*
- e) Assures full installation of all public utilities necessary to serve such properties; and*
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- a) That there are exceptional and extraordinary circumstances of conditions applicable to the property involved (CCMC 17.56.010(A));*
- b) That such variance is necessary for the preservation and enjoyment of the substantial property right possessed by other property in the same vicinity and zone and denied to the property in question (CCMC 17.56.010(B));*
- c) That the granting of such variance will not be materially detrimental to the public welfare or injurious to the property or improvements in such vicinity and zone in which property is located (CCMC 17.56.010(C));*
- d) The granting of such variances will not adversely affect the general plan for Crescent City (CCMC 17.56.010(D));*
- e) That a public hearing wherein the applicant is heard and in which he substantiates all of the conditions cited above (CCMC 17.56.010(E)); and*
- f) That the planning commission is reviewing such requests and hearing the evidence finds that conditions of subsections A through E of this section have been met (CCMC 17.56.010(F)).*

WHEREAS, the Planning Commission finds that the proposed project is determined to be categorically exempt from the California Environmental Quality Act (CEQA) under Class 3 § 15303(b) (New Construction of Small Structures), Class 5 § 15305(a). (Minor Alterations in Land Use Limitations), and Class 32 § 15332 (In-fill Development) of the CEQA Guidelines, in that the proposed project:

- a) Is located within City limits and is surrounded by existing development;*
- b) Consists of four dwelling unit multi-family residential structure;*
- c) Is considered a minor alternation to setback limitations with a slope less than 20% and does not result in any changes to residential use or exceed density;*
- d) Requests variances for minor side and rear yard setbacks which does not result in a new parcel;*
- e) Is consistent with the Crescent City General Plan's Residential – Single-Family (2-6 du per acre) (SF 2-6) land use designation and is consistent with the Crescent City's Low-Density Residential District (R-1) Zoning Code;*
- f) Is located in the City of Crescent City, is approximately 0.29 acres, and is located adjacent to existing residential uses;*

MINOR VARIANCE PERMIT (APPLICATION VAR26-01)
For requested reduced front and rear setbacks for a proposed single-family residential development

- g) Is located on a site which has had past disturbances, contains existing development, and is surrounded by paved surfaces containing no habitat for rare, threatened, or endangered species;*
- h) Is within a developed residential area that already services residential use and has a limited potential to result in significant traffic, noise, air quality, or water quality impacts; and*
- i) Is surrounded by and is already adequately served by utilities and public services.*
- j) No exceptions apply (CEQA Guidelines § 15300.2).*

NOW THEREFORE, BE IT HEREBY RESOLVED by the Planning Commission of the City of Crescent City grants Branden Bieber's Minor Variance Permit (Application VAR26-01) for requested reduced front and rear setbacks for a proposed single-family residential development at the address above be approved subject to the Conditions of Approval (Attachment B):

PASSED AND ADOPTED at a regular meeting of the Planning Commission of the City of Crescent City held on this 20th day of August 2026, by the following polled vote.

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

Ray Walp, Chairperson

Heather Welton, Community Development Specialist

**CITY OF CRESCENT CITY
REGULAR PLANNING COMMISSION MEETING
AGENDA ITEM: #3**



STAFF REPORT

MEETING DATE: Thursday, October 12, 2023
TO: Planning Commission
FROM: Community Development Department, Planning & Zoning
Ethan Lawton, City Planner / Consultant
SUBJECT: Public Hearing: Proposed 162-unit residential-only
development (Site Plan & Architectural Design Review)
APPLICATION NUMBER: AR23-12

SECTION 1: BACKGROUND INFORMATION

APPLICANT/OWNER:
SSF Battery Point LP

REPRESENTATIVE:
Bill Rice

PROPERTY LOCATION:
Address not yet assigned
Crescent City, CA 95531
APNs: 118-440-021-000 & -022-000

EXISTING PARCEL SIZE:
1: +/- 1.15 acres / +/- 50,093 sf
2: +/- 4.33 acres / +/- 188,614 sf
= +/- 5.48 acres / +/- 238,707 sf

PROJECT SIZE:
4.98 acres / 216,928 sf



*Figure 1: Existing Project Parcels
ParcelQuest (September 2023)*

SECTION 2: SUMMARY OF RECOMMENDATION

Staff recommends **APPROVAL** of the proposed 162 unit residential-only development:

1. **State Density Bonus Law** requirements for 100% Affordable Housing (Gov. Code §65915) based on its ability to meet all required findings and standards.
2. **AR23-11** (Site Plan & Architectural Design Review) multiple dwelling (CCMC §17.16.080) based on its ability to meet all required findings and standards.



Community Outreach meeting, brighter colors will be focused at key areas – such as entries and community areas.

Security & Fire & Life Safety:

Two onsite building managers will have units in the buildings. One for the senior building, and one for the family. Onsite management uniquely benefits the project and residents with onsite care and a fellow resident that shares concerns for the community. The buildings will be secured for residents, and security cameras will be located through the courtyard of the site.

The walkway along the south property line will also provide fire access. The buildings will be fully sprinkled.

Affordability: All Federal, State and Local Funding Approvals Received

The project has applied for and received federal, state, and local approval on the following applications.

Federal – Low Income Housing Tax Credits approved August 23, 2023, by the California Tax Credit Allocation Committee (CTCAC), and Tax-Exempt bond funding by the California Debt Limitation Allocation Committee (CDLAC)

State – In January 2023, the Project received an award of \$7.5 million in California's Housing and Community Development (HCD) Infill Infrastructure Grant Program (IIG). In June 2023, it was awarded California State Tax Credits and \$4 million in Mixed-Income Program funds from the California Housing Finance Agency (CAL-HFA).

Local – The project was awarded in December 2022, a commitment for 70 units of Project Based Vouchers from a public RFP from the Crescent City Housing Authority. It has received all of its approvals for financing and will need to close on its financing by February 19, 2024.

CEQA: Class 32 Categorical Exemption Can Be Used:

John McClendon, Esq. performed (and separately transmitted) a comprehensive analysis of the Battery Point Apartments Project's adherence to the California Environmental Quality Act (CEQA) guidelines, as part of this submission for Planning Approval. The purpose of this analysis is to ensure that the project aligns with the stipulated CEQA requirements and guidelines, leading to a well-informed decision by the Planning Department.

After a thorough review of the provided project details, it is evident that significant actions have already been undertaken by both the City and its Housing Authority. The Project's history includes the authorization of a Request for Proposals (RFP) seeking suitable privately owned properties, approval of a letter of support for the proposed affordable housing development known as "Battery Point Apartments," and the selection of a Section 8 Housing Choice Voucher Proposal, among other actions. These actions, recorded in various City Council agendas and resolutions, reflect the earnest commitment towards the development's success. One crucial aspect of this analysis involves the CEQA review process, which entails a three-step evaluation of a project's environmental impact. The analysis supports the City as the "Lead Agency" for CEQA review. This

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9841 Irvine Center DRIVE, SUITE 230
Irvine, CALIFORNIA 92618
(949) 585-6300

JOHN G. McCLENDON
john@CEQA.com

August 26, 2023

VIA EMAIL ONLY — Bill@synergycdc.org
Mr. William E. Rice
SSF Battery Point LP
638 Camino De Los Mares Suite H130 -467
San Clemente, CA 92673

RE: CRESCENT CITY—CEQA COMPLIANCE FOR BATTERY POINT APARTMENTS PROJECT

Dear Bill:

I am providing this letter in response to your request for guidance regarding Crescent City's proper compliance with the requirements of the California Environmental Quality Act (California Public Resources Code Sections 21000, *et seq.*: "CEQA") and the State Guidelines for Implementation of CEQA (Title 14, California Code of Regulations Sections 15000, *et seq.*: "Guidelines"); a prerequisite to its approval of the above-referenced Project. Since you may wish to share this analysis with City staff, I waive the attorney work product privilege, and I have also attached my resume.

Actions on the Project to Date

Based on my review of the underlying facts here, the City and its Housing Authority have taken the following actions regarding the Project:

- City Council Agenda, December 20, 2021, item 19: Housing Authority authorized publication of a Request for Proposals (RFP) seeking privately owned properties within Del Norte County that qualify to participate in CCHA's Housing Choice/Project Based Voucher Program.
- City Council Agenda, August 15, 2022, item 15: Housing Authority authorized the Mayor to sign a letter of support for the proposed affordable housing development "Battery Point Apartments" to be included in Synergy Community Development Corp. and Step Forward Communities' ("Synergy") Infill and Infrastructure Grant (IIG) application to the California Department

Mr. Willaim E. Rice
CEQA for Crescent City Battery Park Apartments
August 26, 2023
Page 2

of Housing and Community Development (HCD) to help with infill and infrastructure costs associated with the proposed Project because it “would be of great benefit to the City and its residents.”

- Board Resolution No. HA2022-04, December 20, 2022: Housing Authority approves the selection of a Section 8 Housing Choice Voucher Project Based Voucher Proposal for 70 Project Based Vouchers and authorizes the execution of “an agreement to enter a Housing Assistance Payments contract with Synergy pending successful completion of NEPA review and subsidy layering analysis.”
- The development of the proposed Project will not require any General Plan or zoning code amendments nor will it require any discretionary use permits. The Project will be subject to design review by the City’s planning commission.
- The Project site is approximately 5.25 acres; however, a 0.53 acre portion of the site will not be part of the Project but instead will be a public dog park. Therefore, the net Project site developed by Synergy will be 4.72 acres.

CEQA Analysis

CEQA and the Guidelines impose a three-step process on lead agencies for reviewing a project and determining which document to prepare for a project subject to CEQA. (Guidelines § 15002(k).) (*No Oil, Inc. v. City of Los Angeles* (1974) 13 Cal.3d 68, 74-75.) First, if a project falls within a category that is exempted from CEQA, no further agency evaluation is required. (*Id.*; *Apartment Association of Greater Los Angeles v. City of Los Angeles* (2001) 90 Cal.App.4th 1162.) Second, if the project is not categorically exempt or if, although it is exempt, some exception applies to take the project out of the exempt category, the agency undertakes an Initial Study. (*Id.*; Guidelines § 15063.) Third, if the Initial Study demonstrates that the project will not have a significant effect on the environment, the agency adopts a negative declaration; however, if the Initial Study “determines that the project may have a significant on the environment, an environmental impact report shall be prepared.” (*Id.*; CEQA § 21080(c) & (d).)

The “Lead Agency” for the Project. The CEQA “lead agency” is the public agency which has the principal responsibility for carrying out or approving a project. (Guidelines § 15367.) Here, separate legal entities are potential candidates for lead agency: the Housing Authority, which has already taken action on the Project, and the City which will, through its planning commission review and approve the Project’s design.

Mr. Willaim E. Rice
CEQA for Crescent City Battery Park Apartments
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I believe (at least) two reasons point to the City being the proper lead agency for the Project. First, Guidelines section 15267, exempting from CEQA HCD financial assistance for affordable housing projects, exempts the action the Housing Authority took supporting Synergy's IIG application to HCD. Second, although the Housing Authority was created under California Housing Authority Law (Health & Safety Code §§ 34000, *et seq.*), and under that law has a legal existence separate from the City (e.g., Health & Safety Code § 34311), the Guidelines direct that the City is the proper lead agency for the Project:

“Where two or more public agencies will be involved with a project, the determination of which agency will be the lead agency shall be governed by the following criteria:

* * *

(b) If the project is to be carried out by a nongovernmental person or entity, the lead agency shall¹ be the public agency with the greatest responsibility for supervising or approving the project as a whole.

(1) The lead agency will normally be the agency with general governmental powers, such as a city or county, rather than an agency with a single or limited purpose... .”

(Guidelines § 15051.)

Either CEQA Review Is Required or a Class 32 Categorical Exemption Can Be Used.

In carrying out the three-step CEQA review process overviewed above, I believe that, depending on its Municipal Code, the City may not need to undertake CEQA review at all, but in any event has a solid legal basis for stopping at the first step and finding the Project is exempt from CEQA under one of the Guidelines' 33 “categorical exemptions” of projects the California Secretary of Resources has declared to be exempt from CEQA's requirement to prepare environmental documents. (CEQA § 21084.) Specifically, the Project is exempt from CEQA under a “Class 32” categorical exemption that consists of projects characterized as in-fill development meeting the conditions described in Guidelines section 15332.

¹ “The following words are used to indicate whether a particular subject in the Guidelines is mandatory, advisory, or permissive:

(a) ‘Must’ or ‘shall’ identifies a mandatory element which all public agencies are required to follow.”

(Guidelines § 15005.)

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Notably, a published decision from the California Court of Appeal with jurisdiction over Del Norte County addressed a situation nearly identical to ours in *McCorkle Eastside Neighborhood Group v. City of St. Helena* (2018) 31 Cal.App.5th 80. The city's planning commission approved a multi-family residential building after the city attorney advised that, because the project did not require issuance of a use permit under the city's municipal code, CEQA likely did not apply to the commission's design review approval, but in any event a Class 32 categorical exemption would apply to the project. Two community groups sued the city claiming the city violated CEQA, and the court denied their claim, finding that, because the planning commission's design review discretionary component of the project did not give the city authority to mitigate environmental impacts, "it [was] unnecessary to rely on the class 32 exemption." (*Id.* at pp. 94-95.) The court reached this conclusion because

"A city is not, pursuant to general law, required to have a design review ordinance. Accordingly, where, as here, a city chooses to impose such an additional level of review, it is for the city to determine the scope that such review will entail." (Citation.) "The Guidelines recognize that the application of CEQA to a local ordinance is dependent upon the scope and interpretation of the [local] ordinance rather than vice versa. ... The Guidelines note[d] that CEQA does not grant an agency new powers independent of the powers granted by other laws. (Guidelines, § 15040, subd. (a).) Rather, the exercise of an agency's authority under a particular law must be within the scope of the agency's authority provided by that law and must be consistent with express or implied limitations provided by other laws."

In this case, the City Council found the design review ordinances prevented it from disapproving the project for non-design-related matters."

(*Id.* at p. 92.)

Without knowing if the City's design review ordinances are similar to St. Helena's, the above decision, as well as the environmental setting of the proposed Project and other case law, solidly support the City's use of a Class 32 categorical exemption for the Project. For a project to qualify for this "infill" exemption, five criteria must be met:

(1) the project must be consistent with the applicable general plan designation and policies as well as applicable zoning designation and regulations,

(2) development must occur within city limits on a project site of no more than five acres substantially surrounded by urban uses,

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- (3) the site must not be habitat for endangered, rare or threatened species,
- (4) project approval must not result in significant effects to traffic, noise, air quality, or water quality, and
- (5) the site must be adequately served by all required utilities and public services.

Applying the above criteria to the Project, it clearly complies with (1), (3) and (5), leaving (2) and (4) for further analysis. With regard to (2), although the Project site is 5.25 acres, a recent published decision affirms that the Class 32 exemption would still apply since the portion of the site to be developed by Synergy will be less than five acres. In *Protect Tustin Ranch v. City of Tustin* (2021) 70 Cal.App.5th 951, appellants challenged the city's use of a Class 32 exemption to approve Costco's development of 2.38 acres of a nearly 12 acre property, arguing that it exceeded the Class 32 five acre maximum. The court rejected the argument, finding that, since the development was limited to the 2.38 acre portion of the property, the city's use of the Class 32 exemption was proper.

With regard to (4), Senate Bill 743 (2019) changed the metrics for transportation impact analysis under CEQA. Effective July 1, 2020, CEQA no longer permits traffic impacts to be analyzed using LOS and instead requires traffic impacts to be analyzed using the Vehicle Miles Traveled (VMT) standard. (CEQA § 21099(b).)

“(b) Criteria for Analyzing Transportation Impacts.

- (1) Land Use Projects. Vehicle miles traveled exceeding an applicable threshold of significance may indicate a significant impact. Generally, projects within one-half mile of either an existing major transit stop or a stop along an existing high quality transit corridor should² be

² “The following words are used to indicate whether a particular subject in the Guidelines is mandatory, advisory, or permissive:

* * *

(b) ‘Should’ identifies guidance provided by the Secretary for Resources based on policy considerations contained in CEQA, in the legislative history of the statute, or in federal court decisions which California courts can be expected to follow. Public agencies are advised to follow this guidance in the absence of compelling, countervailing considerations.”

REDWOOD COAST TRANSIT CRESCENT CITY FIXED ROUTES

The Crescent City Fixed Routes cover the Crescent City/Del Norte urban area using two buses that "interline" to provide four routes each running once hourly on weekdays, plus a 3rd bus at school bell times schooldays only (Route 300). Saturday service operates with one bus alternating between Routes 2 and 4. For most of FY 2022-23 the CC Locals ran 7 a.m. to 6 p.m. and 8am to 5pm on Saturdays.

Route 1 – Parkway – El Dorado

Route 1 – Parkway-El Dorado operates in a counter-clockwise direction beginning at the Cultural Center and operating along US 101 after a stop on 5th at Safeway, then Parkway Drive, Washington, into Wal-Mart and Summer Lane Apts, then to CR/DNHS via Northcrest, Harding, and Glenn Streets. Route 1 returns to the Cultural Center via El Dorado, Pacific, and H Streets. Route 1 operates M-F and is interlined with Route 3 all day. Route 1 generally departs Cultural Center hourly at :30, with an extra school-oriented trip at 7:00am. Route 1 enjoyed a 38% increase in ridership between FY 2021-22 and FY 2022-23 with an increase of 30% in per-hour productivity.

Route 1 - Parkway - ElDorado - Crescent City Local

Route 1 - Crescent City Local	2020/21 Total	% Annual Change	2021/22 Total	% Annual Change	2022/23 Total	% Annual Change
Operating Cost	\$ 202,629	90%	\$ 177,159	-13%	\$ 187,832	6%
Operating Cost Per Passenger	\$ 22.22	249%	\$ 20.11	-9%	\$ 15.42	-23%
Operating Cost Per Vehicle	\$ 121.53		\$ 125.47	3%	\$ 124.64	-1%
Revenue Hour		94%				
Total Passengers	9,121	-46%	8,810	-3%	12,181	38%
Passengers Per Vehicle	5.65		6.24	10%	8.08	30%
Revenue Hour		-44%				
Passengers Per Vehicle	0.44		0.64	44%	0.58	-9%
Revenue Mile		-43%				
Vehicle Revenue	1,615		1,412	-13%	1,507	7%
Service Hours		-2%				
Vehicle Revenue	20,585		13,773	-33%	20,910	52%
Service Miles		-5%				
Farebox Revenue	9,121	-46%	8,764	-4%	18,363	110%
Farebox Revenue as a Percent of Operating Cost	4.5%	-71%	4.9%	10%	9.8%	98%

are non-conforming to the current land use designations and could be modified to allow densities meeting the minimum/maximum of 15-30 units per acre density. At the proposed density and height, the proposed buildings only cover approximately one acre, thereby preserving approximately 4 acres (77.62%) of open space. Section 3: Proposed Project Description describes additional characteristics incorporated into the design to make this project compatible to the City's policies, standards and to the surrounding land use.

2. Zoning (CCMC §17.46.035(A)):

The proposed project is considerate of existing and potential uses of the proposed location and (with Site Plan & Architectural Design Review and consistency with the State Density Bonus Law) is consistent with the Crescent City's High-Density Residential District (R-3) Zoning Code. (See Section 1: Background Information and Section 4: Project Description).



*Figure 6: Proposed Parking
Sheet A10 (September 29, 2023) See Attachment A: AR23-12 Application.*

3. Parking (CCMC §17.16.070(A) & §17.46.035(A)):

There is a one-story podium with parking below at Building B. The two nearest bus stops (Pacific & E Street/Stop ID: 2716 and A & Condor Street/Stop ID: 2731) will also be updated as part of the project's improvements. The proposed 165 off-street parking spaces does not meet (by 178 spaces) the minimum 1.5 spaces per "three or more family dwellings" (CCMC §17.42.040(B)) totaling 243 spaces. However, the State Density Bonus Law provides a more relaxed parking ratio per bedroom (BR): 1 space per 0-1 BR, 1.5 spaces per 2-3 BR, and 2.5 space per +4 BR (Gov. Code §50079.5(p)(1)(A-C)) to this project (54-1 BR, 92-2/3 BR, and

PUBLIC HEARING - None

CONTINUING BUSINESS - None

NEW BUSINESS

4. Amendment 2 to Task Order 1 for Plan Review Services

- *Recommendation: Hear staff report*
- *Technical questions from the Council*
- *Receive public comment*
- *Further Council discussion*
- *Approve and authorize the City Manager to sign Task Order 1 Amendment 2 to the Professional Services Agreement with BPR Consulting Group LLC for Plan Review Support Services*
- *Approve and adopt Resolution No. 2026-61, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY AMENDING THE FISCAL YEAR 2026-27 BUDGET OF THE CITY OF CRESCENT CITY*

City Manager Wier reported to the Council the issues that the Battery Point project has had and that this Task Order will reflect changes to the project. Council Member Greenough asked how much of the structure has to be redone; City Manager Wier stated the damage is extensive and all of the buildings will need to be reinspected on site. Mr. Hobson stated that the work itself will be inspected by an Industrial Hygienist. All of the materials that have been damaged by the weather will be replaced. City Manager Wier outlined the Task Order charges in detail. Council Member Shamblin asked how this is revenue neutral; City Manager Wier stated that the City will receive \$260k in revenue, the City will then pay BPR \$82k for the labor associated with the project, further stating there has been an increase in labor and expenses. Part of the reason for that is Building Inspector Dan Minges is a retired annuitant and his time is limited (Dec. 31). It is expected to be cost neutral.

Doug Dye: stated it was caused by incompetence, gross negligence and totally avoidable; stated City Manager Wier was responsible.

Jody Mangum: stated that she has to see the project out of her home window and that the presentation did not instill confidence in her. Stated that the numbers in the staff report do not match what is in the amendment.

Tom Beers: stated that he had submitted a document to the Council; *City Clerk Altman stated the Council had received it via email*; he stated that this project has a lot of defects. Asked for the Council to consider all aspects before approving this item.

Dave Garcia: stated that this large project will address the housing needs in our community. Stated that things happen with projects that can gain knowledge for future housing projects.

Sam Strait: stated that this project is a fiasco and not well received in the community. Questioned where the people are coming from that have these housing needs.

Council Member Greenough asked about the discrepancy in the numbers as mentioned by Ms. Mangum. City Manager Wier explained that the Task Order shows two pieces for the compensation; item 1 being for the re-plan check for BPR as they get 70% of the plan check. Item 2 is for the increased valuation for buildings A and C. BPR's share of these two items is the \$82k. Council Member Greenough asked about the transit funds and bus stops and if there have been any issues with funding by the State; Mr. Hobson stated that the criteria has been met for the funding and all requirements for funding have been adhered to. City Manager Wier clarified for

the community that this is not a City project; it is a project by a private developer on private land. City Manager Wier asked Housing Authority Executive Director Miller to explain the need for housing. Director Miller stated that the overwhelming amount of people that need this housing are local and have been here a long time. City Manager Wier asked if vouchers are going unused because we don't have the appropriate amount of housing; Director Miller answered in the affirmative; vouchers are being lost because of the lack of housing. This project will fulfill those needs and allow those vouchers to be used. City Manager Wier reiterated that this is not a City project is a private company with their own funding on privately owned property.

On a motion by Council Member Shamblin, seconded by Council Member Greenough, and carried on a 4-0 polled vote with Mayor Pro Tem Tinkler being absent, the City Council of the City of Crescent City approved and authorized the City Manager to sign Task Order 1 Amendment 2 to the Professional Services Agreement with BPR Consulting Group LLC for Plan Review Support Services and approved and adopted Resolution No. 2026-61, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRESCENT CITY AMENDING THE FISCAL YEAR 2026-27 BUDGET OF THE CITY OF CRESCENT CITY.

5. Letter of Support for Pyke Field Improvement Project

- *Recommendation: Hear staff report*
- *Technical questions from the Council*
- *Receive public comment*
- *Further Council discussion*
- *Approve a letter of support for the County of Del Norte's grant application for the Pyke Field Improvement Project*

Toni Self, Administrative Program Manager for Del Norte County, explained the project in detail and the reason for the need for the letter of support for a grant application. She gave a detailed overview of the repairs and improvements that will be made to Pyke Field. Council Member Greenough asked if how much funding is being sought; Manager Self said it would be between \$5-8 million.

Jody Mangum supported this project and the letter of support.

On a motion by Council Member Greenough, seconded by Council Member Shamblin, and carried on a 4-0 polled vote with Mayor Pro Tem Tinkler being absent, the City Council of the City of Crescent City approved a letter of support for the County of Del Norte's grant application for the Pyke Field Improvement Project.

6. Water System Computer Server Purchase

- *Recommendation: Hear staff report*
- *Technical questions from the Council*
- *Receive public comment*
- *Further Council discussion*
- *Authorize the City Manager to sign a purchase order with Dell Technologies for the purchase of two servers for the Water system in the amount of \$83,045*

City Manager Wier explained how the water system is operated by a specific program. IT Administrator Fritz Ludemann has explained that the servers need to be replaced now. This will fund two servers; this exceeds the City Manager's purchasing approval and is why it is before the Council this evening. He further explained the process for programming.

There were no comments from the public.

CITY COUNCIL AGENDA REPORT



TO: MAYOR WRIGHT AND MEMBERS OF THE CITY COUNCIL

FROM: ERIC WIER, CITY MANAGER

**BY: DAVID YEAGER, DIRECTOR OF PUBLIC WORKS
JAMES QUEEN, ENGINEERING PROJECT MANAGER**

DATE: OCTOBER 5, 2026

**SUBJECT: SETTLEMENT AGREEMENT AND STIPULATION FOR ENTRY OF
ADMINISTRATIVE CIVIL LIABILITY ORDER WITH THE CALIFORNIA
REGIONAL WATER QUALITY CONTROL BOARD**

RECOMMENDATION

- Hear staff report
- Technical questions from the Council
- Receive public comment
- Further Council discussion
- Authorize the City Manager to sign order R1-2026-0058 Settlement Agreement for entry of administrative liability order.

BACKGROUND

The City of Crescent City published a Notice Inviting Sealed Bids for Video Inspection of Sewer Lines and Manholes dated June 18, 2022, with a bid ending date of July 18, 2022. The scope of work included the inspection of sewer lines and manholes within the City of Crescent City. The goal of the project was to clean/inspect/assess the condition of the City's 93,883 linear feet of sewer lines and 286 manholes. This information was essential for proper asset management which includes planning and prioritizing capital improvement projects (CIP) for the sewer collection system. This project was completed by National Plant Services in September of 2023.

Since the implementation of stricter effluent standards under the Wastewater Treatment Plant's new NPDES permit, the facility has experienced effluent limitation exceedances during heavy periods of precipitation caused by inflow and infiltration (I&I). The California Regional Water Quality Control Board (CRWQCB) tied 86 effluent violations to mandatory minimum penalties totaling \$258,000. In lieu of assessing these penalties, the RWQCB has agreed to allow us to spend the equivalent amount on a compliance project. This is due to our status as a small rural community with financial hardships.

ITEM ANALYSIS

To take advantage of the option to complete a compliance project in lieu of paying penalties, the City must approve the settlement agreement with the RWQCB. The settlement agreement (Order R1-2026-0058) is attached to this staff report. Staff is requesting Council's approval to enter into this settlement agreement.

To reach this settlement agreement, the City of Crescent City, labeled as Discharger within the agreement, had to submit and obtain approval from North Coast Regional Board staff for a sewer system repair project meeting the required improvement objectives while spending at least the full \$258,000 of the accrued administrative civil fines.

The approved compliance project includes repairing several defects indemnified in the 2023 sewer collection system evaluation. The proposed repair is to use a trenchless rehabilitation method called "Cured In Place Pipe" (CIPP). CIPP is a way to repair damaged underground pipes without the expense of major excavation. A resin-saturated liner is inserted into the existing pipe, utilizing the existing access at a manhole, expanded with air, or steam, and then cured to form a brand-new pipe inside the old one. Utilizing this technology we can implement "spot repairs" which would be installing a very short liner at a specific location to repair a single defect or if the entire pipe has been compromised a "block repair" can be completed in which the full length of pipe between manholes could be lined.

The proposed repair locations are as follows:

Project Base Bid Locations

A-Street S-Curve:

- 1) One spot CIPP repair on A Street, between 2nd and 3rd Street
- 2) One spot CIPP repair on 2nd Street, between A and B Street

Harding Area

- 1) A CIPP block repair On Oregon Street from Harding Ave North 300 Lineal Feet & South 300 lineal feet.
- 2) Six spot CIPP repairs on Oregon Street between Grant Ave and E. Coolidge Ave
- 3) Four spot CIPP repairs on Harding Street between California St. and Marshall St.
- 4) One spot CIPP repair on Harding Street between California St. and Marshall St.

The following additional locations could be added to satisfy expenditure of an amount equal to the mandatory minimum penalties (\$258,000):

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City of Crescent City Wastewater Treatment Facility

2. During the effective dates listed in Table 1, Section IV.A. of the 2017 Order and Section 4.1 of the 2023 Order contain, in part, the following effluent limitations for Chlorine, Total Residual; Ammonia Nitrogen, Total (as N); Settleable Solids; Total Coliform; and Enterococci with which the Discharger is required to maintain compliance at Discharge Point 001:

Table 2: Final Effluent Limitations for the 2017 Order and 2023 Order

Parameter	Units	Instantaneous Maximum	6-Month Median	Maximum Daily
Chlorine, Total Residual	µg/L	1800	60	240
Ammonia Nitrogen, Total (as N)	mg/L	180	18	72
Settleable Solids	ml/L	3.0	--	--

Parameter	Units	30-Day/ Monthly Median	Instantaneous	10% for 30 days	6-Week Rolling
Total Coliform	MPN/100 mL	70	--	230	--
Enterococci	MPN/100 mL	--	110	--	30

3. On August 26, 2025, the Assistant Executive Officer of the North Coast Water Board issued Administrative Civil Liability Complaint (Complaint) No. R1-2025-0034 to the Discharger. The Complaint originally proposed the imposition of \$228,000 in mandatory minimum penalties (MMPs) pursuant to Water Code section 13385, subdivisions (h) and (i), for seventy-six (76) effluent limitation violations between January 1, 2024, and August 1, 2025, as identified in the initial Exhibit A. That version of the Complaint alleged fifty-three (53) Enterococci violations, twenty-one (21) Total Coliform violations, three (3) Ammonia, Total (as N) violations, one (1) Settleable Solids violation, and one (1) Chlorine, Total Residual violation.
4. Subsequent to the issuance of the Complaint, the Discharger accrued additional effluent limitation violations, thereby expanding the scope of the non-compliance period through March 23, 2026. Accordingly, Exhibit A has been updated to reflect a cumulative total of eighty-nine (89) effluent limitation violations. The current, updated violations include fifty-four (54) Enterococci violations, twenty-eight (28) Total Coliform violations, three (3) Ammonia, Total (as N) violations, three (3)

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City of Crescent City Wastewater Treatment Facility

Settleable Solids violations, and one (1) Chlorine, Total Residual violation. Of these cumulative violations, eighty-six (86) are subject to MMPs, resulting in a revised total proposed administrative civil liability assessment of \$258,000. Updated Exhibit A is attached hereto and is incorporated herein by this reference.

5. Pursuant to Water Code section 13385, subdivision (h), the North Coast Water Board shall assess a \$3,000 MMP for each serious violation. A “serious violation” means any waste discharge that violates the effluent limitations contained in the applicable WDRs for a Group II pollutant by 20 percent or more or for a Group I pollutant by 40 percent or more.
6. Pursuant to Water Code section, 13385 subdivision (i), the North Coast Water Board shall assess a \$3,000 MMP for each violation whenever a discharger violates a WDR effluent limitation four or more times in period of six consecutive months (except that the requirement to assess the MMP shall not be applicable to the first three violations).
7. This Stipulated Order resolves eighty-nine (89) effluent limitation violations, eighty-six (86) of which are subject to MMPs pursuant to Water Code section 13385, subdivisions (h) and (i), as identified in Exhibit A. The total proposed administrative civil liability amount is **\$258,000**.
8. Pursuant to Water Code section 13385, subdivision (k)(1), in lieu of assessing all or a portion of MMPs, the North Coast Water Board may require a Publicly Owned Treatment Works (POTW) serving a small community to spend an equivalent amount on completion of a compliance project (CP) proposed by the POTW if the North Coast Water Board finds each of the following:
 - a. The CP is designed to correct the violations within five years;
 - b. The CP is in accordance with the State Water Resource Control Board’s (State Water Board) 2024 Water Quality Enforcement Policy (Enforcement Policy); and
 - c. The POTW has prepared a financing plan to complete the CP.
9. Water Code section 13385, subdivision (k)(2), defines POTW serving a small community for the purposes of administrative civil liability imposed for MMPs, as a POTW “serving a population of 20,000 persons or fewer, or a rural county, with a financial hardship...”
10. A CP is “a project designed to address the problems related to the violation and bring the discharger back into compliance in a timely manner.” (Enforcement Policy, page 38.)

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11. As described in the Enforcement Policy, rural county means a county classified by the Economic Research Service (ERS), United States Department of Agriculture (USDA), with a rural-urban continuum code of four through nine. (Enforcement Policy, page 33.)
12. The Enforcement Policy further describes financial hardship as a community served by the POTW that satisfies one of the following conditions: (1) the median household income (MHI) for the community is less than 80 percent of the California MHI; (2) the community has an unemployment rate of 10 percent or greater; or (3) twenty percent of the population is below the poverty level. (Enforcement Policy, page 33.)
13. The Discharger is a POTW serving a small community because the Discharger's Facility serves a population that lies completely within Del Norte County; a rural county with a rural-urban continuum code of seven according to USDA ERS 2023 Rural-Urban Continuum Codes. The Discharger's Facility also serves a community with a financial hardship because, based on U.S. Census Bureau 2019-2023 American Community Survey 5-Year Estimates, the Facility's service area MHI of \$53,600 is less than 80 percent of California's MHI. 80 percent of California's MHI is \$76,416.80.
14. North Coast Water Board staff have determined that the Discharger meets the requirements set forth in Water Code section 13385, subdivision (k), and the Enforcement Policy to be recognized as a POTW serving a small community with a financial hardship. This determination makes the Discharger eligible to complete a CP in lieu of paying all or a portion of the MMPs.
15. To resolve the alleged violations set forth in Exhibit A, by consent and without further administrative proceedings, the Parties have agreed to the imposition of an administrative civil liability amount of **\$258,000** against the Discharger.
16. The Parties have engaged in confidential settlement negotiations and agree to settle the matter by presenting this Stipulated Order to the North Coast Water Board, or its delegate, for adoption as an order by settlement, pursuant to Water Code section 13323 and Government Code section 11415.60.
17. The Prosecution Team has determined that resolution of the alleged violations is fair and reasonable and fulfills its enforcement objectives, that no further action is warranted concerning the alleged violations except as provided in this Stipulated Order, and that this Stipulated Order is in the public's best interest.

Section III: Stipulations

The foregoing Recitals are incorporated herein, and the Parties stipulate to the following:

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City of Crescent City Wastewater Treatment Facility

18. **Jurisdiction:** The Parties agree that the North Coast Water Board has subject matter jurisdiction over the matters alleged in this action and personal jurisdiction of the Parties to this Stipulated Order.
19. **Administrative Civil Liability:** The Discharger hereby agrees to the imposition of an administrative civil liability of \$258,000 to resolve the violations alleged herein. In accordance with the Enforcement Policy and Water Code section 13385, subdivision (k), the Parties agree that the entire liability associated with the violations contained in Exhibit A will be suspended pending completion of a CP as detailed in paragraph 20 below and in the attached CP Proposal (Exhibit B), which is incorporated herein by reference.
20. **CP Description:** The Discharger proposes to fund and construct a series of infrastructure improvements to achieve compliance with NPDES permit effluent limitations and prevent future exceedances during periods of high flows. The Discharger believes that the source of the effluent limitation exceedances is elevated wet-weather flows at the Facility caused by inflow and infiltration (I/I) into the sanitary sewer collection system. The CP consists of localized collection system infrastructure repairs: installing 13 cured-in-place pipe (CIPP) patches and 600 linear feet of CIPP block repairs to rehabilitate approximately 4,500 linear feet of sewer collection lines across the A-Street S-Curve and Harding subdivisions. These collection system improvements are intended to mitigate I/I, thereby reducing wet weather peak flows and enabling the treatment facility to maintain full tertiary treatment operations. The CP will be completed no later than December 31, 2027, at a total estimated cost of \$300,300. The complete CP description, project milestones, budget, and reporting schedule are contained in Exhibit B, which is incorporated herein by reference.
21. **CP Milestone Requirements:** The Discharger agrees that this Stipulated Order includes the Milestone Requirements set forth in Table 3 below. The Discharger agrees that credit towards the suspended liability amount upon completion of any Milestone Requirement is contingent on the North Coast Water Board's or its delegate's adoption of this Stipulated Order. The implementation schedule for completion of the CP and current completion status for milestones are set forth below:

Table 3: CP Milestone Requirements

Task	Description	Proposed Completion Date
1	Complete Preparation of Bid Documents	October 31, 2026

#	Violation Number	Violation Date	Constituent	Pollutant Group	Limitation Period	Limit	Result/Average	Units	Exempted from MMP?	Exempt Reason	% Over Limit	Date 180 Days Prior	Serious or Chronic Violation?	No. of Violations within 180 days	Mandatory Fine?	Water Code	Penalty
74	1145364	05/04/2025	Enterococci	Other	6-Week Rolling	30	80	MPN/100	N		N/A	11/05/2024	C	54	Y	13385(i)	\$ 3,000
75	1145354	05/11/2025	Settleable Solids	Group 1	Daily Maximum	3	4	mg/L	N		33%	11/12/2024	C	55	Y	13385(i)	\$ 3,000
76	1145365	05/12/2025	Enterococci	Other	6-Week Rolling	30	37	MPN/100	N		N/A	11/13/2024	C	56	Y	13385(i)	\$ 3,000
77	1145545	05/31/2025	Total Coliform	Other	10% for 30 days	10	25	%	N		N/A	12/02/2024	C	54	Y	13385(i)	\$ 3,000
78	1145351	06/30/2025	Total Coliform	Other	10% for 30 days	10	80	MPN/100	N		N/A	01/01/2025	C	52	Y	13385(i)	\$ 3,000
79	1145355	06/30/2025	Total Coliform	Other	Monthly Median	70	350	MPN/100	N		N/A	01/01/2025	C	53	Y	13385(i)	\$ 3,000
80	1148916	07/31/2025	Total Coliform	Other	Monthly Median	70	230	MPN/100	N		N/A	02/01/2025	C	42	Y	13385(i)	\$ 3,000
81	1148917	07/31/2025	Total Coliform	Other	10% for 30 days	10	50	%	N		N/A	02/01/2025	C	43	Y	13385(i)	\$ 3,000
82	1148913	08/31/2025	Total Coliform	Other	Monthly Median	70	104	MPN/100	N		N/A	03/04/2025	C	35	Y	13385(i)	\$ 3,000
83	1148915	09/30/2025	Total Coliform	Other	10% for 30 days	10	20	%	N		N/A	04/03/2025	C	19	Y	13385(i)	\$ 3,000
84	1148918	09/30/2025	Total Coliform	Other	Monthly Median	70	79	MPN/100	N		N/A	04/03/2025	C	20	Y	13385(i)	\$ 3,000
85	1150803	10/31/2025	Total Coliform	Other	10% for 30 days	10	50	%	N		N/A	05/04/2025	C	12	Y	13385(i)	\$ 3,000
86	1150805	10/31/2025	Total Coliform	Other	Monthly Median	70	160	MPN/100	N		N/A	05/04/2025	C	13	Y	13385(i)	\$ 3,000
87	1153612	01/10/2026	Enterococci	Other	Weekly Average	610	821	MPN/100	N		N/A	07/14/2025	C	8	Y	13385(i)	\$ 3,000
88	1153613	03/21/2026	Settleable Solids	Group 1	Instantaneous	3	4	mg/L	N		33%	09/22/2025	C	6	Y	13385(i)	\$ 3,000
89	1153616	03/23/2026	Settleable Solids	Group 1	Instantaneous	3	4.5	mg/L	N		50%	09/24/2025	S	7	Y	13385(i)	\$ 3,000

Total Penalty: \$ 258,000

Legend of Table

a. The first three violations in a 180-day period shall not receive MMP assessment unless serious.

- Violation occurs on sample date or last date of averaging period.

- For Group I pollutants, a violation is serious when the limit is exceeded by 40% or more

- For Group II pollutants, a violation is serious when the limit is exceeded by 20% or more

- When a serious violation occurs on the same day as a chronic, the serious violation is only assessed an MMP once and is counted last for the day when determining the number of chronic violations to be assessed a penalty.

Violation Period Between January 1, 2024, and March 23, 2026

Group I Violations Assessed MMP:	6
Group II Violations Assessed MMP:	0
Other Effluent Violations Assessed MMP:	80
Violations Exempt from MMP:	0
Total Violations Assessed MMP:	86

Mandatory Minimum Penalty = (1 Serious Violation + 85 Non-Serious Violations) x \$3,000 = \$268,000



City of Crescent City
Where the Redwoods Meet the Sea

377 J Street, Crescent City, CA 95531 • 707.464.7483 • Fax 707.465.4405 • www.crescentcity.org



June 25, 2026

California Regional Water Quality Control Board - North Coast Region
Attn: Matt Herman
5550 Skylane Blvd Suite A
Santa Rosa, CA 95403-1012
email: matthew.herman@waterboards.ca.gov

Subject: Proposed Compliance Project to Address Mandatory Minimum Penalties Incurred from January 1, 2024 through March 23, 2026 (City of Crescent City Wastewater Treatment Facility, WDID 1A84006ODN; NPDES Permit No. CA0022576)

Dear Mr. Herman,

The City of Crescent City (City) is planning to repair various sewer lines within the community to address \$258,000 in Mandatory Minimum Penalties (MMPs) assessed by the North Coast Regional Water Quality Control Board for violations of Order No. R1-2025-0034. These violations were associated with effluent limit exceedances that occurred between January 1, 2024, and August 1, 2025, under Waste Discharge Requirements (WDR) Order No. R1-2023-0039.

The City's Wastewater Treatment Plant (WWTP) serves a small disadvantaged community as defined in the State Water Resources Control Board's Water Quality Enforcement Policy (2017). As a result, the City is eligible and requesting to apply the entire penalty amount toward a Compliance Project designed to correct the underlying causes of the violations.

Background:

Chronic violations including exceedances of chlorine, total residual chlorine, settleable solids, ammonia (as N), enterococci, and total coliform occurred during high-rainfall periods when influent flows exceeded the WWTP's ability to process 100 percent of the flow through the Membrane BioReactor (MBR) tertiary treatment system, which is limited to 1.1 million gallons per day (MGD). On days when flows surpassed this capacity, excess flow was necessarily diverted to the Rotating Biological Contactor (RBC) system, which does not provide tertiary treatment and therefore cannot meet the new effluent limits.

On June 6, 2025, the North Coast Regional Water Quality Control Board issued Time Schedule Order No. R1-2025-0015, granting temporary exceptions to the enterococci and total coliform limits during periods when facility flows exceed 1.1 MGD. Under this order, the WWTP is allowed to meet the effluent limits of the previous WDR (R1-2017-0002) until April 1, 2030, unless a permanent solution is implemented sooner.

The City is concurrently pursuing a State Water Resources Control Board forgivable loan to fund a comprehensive WWTP upgrade that would increase the tertiary treatment ability and ensure compliance with WDR Order No. R1-2023-0039. Assuming full funding and no delays, construction is anticipated to be completed by October 2035.

Project Benefits:

In 2024, the WWTP recorded a minimum dry-weather influent flow of 0.77 MGD. Between January 1 and March 30, 2025, the average daily wet-weather flow increased to 2.316 MGD, with daily flows ranging from 1.257 to 5.337 MGD. Assuming the increase in influent during wet-weather conditions is attributable to inflow and infiltration (I&I), repairing approximately 1.7 percent of the system's total linear footage is conservatively expected to reduce infiltration by an estimated 26,000 gallons per day.

Project Estimate:

The table below presents the preliminary cost estimate for the proposed project. Final costs will depend on contractor bids to be received at a later date. The project is scalable: additional repair locations may be added to meet the Water Board's requirements for MMP offset funding, or the scope may be reduced to remain within available resources.

Base Bid

Item No.	Item Description	Unit	Bid Quantity	Unit Price	Total Price
1	Mobilization	LS	1		\$25,000
2	Water Pollution Prevention	LS	1		\$10,000
3	Traffic Control	LS	1		\$10,000
4	CIPP Patch	EA	13	\$6,000.00	\$78,000
5	CIPP Block	LF	600	\$150.00	\$90,000
6	Sewer Bypass	EA	15	\$4,000.00	\$60,000
	Contingency 10%				\$27,300
Total					\$300,300

Schedule for Project Installation:

Design, bidding, and construction for this project are expected to be completed within 18 months following authorization from the State for the City to proceed. Due to the high levels of inflow and infiltration (I&I) experienced during the wet season, rehabilitation of the sewer collection system mains must be performed during the dry-weather window from June through October. Given this constraint, the proposed project schedule is as follows:

30.206Task	Duration	Anticipated Schedule End Date	Comment
Prepare Bid Documents	120 days	October 2026	
Bid Publication	30 days	November 2026	
Contract award	60 days	January 2027	
Construction	90 days	September 2027	Construction completed during dry season
ACL Project Closeout	90 days	December 2027	

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
Project Staff Report
Tax-Exempt Bond Project
August 23, 2023

Battery Point Apartments, located at 1050 E Street in Crescent City, requested and is being recommended for a reservation of \$3,879,952 in annual federal tax credits and \$16,011,905 in total state tax credits to finance the new construction of 160 units of housing serving families with rents affordable to households earning 30%-70% of area median income (AMI). The project will be developed by Step Forward Communities, Synergy Community Development Corporation and GreenShoots Communities LLC and will be located in Senate District 2 and Assembly District 2.

The project will be receiving rental assistance in the form of HUD Section 8 Project-based Vouchers. The project financing includes state funding from the Infill Infrastructure Grant (IIG) of HCD and Mixed-Income Program (MIP) through CalHFA.

Project Number	CA-23-518
Project Name	Battery Point Apartments
Site Address:	1050 E Street
	Crescent City, CA 95531
County:	Del Norte
Census Tract:	06-015-0001.01

Tax Credit Amounts	Federal/Annual	State/Total *
Requested:	\$3,879,952	\$16,011,905
Recommended:	\$3,879,952	\$16,011,905

* The applicant made an election to sell (Certificate) all or any portion of the state credits.

Applicant Information

Applicant:	Step Forward Communities
Contact:	Duane Henry
Address:	638 Camino De Los Mares, Suite H130-467
	San Clemente, CA 92673
Phone:	(850) 748-2360
Email:	duane.henry@stepforwardcommunities.com

General Partner(s) or Principal Owner(s):	Step Forward Communities
	Synergy Community Development Corporation
General Partner Type:	Joint Venture
Developers:	Step Forward Communities
	Synergy Community Development Corporation
	GreenShoots Communities LLC
Bond Issuer:	CAL-HFA
Investor/Consultant:	RBC Community Investments
Management Agent:	MBS Property Management Inc

Project Information

Construction Type: New Construction
 Total # Residential Buildings: 5
 Total # of Units: 162
 No. / % of Low Income Units: 160 100.00%
 Federal Set-Aside Elected: 40%/60% Average Income
 Federal Subsidy: Tax-Exempt / HUD Section 8 Project-based Vouchers (70 Units - 44%)

Information

Housing Type: Large Family
 Geographic Area: Rural
 CTCAC Project Analyst: Chris Saenz

55-Year Use / Affordability

Aggregate	Number of	Percentage of
30% AMI:	66	41%
40% AMI:	4	3%
60% AMI:	10	6%
70% AMI:	80	50%

Unit Mix

54 1-Bedroom Units
 63 2-Bedroom Units
 29 3-Bedroom Units
 16 4-Bedroom Units

 162 Total Units

Unit Type & Number	2022 Rents Targeted % of Area Median Income	Proposed Rent (including utilities)
27 1 Bedroom	30%	\$438
6 1 Bedroom	30%	\$438
3 1 Bedroom	40%	\$585
18 1 Bedroom	70%	\$1,023
9 2 Bedrooms	30%	\$526
13 2 Bedrooms	30%	\$526
1 2 Bedrooms	40%	\$702
2 2 Bedrooms	60%	\$1,053
37 2 Bedrooms	70%	\$1,228
9 3 Bedrooms	30%	\$607
3 3 Bedrooms	60%	\$1,215
16 3 Bedrooms	70%	\$1,418
2 4 Bedrooms	30%	\$678
5 4 Bedrooms	60%	\$1,356
9 4 Bedrooms	70%	\$1,582
1 2 Bedrooms	Manager's Unit	\$0
1 3 Bedrooms	Manager's Unit	\$0

Project Cost Summary at Application

Land and Acquisition	\$1,200,000
Construction Costs	\$56,704,050
Rehabilitation Costs	\$0
Construction Hard Cost Contingency	\$2,770,200
Soft Cost Contingency	\$443,000
Relocation	\$0
Architectural/Engineering	\$570,500
Const. Interest, Perm. Financing	\$3,656,413
Legal Fees	\$250,000
Reserves	\$989,034
Other Costs	\$1,778,521
Developer Fee	\$9,662,874
Commercial Costs	\$0
Total	\$78,024,592

Residential

Construction Cost Per Square Foot:	\$401
Per Unit Cost:	\$481,633
True Cash Per Unit Cost*:	\$444,738

Construction Financing

Source	Amount
RBC: Tax-Exempt	\$38,430,000
RBC: Tax-Exempt, Recycled	\$6,900,000
HCD: IIG	\$7,437,700
Tax Credit Equity	\$15,179,984

Permanent Financing

Source	Amount
CalHFA	\$14,750,000
CalHFA: MIP	\$4,000,000
HCD: IIG	\$7,437,700
Deferred Developer Fee	\$5,976,992
Tax Credit Equity	\$45,859,900
TOTAL	\$78,024,592

*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

Determination of Credit Amount(s)

Requested Eligible Basis:	\$74,614,457
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$96,998,794
Applicable Rate:	4.00%
Total Maximum Annual Federal Credit:	\$3,879,952
Total State Credit:	\$16,011,905
Approved Developer Fee (in Project Cost & Eligible Basis):	\$9,662,874
Investor/Consultant:	RBC Community Investments
Federal Tax Credit Factor:	\$0.83532
State Tax Credit Factor:	\$0.84000

Except as allowed for projects basing cost on assumed third party debt, the "as if vacant" land value and the existing improvement value established at application for all projects, as well as the eligible basis amount derived from those values, shall not increase during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits. The sum of the third party debt encumbering the property may increase during subsequent reviews to reflect the actual amount.

Significant Information / Additional Conditions:

The project involves the new construction of two buildings consisting of one building containing 41 units restricted to seniors and one building containing 135 units serving large families. CTCAC has received a legal opinion that the project as proposed complies with federal Fair Housing Law.

Resyndication and Resyndication Transfer Event: None.

Standard Conditions

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within

The applicant anticipates financing more than 50% of the project aggregate basis with tax-exempt bond proceeds as calculated by the project tax professional. Therefore, the federal credit reserved for this project will not count against the annual ceiling.

State tax credit recipients are limited to cash distributions from project operations pursuant to California Revenue and Taxation Code Section 12206(d). By accepting the tax credit reservation, the applicant/owner is agreeing to comply with the statutory limitations and requirements.

CTCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of CTCAC.

The applicant must pay CTCAC a reservation fee calculated in accordance with regulation. Additionally, CTCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within CTCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

If the applicant has requested the use of a CUAC utility allowance, CTCAC's Compliance staff will review the CUAC documentation for this project prior to placed in service. Until written approval is received from CTCAC, this project is not eligible to use a utility allowance based on the CUAC.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by CTCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by CTCAC in its final feasibility analysis.

Battery Pt FA TCAC v.2023-04-11- v6-FCL Approval - FINAL 1.25.2024

Sources and Uses of Funds						
SOURCES OF FUNDS	23010-A/X/N					
	Const/Rehab	Permanent	Total Project Sources of Funds			
	\$	\$	Sources (\$)	Per Unit (\$)	% of Total	% of Category
C. RBC (CAL-HFA Conduit)- TE	40,662,000				57.15%	57.15%
C. RBC (CAL-HFA Conduit)-Recycled	6,588,000				9.26%	9.26%
C. Sponsor Loan (HCD IIG)	7,435,400				10.45%	10.45%
C. RBC Community Investments	16,468,367				23.14%	23.14%
P. CalHFA		16,375,000	16,375,000	101,080	20.14%	20.1%
P. CalHFA MIP		4,000,000	4,000,000	24,691	4.92%	4.9%
P. Sponsor Loan (HCD IIG)		7,435,400	7,435,400	45,898	9.14%	9.1%
P. Deferred Developer Fee		6,138,596	6,138,596	37,893	7.55%	7.5%
P. Tax Credit Equity		47,362,000	47,362,000	292,358	58.25%	58.2%
TOTAL SOURCES OF FUNDS	71,153,767	81,310,996	81,310,996	501,920		
TOTAL USES OF FUNDS (BELOW)	71,153,767	81,310,996	81,310,996	501,920		
FUNDING SURPLUS (DEFICIT)	-	-	-			
USES OF FUNDS	Const/Rehab	Permanent	Total Project Uses of Funds			
	\$	\$	Uses (\$)	Per Unit (\$)	%TDC	% of Category
TOTAL EQUITY AND LOAN PAYOFF		71,153,767				
LAND COST/ACQUISITION						
Land Cost or Value	667,574		667,574	4,121	0.82%	55.6%
Demolition	-		-	-		0.0%
Legal	-		-	-		0.0%
Land Lease Repayment	-		-	-		0.0%
Existing Improvement Value	-		-	-		0.0%
Off-Site Improvements	532,426		532,426	3,287	0.65%	44.4%
Predevelopment Interest/Holding Costs	-		-	-		0.0%
Assumed, Accrued Interest on Existing Debt (Rehab/Acquisition)	-		-	-		0.0%
Excess Purchase Price Over Appraisal	-		-	-		0.0%
	-		-	-		0.0%
	-		-	-		0.0%
	-		-	-		0.0%
	-		-	-		0.0%
TOTAL LAND COST/ACQUISITION	1,200,000	-	1,200,000	7,407	1.48%	100.0%

larger shopping complex or commercial strip, the radius line must be measured to the amenity exterior wall, rather than the site boundary. The resulting distance shall be reduced in such instances by 250 feet to account for close-in parking.

No more than 15 points will be awarded in this category. For purposes of the Native American apportionment only, no points will be awarded in this category. However, projects that apply under the Native American apportionment that drop down to the rural set-aside will be scored in this category. Applicants must certify to the accuracy of their submissions and will be subject to negative points in the round in which an application is considered, as well as subsequent rounds, if the information submitted is found to be inaccurate. For each amenity, color photographs, a contact person and a contact telephone must be included in the application. The Committee may employ third parties to verify distances or may have staff verify them. Only one point award will be available in each of the subcategories (1-9) listed below, with exception of the transit pass option of subcategory 1. Amenities may include:

1. Transit Amenities

The project is located where there is a bus rapid transit station, light rail station, commuter rail station, ferry terminal, bus station, or public bus stop within 1/3 mile from the site with service at least every 30 minutes (or at least two departures during each peak period for a commuter rail station or ferry terminal) during the hours of 7-9 a.m. and 4-6 p.m., Monday through Friday, and the project's density will exceed 25 units per acre. 7 points

The site is within 1/3 mile of a bus rapid transit station, light rail station, commuter rail station, ferry terminal, bus station, or public bus stop with service at least every 30 minutes (or at least two departures during each peak period for a commuter rail station or ferry terminal) during the hours of 7-9 a.m. and 4-6 p.m., Monday through Friday. 6 points

The site is within 1/2 mile of a bus rapid transit station, light rail station, commuter rail station, ferry terminal, bus station, or public bus stop with service at least every 30 minutes (or at least two departures during each peak period for a commuter rail station or ferry terminal) during the hours of 7-9 a.m. and 4-6 p.m., Monday through Friday. 5 points

The site is located within 1/3 mile of a bus rapid transit station, light rail station, commuter rail station, ferry terminal, bus station, or public bus stop. (For Rural set-aside projects, full points may be awarded where van or dial-a-ride service is provided to tenants, if costs of obtaining and maintaining the van and its service are included in the budget and the operating schedule is either on demand by tenants or a regular schedule is provided) 4 points

The site is located within 1/2 mile of a bus rapid transit station, light rail station, commuter rail station, ferry terminal, bus station, or public bus stop. 3 points

In addition to meeting one of the point categories described above, the applicant commits to provide to residents free transit passes or discounted passes priced at no more than half of retail cost. Passes shall be made available to each Low-Income Unit at the time a Low-Income Unit is leased to the tenant and shall be made available for at least 15 years. These points are not available for projects with van service. These points are only available to Rural set-aside projects with dial-a-ride service for free or discounted dial-a-ride passes.

At least one pass per Low-Income Unit	3 points
At least one pass per each 2 Low-Income Units	2 points

"Light rail station" or "commuter rail station" or "ferry terminal" includes a planned rail station or ferry terminal whose construction is programmed into a Regional or State Transportation Improvement Program to be completed within one year of the scheduled completion and occupancy of the proposed residential development.

A private bus or transit system providing service to residents may be substituted for a public system if it (a) meets the relevant headway and distance criteria, and (b) if service is provided free to the residents. Such private systems must receive approval from the CTCAC Executive Director prior to the application deadline. Multiple bus lines may be aggregated for the above points, only if multiple lines from the designated stop travel to an employment center. Such aggregation must be demonstrated to, and receive prior approval from, the CTCAC Executive Director in order to receive competitive points.

2. The site is within 1/2 mile of a public park or a community center accessible to the general public (1 mile for Rural set-aside projects). A public park shall not include 1) school grounds unless there is a bona fide, formal joint use agreement between the jurisdiction responsible for the parks/recreational facilities and the school district or private school providing availability to the general public of the school grounds and/or facilities, 2) greenbelts or pocket parks, or 3) open space preserves or biking parkways unless there is a trailhead or designated access point within the specified distance. 3 points

or within 3/4 mile (1.5 miles for Rural set-aside projects) 2 points

3. The site is within 1/2 mile of a book-lending public library that also allows for inter-branch lending (when in a multi-branch system) (1 mile for Rural set-aside projects) 3 point

or within 1 mile (2 miles for Rural set-aside projects) 2 points

4. The site is within 1/2 mile of a full-scale grocery store/supermarket of at least 25,000 gross interior square feet where staples, fresh meat, and fresh produce are sold (1 mile for Rural set-aside projects). A large multi-purpose store containing a grocery section may garner these points if the application contains the requisite interior measurements of the grocery section of that multipurpose store. The "grocery section" of a large multipurpose store is defined as the portion of the store that sells fresh meat, produce, dairy, baked goods, packaged food products, delicatessen, canned goods, baby foods, frozen foods, sundries, and beverages. 5 points

or within 1 mile (2 miles for Rural set-aside projects) 4 points

or within 1.5 miles (3 miles for Rural set-aside projects) 3 points

The site is within 1/4 mile of a neighborhood market of 5,000 gross interior square feet or more where staples, fresh meat, and fresh produce are sold (1/2 mile for Rural Set-aside projects). A large multi-purpose store containing a grocery portion may garner these points if the application contains interior measurements of the grocery section of that multi-purpose store. The "grocery section" of a large multipurpose store is defined as the portion of the store primarily devoted to food stuffs that sells fresh meat, produce, dairy, baked goods, packaged food products, delicatessen, canned goods, baby foods, frozen foods, sundries, and beverages. 4 points

or within 1/2 mile (1 mile for Rural Set-aside projects) 3 points

- Policy 1.F.2.** - *"The City shall ensure that infill development (either new or rehabilitated residential structures) is compatible with the overall established character of residential neighborhoods."*
- Policy 1.F.3.** - *"The City shall encourage higher residential densities at locations where convenient access and adequate facilities, including parks and open space, are readily available."*
- Policy 2.A.2.** - *"The City and County will continue to encourage maximization of residential development potential and limit underutilization of land through project design review."*
- Policy 2.B.2.** - *"The City and County shall continue to provide established residential development programs: such as Planned Unit development, Bonus Density, 2nd Dwelling Units, Senior unit provisions, Class K rural housing, Disabled Accommodations, protection of non-conforming multi-family units, provisions for manufactured/architectural mobile home placements, and mobile home parks in residential areas."*
- Policy 2.B.9.** - *"The City and County shall continue to monitor housing activity on an annual basis to assess whether their respective needs projections for all income levels are being met by voluntary open market (rather than mandatory inclusion) as they have in the past."*
- Program 2.12.** - *"The City, working with the Housing Authority, local non-profit organizations, or developers, will encourage the development of one or more projects with aggregate goal of 86 very low/low-income residential units. The City will assist in site identification, permit coordination, and provide data or letters of support for funding applications. The City will consider, on a case-by-case basis, requests for bonus density or other incentives such as parking or setback waivers, deferred agreements, or redevelopment loans or grants. The City may consider participation in a CDBG or other grants if an appropriate development agreement can be developed."*
- Goal C.** - *"To assist in the development of adequate housing to meet the needs of low/very low and moderate-income households."*
- Policy 2.D.1.** - *"The City and County shall continue to maintain opportunities for all income groups by use of clustered development to maximize density and minimize land development and/or construction costs."*
- Goal G.** - *"To promote equal housing opportunity."*
- Policy 3.A.15.** - *"The City shall continue to require all new development to provide off-street parking, either on-site or in consolidated lots."*
- Policy 3.A.16.** - *"The City shall require new land development projects to contribute their fair share of transportation improvement costs, based on trip generation. Any project that is expected to generate more than 50 trips per day shall be required to submit a traffic analysis as part of the permit application and will be required to mitigate traffic impacts identified. Regardless of the number of trips generated by a given project, a traffic study may be required if traffic safety issues warrant such a study."*
- Policy 3.B.6.** - *"Where appropriate, the City shall require new development to dedicate easements for and provide sheltered public stops for transit patrons."*
- Policy 3.C.1.** - *"The City shall promote the linkage of sidewalks and walkways with Bike and pedestrian trails leading to and through outdoor recreational areas such as parks and schools, as well as commercial areas."*
- Goal 3.D.** - *"To encourage and facilitate walking throughout the city."*
- Policy 3.D.3.** - *"The City shall coordinate with local school districts to assure that safe routes to schools are available to all students."*

-Policy B.2 - *"The City shall continue to maintain opportunities for all income groups by use of clustered development to maximize density and minimize land development and/or construction costs."*

-Policy B.5 - *"The City Housing Authority shall continue to provide and expand its housing programs."*

SUPPORTING 6th CYCLE HOUSING ELEMENT GOALS/POLICIES:

On September 5, 2023 the City Council adopted the 6th cycle Housing Element by Resolution No. 2023-64.

-Goal HG-1 - *"Assure adequate, safe, cost-effective and energy-efficient housing opportunities for all segments of the community, while maintaining the quality living environment and character of the City of Crescent City, by planning for and enabling the development of balanced residential neighborhoods with access to affordable housing, community facilities, and public services, including transit."*

-Goal HG-2 - *"Provide for adequate housing for persons with special housing needs such as target income groups, seniors, disabled, students, and single-parent-headed households."*

-HP-2.1 - *"Discrimination in housing based on race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, or genetic information is not permitted (Government Code Section 12955-12956.2). Support appropriate safeguards to ensure fair housing opportunities."*

-HP-2.3 - *"Encourage new residential development in the City to specifically address special housing needs such as target income groups, seniors, disabled, students, and single-parent households, by providing flexibility in development standards such as smaller yards, low-maintenance landscaping, limited mobility fixtures, and appropriately sized parking areas."*

-P-3 Density Bonus. *"A three-part program: 1. Comply with state density bonus law (Government Code Section 65915, as revised). Revise the City's Zoning Ordinance to be consistent with State law. 2. Maximizing the use of vacant or underdeveloped parcels by eliminating or reducing certain limitations for housing developments in which at least 20 percent of the units are affordable to lower-income households or 30 percent of the units are affordable to special needs lower-income households. (see also low-income housing P-22) 3. The City shall encourage multi-family development at high-density rates as prescribed by the General Plan. This includes providing flexibility in development standards (reduced setbacks, reduced parking, increased building heights, etc.) to serve as incentives for multi-family development."*

RHNA: The projection period for the City's Regional Housing Needs Allocation (RHNA) plan began December 31, 2018 and ends September 15, 2030 and provides for the following allotments per income group: 39-very-low, 22-low, 27-moderate, and 101-above-moderate; totaling 189.

NECESSARY FINDING #3:

The proposed project (incorporating the State Density Bonus Law requirements) is consistent with the Crescent City General Plan's Residential Multi-family (15-30) land use designation (Goals 1.F, C, G, and 3.D, Policies 2.A.2, 1.A.3, 1F.2, 1.F.3, 2.A.2, 2.B.2, 2.B.9, 2.D.1, 3.A.25, 3.A.16, 3.B.6, 3.C.1, 3.D.3, 3.D.6, 4.A.2, 4.E.5, 4.F.4, and 5.F.1, and Program 2.12), the 5th Cycle Housing Element (Goal B, Policies A.2, A.5, B.1, B.2, and B.5, and Actions A.2.1, A.6.1, B.1.1, and B.1.2), and the 6th Cycle Housing Element (Goals HG-1 and HG-2, Policies HP-2.1 and HP-2.3, and Program P-3);

(1) “Designated county” includes the Counties of Alameda, Contra Costa, Los Angeles, Marin, Napa, Orange, Riverside, Sacramento, San Bernardino, San Diego, San Francisco, San Mateo, Santa Barbara, Santa Clara, Solano, Sonoma, and Ventura.

(2) “Development standard” includes a site or construction condition, including, but not limited to, a height limitation, a setback requirement, a floor area ratio, an onsite open-space requirement, a minimum lot area per unit requirement, or a parking ratio that applies to a residential development pursuant to any ordinance, general plan element, specific plan, charter, or other local condition, law, policy, resolution, or regulation.

(3) “Located within one-half mile of a major transit stop” means that any point on a proposed development, for which an applicant seeks a density bonus, other incentives or concessions, waivers or reductions of development standards, or a vehicular parking ratio pursuant to this section, is within one-half mile of any point on the property on which a major transit stop is located, including any parking lot owned by the transit authority or other local agency operating the major transit stop.

(4) “Lower income student” means a student who has a household income and asset level that does not exceed the level for Cal Grant A or Cal Grant B award recipients as set forth in paragraph (1) of subdivision (k) of Section 69432.7 of the Education Code. The eligibility of a student to occupy a unit for lower income students under this section shall be verified by an affidavit, award letter, or letter of eligibility provided by the institution of higher education in which the student is enrolled or by the California Student Aid Commission that the student receives or is eligible for financial aid, including an institutional grant or fee waiver from the college or university, the California Student Aid Commission, or the federal government.

(5) “Major transit stop” has the same meaning as defined in subdivision (b) of Section 21155 of the Public Resources Code.

(6) “Maximum allowable residential density” or “base density” means the maximum number of units allowed under the zoning ordinance, specific plan, or land use element of the general plan, or, if a range of density is permitted, means the maximum number of units allowed by the specific zoning range, specific plan, or land use element of the general plan applicable to the project. If the density allowed under the zoning ordinance is inconsistent with the density allowed under the land use element of the general plan or specific plan, the greater shall prevail. Density shall be determined using dwelling units per acre. However, if the applicable zoning ordinance, specific plan, or land use element of the general plan does not provide a dwelling-units-per-acre standard for density, then the local agency shall calculate the number of units by:

(A) Estimating the realistic development capacity of the site based on the objective development standards applicable to the project, including, but not limited to, floor area ratio, site coverage, maximum building height and number of stories, building setbacks and stepbacks, public and private open space requirements, minimum percentage or square footage of any nonresidential component, and parking requirements, unless not required for the base project. Parking requirements shall include considerations regarding number of spaces, location, design, type, and

of the incorporated and unincorporated areas of an individual county that is not part of a metropolitan planning organization.

(p) (1) Except as provided in paragraphs (2), (3), and (4), upon the request of the developer, a city, county, or city and county shall not require a vehicular parking ratio, inclusive of parking for persons with a disability and guests, of a development meeting the criteria of subdivisions (b) and (c), that exceeds the following ratios:

(A) Zero to one bedroom: one onsite parking space.

(B) Two to three bedrooms: one and one-half onsite parking spaces.

(C) Four and more bedrooms: two and one-half parking spaces.

(2) (A) Notwithstanding paragraph (1), if a development includes at least 20 percent low-income units for housing developments meeting the criteria of subparagraph (A) of paragraph (1) of subdivision (b) or at least 11 percent very low income units for housing developments meeting the criteria of subparagraph (B) of paragraph (1) of subdivision (b), is located within one-half mile of a major transit stop, and there is unobstructed access to the major transit stop from the development, then, upon the request of the developer, a city, county, or city and county shall not impose a vehicular parking ratio, inclusive of parking for persons with a disability and guests, that exceeds 0.5 spaces per unit. Notwithstanding paragraph (1), if a development includes at least 40 percent moderate-income units for housing developments meeting the criteria of subparagraph (D) of paragraph (1) of subdivision (b), is located within one-half mile of a major transit stop, as defined in subdivision (b) of Section 21155 of the Public Resources Code, and the residents of the development have unobstructed access to the major transit stop from the development then, upon the request of the developer, a city, county, or city and county shall not impose a vehicular parking ratio, inclusive of parking for persons with a disability and guests, that exceeds 0.5 spaces per bedroom.

(B) For purposes of this subdivision, "unobstructed access to the major transit stop" means a resident is able to access the major transit stop without encountering natural or constructed impediments. For purposes of this subparagraph, "natural or constructed impediments" includes, but is not limited to, freeways, rivers, mountains, and bodies of water, but does not include residential structures, shopping centers, parking lots, or rails used for transit.

(3) Notwithstanding paragraph (1), if a development meets the criteria of subparagraph (G) of paragraph (1) of subdivision (b), then, upon the request of the developer, a city, county, or city and county shall not impose vehicular parking standards if the development meets any of the following criteria:

(A) The development is located within one-half mile of a major transit stop and there is unobstructed access to the major transit stop from the development.

(B) The development is a for-rent housing development for individuals who are 55 years of age or older that complies with Sections 51.2 and 51.3 of the Civil Code and the development has either paratransit service or unobstructed access, within one-half mile, to fixed bus route service that operates at least eight times per day.

(C) The development is either a special needs housing development, as defined in Section 51312 of the Health and Safety Code, or a supportive housing development,

US 101 - Crescent City Limits to Washington Blvd	11,000	10,900	72,000
US 101 - Washington Blvd to U.S. 199	9,600	10,900	80,000

<https://dot.ca.gov/programs/traffic-operations/census>

A traffic analysis dated September 28, 2023 by Stover Engineering determined the number of trips generated by the project in relationship to peak hour trips generated by adjacent uses. *“Trip generation estimates were calculated for the proposed Battery Point Multi-Family and Senior Adult Apartments (Project), as well as the existing Joe Hamilton Elementary School based on the Institute of Transportation Engineers (ITE) Trip Generation Manual, 10th Edition (ITE Manual). Peak AM hour traffic generated from the proposed project is not more than 21 percent of the peak AM hourly traffic generated by Joe Hamilton School and neighboring apartments.*

Multi-family Housing (greater than 20 units per acre, 3-5 stories tall): 121 Dwelling Units Senior Adult Housing: 41 Dwelling Units.

Trip Generation data was obtained from the ITE Manual. The peak hour vehicle trip ends for each generator along with time and direction distribution were calculated as follows:

Multi-Family Housing (Mid-Rise, 3-10 Floors, 121 Dwelling Units)

<i>Vehicle Trip Ends (Peak Hour)</i>	<i>Peak Hour</i>	<i>Time</i>	<i>% Entering</i>	<i>% Exiting</i>
<i>41</i>	<i>AM</i>	<i>7:00- 8:00 AM</i>	<i>27</i>	<i>73</i>
<i>51</i>	<i>PM</i>	<i>4:45 - 5:45 PM</i>	<i>60</i>	<i>40</i>

Senior Adult Housing - Attached (41 Dwelling Units)

<i>Vehicle Trip Ends (Peak Hour)</i>	<i>Peak Hour</i>	<i>Time</i>	<i>% Entering</i>	<i>% Exiting</i>
<i>16</i>	<i>AM</i>	<i>11:45 AM- 12:45 PM</i>	<i>47</i>	<i>53</i>
<i>10</i>	<i>PM</i>	<i>12:00 PM- 1:00 PM</i>	<i>53</i>	<i>47</i>

“Access to the proposed project is from three different locations: 1) E Street, 2) Margie Street, and 3) David Street via Gary Street. The area west of the project is primarily residential while the area on the east side is comprised of business and public services. The likely entrance and exit location used by most of the multi-family housing during peak hours is E Street having direct access to both Pacific Avenue and 9th Street, which are east-west main collector streets. Margie Street to the north has a 4-way controlled intersection at Pacific Avenue and experiences heavy traffic during peak hours so will be naturally avoided due to the better convenience using E Street. Gary Street is located to the west and primarily accesses residential neighborhood but does have access to A Street (a collector) via East Condon.

“There is a transit stop located at Pacific and E Street which is planned to be improved as part of this project. Redwood Coast Transit has regularly scheduled stops at that location including 7:18 and 7:48 AM. This readily accessible transit stop to the site will likely reduce the estimated peak trip ends for the project.

"For comparison to existing traffic, the major generator at E Street is Joe Hamilton School located adjacent to the project to the south on E Street. The school currently has 300 students. The entrance to the school drop off area with 30 parking spaces is from E Street. The drop off exits southerly onto 10th Street. A separate parking area with 39 parking spaces is accessed from 10th Street. 10th & E Street is controlled by a three-way stop tee intersection.

"Driftwood Apartments is located adjacent to the north of the proposed project. It is comprised of approximately 36 dwelling units in 4-plex style buildings. It has 28 parking spaces accessed from E Street and the remaining 26 accessed from Pacific Avenue. The parking area from the lower density apartments is not a significant traffic generator to E Street as compared to the existing Elementary School or the proposed project.

"The estimated peak hour vehicle trip ends for Joe Hamilton Elementary School are as follows: Elementary School (300 Students)

<i>Vehicle Trip Ends (Peak Hour)</i>	<i>Peak Hour</i>	<i>Time</i>	<i>% Enteri ng</i>	<i>% Exiti ng</i>
<i>195</i>	<i>AM</i>	<i>7:15 - 8:15 AM</i>	<i>54</i>	<i>46</i>
<i>102</i>	<i>PM</i>	<i>2:15 - 3:15 PM</i>	<i>45</i>	<i>55</i>

"The school's PM peak hour does not coincide with the proposed project's PM peak hour while the AM peak hour for the existing school and proposed project overlap. The proposed project is estimated to contribute not more than 21% of the peak hour traffic to E Street than currently estimated for the existing school and Driftwood Apartments alone." (Stover Engineering, 2023)

Therefore, based on the project location, design, and as conditioned, the proposed project will result in a less-than-significant effect relating to traffic.

Noise:

Residential development is typically considered to be a noise-sensitive land use, as opposed to a land use that generates significant noise levels. Noise levels in the project area are primarily generated by traffic on adjacent streets and schools. The proposed residential development site is not located within an airport land use compatibility safety zone though it is approximately one-and-a-half miles (within 2 miles) of a public airport (Del Norte County Airport). Noise levels generated by the proposed project will be from short-term construction of the proposed improvements and long-term operation of the residential uses.

Construction of the proposed improvements will result in short-term increases in noise levels from the operation of stationary and mobile construction tools and equipment. The closest sensitive receptors to the proposed project development site include residents to the north and west. The City's Municipal Code Section 8.18.060 E contains standards for construction noise that places limitations on the days and hours of construction activity to the hours of seven a.m. and six p.m. or sunset, whichever occurs later, on Monday through Friday, or between the hours of eight a.m. and six p.m. on Saturdays and Sundays, which will be required as a condition of approval for the project. The implementation of the proposed project with these existing standards will prevent adverse noise impacts from construction activity.

Additionally, according to the City's General Plan (2001), "the granting of a bonus in density for residential development that provides qualifying low- and or moderate-income housing shall be permitted, subject to individual project review. As defined by State law, the additional density is to be calculated based on the maximum basic density identified by the Land Use Diagram. No change in the basic permitted density itself shall be necessary for the bonus, provided that the following findings are made a) The proposal is found to qualify for bonus units under State guidelines; and b) A program for ensuring continued use as low and/or moderate-income units is included in any approval" (Page 1-5).

The City's "Special Zoning Uses" (Chapter 17.48) states that 100% Affordable Housing means "One hundred percent of all units in the shared housing building development, including total units and density bonus units, but exclusive of a manager's unit or units, are for lower income households, as defined in Section 50079.5 of the Health and Safety Code, except that a maximum of twenty percent of the units in the development, including total units and density bonus units, may be for moderate-income households, as defined in Section 50053 of the Health and Safety Code (Government Code Section 65915(b)(1)(G))" (CCMC § 17.48.030(A)(7)).

6.4. Project Applicability:

The applicant has applied for 100% Affordable Housing Development in that a minimum of 80% of the proposed units would be restricted for low-income (50% to 80% of Average Median-Income (AMI)) and a maximum of 20% of the proposed units would be restricted for moderate-income (80% to 120% of AMI) households (CCMC § 17.48.030(A)(7) & Gov. Code § 65915(b)(1)(G)).

TABLE 6-2: PROJECT UNIT BREAKDOWN				
Unit Size	# of Units	Rental AMI Percentage	Min. Monthly Rental Amount (2025 limits)	Max Monthly Rental Amount (2025 limits)
Studio	6	50%-80% AMI	\$821.88	\$986.25
1 bedroom	14	50%-80% AMI	\$938.75	\$1,126.50
2 bedroom	9	50%-80% AMI	\$1,056.25	\$1,267.50
2 bedroom	7	100-120% AMI	\$2,112.50	\$2,323.75

As a result, since the proposed project includes 36-units, 80.55% of the 36-units (29-units) will be restricted for low-income (50% to 80% of AMI) households and 19.44% of the 36-units (7-units) will be restricted for moderate-income (80% to 120% of AMI) households (CCMC § 17.48.030(A)(7) & Gov. Code § 65915(b)(1)(G)).

6.5. Project Incentives & Concessions:

When an applicant applies to the City, in writing, for a Density Bonus, subject to a recorded affordability restriction of 55 years, the applicant is to receive several incentives according to the affordability of the development (Gov. Code § 65915(c)(1)(A)) in exchange for providing affordable residential units. If the proposed project is a 100% affordable Housing development that is located within one-half mile of a major transit stop (Gov. Code § 65915(o)(2)), the State Density Bonus Law provides

several incentives/concessions including receiving an unlimited density bonus increase (Gov. Code § 65915(f)(3)(D)(ii)), no minimum vehicular parking requirement (Gov. Code § 65915(p)(2)(A)), a height increase of up to three additional stories, or 33 feet (Gov. Code § 65915(d)(2)(D)), and 5 incentives/concessions (Gov. Code § 65915(d)(2)(D)) which can be used as a concession of a local development standards as an incentive from the State in exchange for providing affordable housing. Development standard includes *"a site or construction condition, including, but not limited to, a height limitation, a setback requirement, a floor area ratio, an onsite open-space requirement, a minimum lot area per unit requirement, or a parking ratio that applies to a residential development pursuant to any ordinance, general plan element, specific plan, charter, or other local condition, law, policy, resolution, or regulation"* (Gov. Code § 65915(o)(1)).

6.6. Located Within One-Half Mile of a Major Transit Stop Definition:

According to the State Density Bonus Law, "Located within one-half mile of a major transit stop" means that any point on a proposed development, for which an applicant seeks a density bonus, other incentives or concessions, waivers or reductions of development standards, or a vehicular parking ratio pursuant to this section, is within one-half mile of any point on the property on which a major transit stop is located, including any parking lot owned by the transit authority or other local agency operating the major transit stop (Gov. Code § 65915(o)(2)).

A "Major transit stop" has the same meaning as defined in subdivision (b) of Section 21155 of the Public Resources Code (Gov. Code § 65915(o)(2)). PRC § 2115(b) further references defined in Section 21064.3 which states that a major transit stop is defined as, *"The intersection of two or more major bus routes with a frequency of service interval of 20 minutes or less during the morning and afternoon peak commute periods"* (PRC § 21064.3(c)). The Redwood Coast Transit Authority's Cultural Center Transit Hub (Stop Code: 2721) located on Front Street between K and L street near the Del Norte County Veteran's Memorial Monument meets this definition as it serves several lines (1, 2, 3, 4, 20, 199, & 300). The proposed project is located ~1,000-ft from the Cultural Center Transit Hub which is under one-half mile (2,640-ft).

6.7. PROPOSED PROJECT REQUESTS:

The applicant has submitted written request for several items in conjunction with the proposed project as it relates to the State Density Bonus Law, which are further discussed below but include an:

- A. **Increase in Density** (Increase by 28-units per GP)
- B. **Reduction in Off-Street Parking Spaces** (Reduced by 42-spaces)
- C. **Increase in Height Limitations** (Increase of 4-ft, 8-in)
- D. **Reduction in Rear Yard Setbacks** (Reduced by 2-ft, 8-in)

6.8. Increase in Density:

The proposed 36-unit residential development on a 0.51-acre/22,215-sf project site exceeds (by 28-units) the GP maximum density of 15 dwelling units per acre, totaling 8 units. However, the State Density Bonus Law states that if a 100% affordable housing project is located within one-half mile of a major transit stop, the city shall not impose

any maximum controls on density (Gov. Code §65915(f)(3)(D)(ii)) to this project, allowing an additional 28-units to be added to the development. Including the Density Bonus, the developer is allowed to develop an unlimited number of units.

TABLE 6-3: DENSITY BONUS CALCULATION					
Project Parcels	Proposed Units	C-1 Zoning Allows	GP Allows	Unlimited Density Bonus	Total Allowed
0.51-acre/ 22,215-sf	36-units	15-units (16-units over)	8-units (28-units over)	+Unlimited units	Unlimited units

Therefore, the proposed 36-dwelling units, without any incentive/concession, are consistent with the State Density Bonus Law. The proposed project has 5 incentives/concessions remaining.

6.9. Reduction in Off-Street Parking Spaces:

The proposed 2 off-street parking spaces does not meet (by 52 spaces) the minimum 1.5 spaces per “three or more family dwellings” (CCMC §17.42.040(B)) totaling 54 spaces (CCMC § 17.42.030). Additionally, the State Density Bonus Law provides a more relaxed parking ratio per bedroom (BR): 1 space per 0-1 BR and 1.5 spaces per 2-3 BR (Gov. Code §65915(p)(1)(A-C)) for this project (20, 0-1 BR and 16, 2 BR), lowering (by 10 spaces) the minimum off-street parking spaces, totaling 44 spaces. Therefore, the proposed 2 off-street parking spaces do not meet (by 42 spaces) the standard minimum 44 off-street parking space with the State Density Bonus Law.

However, the State Density Bonus Law states that if a 100% affordable housing project is located within one-half mile of a major transit stop, and there is unobstructed access to the major transit stop from the development, then, upon the request of the developer, a city shall not impose any minimum vehicular parking requirement (Gov. Code § 65915(p)(2)(A)), allowing 2-spaces for the development. Including the Density Bonus, the developer is not required to develop any off-street parking spaces.

TABLE 6-4: PARKING RATIO CALCULATION					
Parcel	Bedroom	Proposed Spaces	C-1 Zoning	Density Bonus Law	Incentive / Concession
0.51-acre / 22,215-sf	6 (0-BR)	0	9-spaces (1.5 = MF)	6-spaces (1 = 0-BR)	Covers All-spaces
	14 (1-BR)	0	21-spaces (1.5 = MF)	14-spaces (1 = 1-BR)	
	16 (2-BR)	0	24-spaces (1.5 = MF)	24-spaces (1.5 = 2-BR)	
Total	36-units	2-spaces	54-spaces (52 under)	44-spaces (42 under)	Covers 44-spaces
*0.5-spaces were rounded up to 1.0-space (CCMC § 17.42.030 & Gov. Code § 65915(p)(4))					

Therefore, since the 100% affordable housing proposed project is located within one-

half mile of a major transit stop, the proposed 2 off-street parking spaces, without any incentive/concession, are consistent with the State Density Bonus Law. The proposed project has 5 incentives/concessions remaining.

6.10. Increase in Height Limitations:

The proposed 44-ft, 8-in height does not meet (by 4-ft, 8-in) the maximum 40-ft height limit for the C-1 zone (CCMC 17.20.040(A)(1)). However, the State Density Bonus Law states that if a 100% affordable housing project is located within one-half mile of a major transit stop, the applicant shall also receive a height increase of up to three additional stories, or 33 feet (Gov. Code § 65915(d)(2)(D)), allowing the proposed 44-ft, 8-in height. Including the Density Bonus, the developer is allowed to develop up to 77-ft.

TABLE 6-5: HEIGHT CALCULATION			
Proposed Height	C-1 Zoning	Density Bonus Law	Allowable
44-ft, 8-in	Max. 40-ft	+33-ft	77-ft

Therefore, since the 100% affordable housing proposed project is located within one-half mile of a major transit stop, the proposed 44-ft, 8-in height, without any incentive/concession, is consistent with the State Density Bonus Law. The proposed project has 5 incentives/concessions remaining.

6.11. Reduction in Rear Yard Setbacks:

The proposed 7-ft, 4-in rear-yard setbacks does not meet (by 2-ft, 8-in) the minimum 10-ft height limit for the C-1 zone (CCMC 17.20.040(B)(3)). However, the State Density Bonus Law states that if a project is a 100% affordable housing project the applicant shall receive concession of local development standards including “a setback requirement... pursuant to any ordinance, general plan” as an incentive from the State in exchange for providing affordable housing (Gov. Code § 65915(o)(2)). The applicant has requested that 1 incentive/concession be applied to the rear-yard setback requirement in exchange for providing affordable housing. Allowing the reduced 7-ft, 4-in rear-yard setback. Including the Density Bonus, the developer is allowed to develop with a 7-ft, 4-in rear-yard setback.

TABLE 6-6: SETBACK CALCULATION			
Proposed Setback	C-1 Zoning	Density Bonus Law	Allowable
7-ft, 4-in	10-ft	Concession	7-ft, 4-in

Therefore, the 100% affordable housing proposed project, utilizing 1 incentive/concession for the proposed 7-ft, 4-in rear-yard setback, is consistent with the State Density Bonus Law. The proposed project has 4 incentives/concessions remaining.

6.12. GRANTING INCENTIVES/CONCESSIONS:

An applicant may submit to a city, with a density bonus application, a request for a specific incentive or concession that will assist the developer in providing affordable residential units (CCMC § 17.48.030(H) & Gov. Code § 65915(d)(1)). The city shall

grant the concession or incentive requested by the applicant, unless the city makes a written finding, based upon substantial evidence, of any of the following:

- A. The concession or incentive does result in identifiable and actual cost reductions to provide for affordable housing costs or for rents for the targeted units (CCMC § 17.48.030(H)(1) & Gov. Code § 65915(d)(1)(A));
- B. The concession or incentive would have a specific, adverse impact upon public health and safety or on any real property that is listed in the California Register of Historical Resources and for which there is no feasible method to satisfactorily mitigate or avoid the specific, adverse impact without rendering the development unaffordable to low-income and moderate-income households (CCMC § 17.48.030(H)(2) & Gov. Code § 65915(d)(1)(B));
- C. The concession or incentive would be contrary to state or federal law (CCMC § 17.48.030(H)(3) & Gov. Code § 65915(d)(1)(C)).

6.13. REQUIRED FINDING BY THE COMMISSION:

The Planning Commission finds that the proposed project satisfies the State Density Bonus requirements (CCMC § 17.48.030 & Gov. Code § 65915), in that:

- a. Review was completed under the State Density Bonus Statutes (Government Code Sections 65915 – 65918);
- b. The applicant sought, applied, requested in writing a density bonus for a housing development (Gov. Code § 65915(a)(1));
- c. The proposed project was found to qualify for the 100% affordable housing development (CCMC § 17.48.030(A)(7) & Gov. Code § 65915(b)(1)(G))
- d. All proposed units are restricted to be a 100% affordable (>80% Low-Income & <20% Moderate-Income) (Gov. Code § 65915(b)(1)(G)):
 - i. Rent for a maximum of 20% (twenty percent) of the units on the development shall be set at an affordable rent, as defined in Section 50053 of the Health and Safety Code (Gov. Code § 65915(c)(1)(B)(i)).
 - ii. Rent for a minimum of 80% (eighty percent) of the units in the development shall be set at an amount consistent with the maximum rent levels for low (or lower) income households, as those rents and incomes are determined by the California Tax Credit Allocation Committee (Gov. Code § 65915(c)(1)(B)(ii)).
- e. In exchange for the density bonus, the developer shall guarantee the units will be maintained for income restricted households for 55 years, or longer. The guarantee shall be in the form of a deed restriction or other legally binding and enforceable document acceptable to the City Council (Gov. Code § 65915(c)(1)(A) and CCMC §17.48.030(E)).
 - i. The document shall be recorded with the Del Norte County recorder prior to the issuance of a building permit (CCMC §17.48.030(E)(1)).
 - ii. The applicant shall comply with Crescent City Housing Authority procedures for the physical maintenance of the units (CCMC § 17.48.030(E)(2)).
- f. The Redwood Coast Transit Authority's Cultural Center Transit Hub (Stop Code: 2721) located on Front Street between K and L street near the Del Norte County Veteran's Memorial Monument meets the definition of a "Major Transit Stop" (Gov. Code § 65915(o)(2));

SECTION 8: ENVIRONMENTAL DETERMINATION SUMMARY

The California Environmental Quality Act (CEQA) requires government agencies to consider the environmental consequences of their actions before approving plans and policies or committing to a course of action on a project.

This process is intended to: (1) inform government decision makers and the public about the potential environmental effects of proposed activities; (2) identify the ways that environmental damage can be avoided or significantly reduced; (3) prevent significant, avoidable environmental damage by requiring changes in projects, either by the adoption of alternatives or imposition of mitigation measures; and (4) disclose to the public why a project was approved if that project has significant environmental impacts that cannot be mitigated to a less than significant level.

8.1. Project: A "project" is defined by CEQA as a "whole action" subject to a public agency's discretionary funding or approval that has the potential to either (1) cause a direct physical change in the environment or (2) cause a reasonably foreseeable indirect physical change in the environment. "Projects" include discretionary activity by a public agency, a private activity that receives any public funding, or activities that involve the public agency's issuance of a discretionary approval and is not statutorily or categorically exempt from CEQA. (Pub. Res. Code § 21065.)

8.2. Exemption: There are CEQA exemptions (including categorical exemptions) that are created through the regulatory process and are found in CEQA Guidelines §§ 15300-15333. The proposed 36-unit mixed-use development is recommended by staff to be categorically exempt from the California Environmental Quality Act (CEQA) pursuant to the following sections of the CEQA Guidelines:

Class 32 § 15332. In-Fill Development Projects, consists of the proposed project:

1. Is consistent with the applicable general plan designation, policies, and zoning designation and regulations:

The proposed project (with Site Plan & Architectural Design Review) is consistent with the Crescent City General Plan's Commercial Business-Professional (B-P) land use designation and is consistent with the Crescent City's Downtown Business District (C-1) Zoning Code;

2. Development occurs within city limits on a project site (<5 acres) substantially surrounded by urban uses:

The project site is located in the City of Crescent City, is approximately 0.51 acres, and is located adjacent to existing commercial uses;

3. Site has no value, as habitat for endangered, rare, or threatened species:

The project will be located on a site that has had past disturbances, is already developed and is surrounded by paved surfaces and contains no habitat for rare, threatened, or endangered species;

4. Approval would not result in any significant effects relating to traffic, noise, air quality, or water quality:

The project proposes residential-only use surrounded by developed commercial area

that already services commercial uses and has a limited potential to result in significant traffic, noise, air quality, or water quality impacts;

5. Site can be adequately served by all required utilities and public services:

The site is surrounded by and is already adequately served by utilities and public services.

8.3. Additional Analysis of Parking:

On September 2013, the Governor signed Senate Bill (SB) 743 into law, which instituted changes to the California Environmental Quality Act (CEQA) when evaluating environmental impacts on projects located in areas served by transit. While the thrust of SB 743 addressed a major overhaul on how transportation impacts are evaluated under CEQA, it also limited the extent to which aesthetics and parking are defined as impacts under CEQA. Specifically, Section 21099 (d)(1) of the Public Resources Code (PRC) states that a project's aesthetic and parking impacts shall not be considered a significant impact on the environment if: 1. The project is a residential, mixed-use residential, or employment center project, and 2. The project is located on an infill site within a transit priority area.

Section 21099 (a) of the PRC defines the following terms:

(1) "Employment center project" (TPAs) means a project located on property zoned for commercial uses with a floor area ratio of no less than 0.75 and that is located within a transit priority area.

(4) "Infill site" means a lot located within an urban area that has been previously developed, or on a vacant site where at least 75 percent of the perimeter of the site adjoins or is separated only by an improved public right-of-way from, parcels that are developed with qualified urban uses.

(7) "Transit priority area" means an area within one-half mile of a major transit stop that is existing or planned. Section 21064.3 of the PRC defines a "major transit stop" as a site containing an existing rail transit station, a ferry terminal served by either a bus or rail transit service, or the intersection of two or more major bus routes with a frequency of service interval of 20 minutes [modified by AB 2553] or less during the morning and afternoon peak commute periods. For purposes of Section 21099 of the PRC, a transit priority area also includes major transit stops in the City of Los Angeles (city) that are scheduled to be completed within the planning horizon of the Southern California Association of Governments (SCAG) Regional Transportation Plan / Sustainable Community Strategy (RTP/SCS).

8.4. Exceptions: No exceptions apply to the proposed project in that (1) there is NO reasonable possibility of a significant effect on the environment due to unusual circumstances; (2) NO significant cumulative impacts from projects of the same type will result; or (3) the project will NOT have impacts on a uniquely sensitive environment (CEQA Guidelines § 15300.2.).

8.5. Notice: A Notice of Exemption (NOE) will be filed at the County Courthouse and the State Clearing House upon project approval (Pub. Res. Code § 21167(d) & Guidelines § 15062(d)).

stock, but also to help generate more foot traffic for the downtown business district. The project will be a mixed-use, infill housing development, which also aligns with the goals of the City's Housing Element.

The design for the Redwood Downtown project will create a unit mix of one-, two-, and three-bedroom apartments with balconies, energy efficient appliances, and durable materials designed for long-term affordability and comfort. There will be multiple buildings, allowing for natural light on all four sides, a green space, and a parking lot. There will be two primary residential entries, one on Third Street and one on Fourth Street, each creating a welcoming arrival. A third entry on J Street will open into a green area between the two buildings and provide access to both buildings. Street-level storefronts along Third Street will incorporate large windows and welcoming doorways to engage the City's most active corridor. The building design incorporates key elements from the City's Downtown Specific Plan, including coastal and redwood heritage elements, to help set a new standard for the look downtown.

The City's adopted PLHA Plan for 2020-2023 funding allocations has established that allocated funds will be provided to eligible affordable housing developers in the form of a ten-year deferred loan at 0% interest. Loans will be evidenced through a Promissory Note secured by a Deed of Trust, and a regulatory agreement restricting occupancy and rents for a term of 55 years. At the request of the applicant, the loan may be made forgivable after the 10 years if affordable housing requirements are met. City staff has prepared the required loan documents for Community System Solutions and is recommending an award of \$1,032,371.43 for the Redwood Downtown housing project. This is the total award amount, plus the pending PLHA application, minus the general admin budget set aside for City staff to administer this grant and oversee the project.

The total cost for the Redwood Downtown project is approximately \$11 million. Project completion will depend on several conditional commitments that have not been secured yet. This includes other investments, future grants, tax credits, and a construction loan. The project is scheduled to begin in December 2025 with the purchase of the project site and additional predevelopment costs such as architectural and engineering design and the entitlement process. From June-December 2026, the project will be ready to conduct all needed studies and begin the environmental review process, obtain construction permits, initiate site preparation and utility upgrades, and market the building to prospective tenants. Construction is scheduled to begin and be completed in 2027.

Important dates to meet contractual obligations are as follows:

- **PLHA funding drawdown** *already completed*

- | | |
|---|--------------------------|
| • Contract execution with Community System Solutions | December 2, 2025 |
| • PIP funding expenditure deadline | February 28, 2025 |
| • Grant Closeout and project completion | June 30, 2030 |
| • Annual Monitoring of occupancy and rents as per
Regulatory Agreement and project underwriting | 2079 |

FISCAL ANALYSIS

The City has already received \$344,198 in PLHA funding. Of that amount, \$17,210 has been budgeted for staff time to administer this grant over the next five years. Leaving \$326,988.10 available for the project at this time. There is an additional amount of \$56,111 that is available, but the City must first apply for and draw down these funds, as they make up the 2023 allocation, which was not available until recently and was just an estimate in the PLHA Plan for 2020-2023.

Of the \$650,000 in PIP funding, the City has spent \$727.67 in general administration dollars, leaving \$649,272.33 available for project funds. The PIP program operates on a reimbursement basis, so these funds will need to be expended before they can be reimbursed to the developer. The City will only lend funds we have on hand; therefore this will not create a cash flow issue for the City.

STRATEGIC PLAN ASSESSMENT

This action is consistent with the following 2016 Strategic Plan Goals:

- **Goal 1: Support quality services, community safety, and health to enhance the quality of life and experience of our residents and visitors.**
 - Encouraging and supporting community participation in the implementation of the Beachfront Park Master Plan through avenues such as Beachfront Park Fund.
 - Target economic development improvements that provide additional benefit by enhancing the quality of life for residents.
 - Examine methods to maintain, enhance, and expand park and recreation facilities
- **Goal 2: Promote a thriving local economy.**
 - Evaluate and optimize additional revenue sources.
 - Support community services that provide measurable services to the community.

**PLHA / PIP LOAN AGREEMENT BY AND BETWEEN
THE CITY OF CRESCENT CITY AND COMMUNITY SYSTEM SOLUTIONS**

THIS PLHA / PIP LOAN AGREEMENT ("Agreement") is entered into by and between the City of Crescent City, a California municipal corporation (referred to herein as "CITY"), and Community System Solutions, a California nonprofit corporation (referred to herein as "DEVELOPER").

RECITALS

WHEREAS, CITY has approximately one million dollars in Prohousing Incentive Program (PIP) and Permanent Local Housing Allocation (PLHA) funds from the California Department of Housing and Community Development (HCD) to loan to a developer to support the development of at least 4 affordable housing units for households earning up to 120% of AMI; and

WHEREAS, CITY issued a request for proposals for projects that would utilize HCD funding from PLHA and PIP to create affordable housing; and

WHEREAS, DEVELOPER'S proposed project was selected by CITY to receive the PLHA and PIP funds.

AGREEMENT

- 1. TERM.** This Agreement is effective as of the date of its execution and will continue in full force and effect until the obligations of the parties have been fulfilled hereunder.
- 2. LOAN.** Subject to the terms and conditions of this Agreement, and in reliance upon the representations and warranties of DEVELOPER set forth in this Agreement, CITY agrees to make to DEVELOPER, and DEVELOPER agrees to accept from CITY, a loan (the "Loan") in the principal amount of One Million Thirty-Two Thousand Three Hundred Seventy-One Dollars and Forty-Three Cents (\$1,032,371.43). The Loan amount includes \$383,099.10 from the City's Permanent Local Housing Allocation ("PLHA Funds") and \$649,272.33 in funds from the Prohousing Incentive Program ("PIP Funds").
- 3. LOAN TERMS.**
 - 3.1 Purpose.** The purpose of this Loan is to provide funds to assist with the development of low- to moderate-income affordable housing. The Loan proceeds can be used for any of the following purposes:
 - 3.1.1 PLHA Funds.** PLHA Funds must be utilized in accordance with the terms and conditions contained in that certain Standard Agreement No. 23-

PLHA-18498 between HCD and CITY dated 09/19/2024 (“PLHA Standard Agreement”), attached hereto as **Exhibit A-1** and the Permanent Local Housing Allocation Final Guidelines, attached hereto as **Exhibit A-2**. These documents may be amended from time to time, and DEVELOPER must adhere to any amendments.

3.1.2 PIP Funds. PIP Funds must be utilized in accordance with the terms and conditions contained in that certain Standard Agreement No. 23-PIP-18478 between HCD and CITY dated 12/09/2024 (“PIP Standard Agreement”), attached hereto as **Exhibit B-1**, Prohousing Incentive Program Guidelines, attached hereto as **Exhibit B-2**, as well as the Permanent Local Housing Allocation Final Guidelines (**Exhibit A-2**). These documents may be amended from time to time, and DEVELOPER must adhere to any amendments.

3.2 Conditions of Disbursement. Loan disbursements will be made as follows:

3.2.1 PLHA Funds.

A. City will disburse \$326,988.10 in PLHA funds once DEVELOPER has fulfilled all the following conditions:

- i. submitted the performance promissory note(s) required herein to CITY;
- ii. executed and delivered the PLHA / PIP Loan Promissory Note to CITY;
- iii. executed and delivered the Deed of Trust to CITY;
- iv. obtained for the CITY, at DEVELOPER’S expense, the Title Policy insuring the Deed of Trust required herein; and
- v. executed and delivered the Affordable Housing Covenant to CITY.

B. City will disburse \$56,111.00 in PLHA funds to DEVELOPER upon receipt of said funds from HCD.

3.2.2 PIP Funds. DEVELOPER must submit a written disbursement request identifying the amount, purpose and proof of payment for eligible predevelopment costs to CITY for reimbursement on or before February 27, 2026. CITY will then submit the request to HCD. Upon receipt of payment from HCD (6-8 weeks), CITY will issue the reimbursement payment to DEVELOPER.

3.3 Security.

3.3.1 Performance Promissory Note. DEVELOPER must deliver one or more performance promissory notes in the total amount of \$649,272.33 in a form acceptable to CITY. The performance promissory note(s) will be

EXHIBIT D

- 2) Changes in Payee(s);
- 3) Changes in the expiration date of this Agreement;
- 4) Changes to the grant term date;
- 5) Changes to the Reimbursement Deadline.

B. Revisions to the Scope of Work that may not require a contract amendment will be subject to the review and approval of the Housing Policy Development Senior Program Manager, or Manager's Designee. Such revisions must be approved by the Department prior to implementation. Approval shall be provided in writing, as appropriate. Adjustments to the Scope of Work (Exhibit E) shall include but not be limited to:

- 1) An increase or reduction of activity scope;
- 2) Changes to or reallocations among activities that do not change the total award amount;
- 3) Changes in affordability and level of affordability for each activity;
- 4) Changes to activity start and/or completion dates.

6. Core Practices

A Grantee or Subrecipient must provide eligible activities in a manner consistent with the housing first practices described in California Code of Regulations, title 25, section 8409(b)(1)-(6). A Grantee or Subrecipient allocated funds for eligible activities that provide permanent housing shall incorporate the core components of Housing First as provided in Section 8255(b) of the Welfare and Institutions Code.

7. Monitoring Grant Activities

- A. Grantee shall monitor the activities selected and awarded by them to ensure compliance with PIP requirements. An onsite monitoring visit of Subrecipients and any other service providers may occur whenever determined necessary by the Grantee, but at least once during the Grant period.
- B. The Department will monitor the performance of the Grantee based on a risk assessment and according to the terms of this Agreement. The Department may

Prohousing Incentive Program (PIP)
NOFA Date: 1/23/2024
Approved Date: 06/11/2024
Preparation Date: 10/15/2024

EXHIBIT E

Project Timeline, Budget, and Statement of Work (Plan):

PROJECT TIMELINE AND BUDGET AND STATEMENT OF WORK						
Objective	Responsible Party	Est. Cost	Begin	End	Deliverable	Notes
OBJECTIVE: The predevelopment, development, acquisition, rehab and preservation of multifamily, residential live-work, rental housing that is affordable to extremely low-, very low-, low-, or moderate-income households, including necessary operating subsidies.	City of Crescent City	\$650,000	11/18/24	02/28/26	The predevelopment of at least four affordable housing units.	
SUBTASK: Execute grant agreement with State and ensure that all obligations are being met throughout the duration of the project. Meet with staff and attend any necessary webinars to learn the required reporting process.	City	\$21,500	7/8/24	6/30/26	Fully executed standard agreement and all required reporting materials.	
SUBTASK: Release RFP	City	\$1,000	10/2/24	10/31/24	Proof of publication	
SUBTASK: Evaluate proposals, interview developers if necessary	City	\$3,000	11/4/24	11/6/24	Proposals, scoring sheets	

Prohousing Incentive Program (PIP)
NOFA Date: 1/23/2024
Approved Date: 06/11/2024
Preparation Date: 10/15/2024

EXHIBIT E

<i>SUBTASK: Draft contract and award developer</i>	City	\$2,000	11/7/24	11/18/24	Fully executed contract	
<i>SUBTASK: predevelopment activities.</i>	Developer	\$620,000	11/18/24	2/28/26	<i>The predevelopment of least four affordable housing unit.</i>	
SUBTASK: Complete Funds Request #2	City	\$500	4/15/25	4/30/25	Funds Request	
SUBTASK: Complete Funds Request #3	City	\$500	9/15/25	9/30/25	Funds Request	
SUBTASK: Complete Funds Request #4	City	\$500	10/15/25	10/31/25	Funds Request	
SUBTASK: Complete Funds Request #5	City	\$500	1/15/26	1/30/26	Funds Request	
SUBTASK: Complete Funds Request #6	City	\$500	3/15/26	3/31/26	Funds Request	
	Total Estimated Cost:	650,000				

Prohousing Incentive Program (PIP)
NOFA Date: 1/23/2024
Approved Date: 06/11/2024
Preparation Date: 10/15/2024

On March 12, 2026, the Planning Commission approved the Site Plan & Architectural Review for the proposed mixed used development with 36 residential units and retail along Third Street on the first floor. The project was subject to certain mandatory development exemptions due to the developer's commitment to make at least 80% of the units available to lower income households and no more than 20% of the units available to moderate income households. The exemptions applied and utilized for this project were height (+ 4ft 8in), rear yard setback (- 2ft 6in), density (+ 28 units) and parking (- 42 spaces).

AFFORDABLE HOUSING

The PLHA / PIP Loan Agreement requires that only 4 of the units remain affordable for households earning up to 120% AMI for a period of 55 years (moderate income level). The project, however, has received state-mandated development exemptions based on the condition that the entirety of the residential units will be affordable with no less than 80% of the units designated for low-income households and no more than 20% of the units designated for moderate income households. Household income designations are created in reference to the area median income (AMI). The 2025 Del Norte County AMI as determined by HCD is \$93,900 for a 4-person household. This number is adjusted based upon how many people are in the household. Low-income households are defined as households earning less than 80% of the annual AMI. Moderate-income households are defined as households earning less than 120% of the annual AMI.

Income Level	% AMI	Maximum Allowable Gross Annual Income by Household Size			
		1 person	2 persons	3 persons	4 persons
Low-Income	<80%	\$52,600	\$60,100	\$67,600	\$75,100
Moderate-Income	<120%	\$78,900	\$90,150	\$101,450	\$112,700

The State also sets "affordability" guidelines. "Affordable housing cost" is defined in State law as not more than 30% of gross household income with variations (Health and Safety Code Section 50052.5). "Housing cost" for rentals commonly includes rent and utilities (gas, electricity, water, sewer, garbage, recycling, and green waste).

ANALYSIS

The developer, Community System Solutions (CSS), ran into issues with securing and expending funds prior to the HCD deadline for PIP Grant reimbursement. Danco Communities, which recently built the 27-unit senior development, Harbor Point at 655 H Street, has offered to purchase the project and step in as the developer. Danco Communities has the financial resources to spend the required amount in a short timeframe and the experience to bring this project to completion. Danco is aware of the community's apprehension about the lack of residential parking included as part of the

project and is actively working toward solutions. However, the project remains fully entitled without any additional parking.

Grants & Economic Development Manager Bridget Lacey has been in communication with HCD staff regarding the transfer of the project and spending deadlines. The City has been granted an extension to submit requests to HCD for reimbursement.

The agreement that the City Council is being asked to approve this evening will replace CSS with Danco with respect to this project and all agreements entered into regarding this project with the City of Crescent City. Danco Communities has created a new limited partnership, Crescent City 3rd Street, LP, for which it is the administrative general partner (same set up as Harbor Point). Both CSS and Danco have reviewed and approved the agreement as presented.

FISCAL ANALYSIS

This action will not have a fiscal impact to the City's budget.

STRATEGIC PLAN ANALYSIS

This action is consistent with the following 2016 Strategic Plan Goals:

- Goal 1: Support quality services, community safety, and health to enhance the quality of life and experience of our residents and visitors.
- Goal 2: Promote a thriving local economy.
 - Expand on the success of grant funding by maximizing utilization of opportunities with corresponding community needs.

ATTACHMENTS

1. Assignment, Assumption, and Novation Agreement of PLHA / PIP Documents

TABLE 3-5			
LEVEL OF SERVICE DEFINITIONS FOR FOR SIGNALIZED INTERSECTIONS			
LOS	SIGNALIZED INTERSECTIONS	Unsignalized Intersections	
	Average Delay per Vehicle (Seconds)	Reserve Capacity (pcph)*	Expected Delay to Minor Street Traffic
A	≤5.0	≤400	Little or no delay
B	5.1 to 15.0	300 to 399	Short traffic delays
C	15.1 to 25.0	200 to 299	Average traffic delays
D	25.1 to 40.0	100 to 199	Long traffic delays
E	40.1 to 60.0	0 to 99	Very Long traffic delays
F	>60.0**	--	Severe congestion/Intersection blocked
*pcph = passenger cars per hour **60 seconds of stopped delay is considered to be unacceptable to the majority of drivers. Source: Transportation Research Board, <i>Highway Capacity Manual</i>, Special Report 209, 1985.			

- 3.A.12 The City shall endeavor to manage its roadway system so as to maintain Level of Service C operation, except for when streets intersect with Highway 101, where Level of Service D shall be acceptable. 
- 3.A.13 The City shall strive to meet the level of service standards through a balanced transportation system that provides alternatives to the automobile. 
- 3.A.14 The City shall attempt to minimize through-traffic on neighborhood roadways. This through-traffic, including through truck-traffic, shall be directed to appropriate arterials and collectors in order to maintain public safety and local quality of life. 
- 3.A.15 The City shall continue to require all new development to provide off-street parking, either on-site or in consolidated lots. 
- 3.A.16 The City shall require new land development projects to contribute their fair share of transportation improvement costs, based on trip generation. Any project that is expected to generate more than 50 trips per day shall be required to submit a traffic analysis as part of the permit application and will be required to mitigate traffic impacts identified. Regardless of the number of trips generated by a given project, a traffic study may be required if traffic safety issues warrant such a study. 
- 3.A.17 The City shall secure financing in a timely manner for all components of its transportation system to achieve and maintain its adopted level of service standards. 
- 3.A.18 The City shall continue its program of maintenance and minor improvements to the existing public roadway system in order to maintain its capacity.
- 3.A.19 Local road construction located within the incorporated limits of Crescent City should be at the discretion of, and in accordance with, priorities established by the City Council and the City Department of Public Works. 

2.9. PUBLIC TRANSIT

2.9.1. REDWOOD COAST TRANSIT

The Redwood Coast Transit Authority (RCTA) is the designated transit system for the Del Norte region. The RCTA has seven fixed routes that operate Monday through Friday within the Del Norte region as well as to Humboldt County and Curry County in Oregon. Routes 1, 2, 3, 4, and 199 provide service throughout the Del Norte region. Route 20 provides service to Arcata in Humboldt County. Routes are illustrated in Figure 2.9. Route 300, the Del Norte High School PM Tripper, is an amended version of Route 1 and provides service from Del Norte High School on weekday afternoons.

Fares for local routes 1, 2, 3, and 4 are \$1.50 for adults, and free with proof of eligibility for youths (aged 6-18), seniors, and people with disabilities. For adults, fares for Route 199 and 20 range from \$1.50-\$14.00 depending on the location. For youths, seniors, and people with disabilities, fare is free with proof of eligibility.

With one exception, ridership for the RCTA increased from 2020 to 2023 (see Table 2.23), especially on Crescent local routes and Route 199. Due to the COVID-19 pandemic and pandemic response, ridership decreased and fixed-route hours were reduced in 2020. Although it is expected that ridership and fixed-route hours will return to normal as the impacts of COVID-19 continue to subside, the DNLTC will work with the RCTA and Caltrans to identify future opportunities for transit improvements and funding opportunities. A study to evaluate the transit system, including researching a transit or mobility hub for the region and on-demand mobility options, could be submitted for funding consideration through the Caltrans Sustainable Communities grant program. Opportunities to prepare a regional sustainable community strategy or climate action plan could also be explored to identify strategies for reducing VMT.

Table 2.23: Passengers per Revenue Hour by Service Type

Passengers per Revenue Hour by Service Type				
By Service Type/Route	FY 2020/21	FY 2021/22	FY 2022/23	Change from FY 2020/21 to FY 2022/23
Route 1	5.65	6.24	8.08	2.43
Route 2	6.67	6.78	9.79	3.12
Route 3	3.86	4.81	5.88	2.02
Route 4	4.45	4.89	7.65	3.20
Route 300		0.87	9.20	9.20
Route 20	2.42	2.05	2.18	-0.24
Route 199	0.76	1.54	1.82	1.06
Dial-A-Ride	2.38	2.31	2.41	0.03
System Wide	3.70	3.66	4.54	0.84

Source: Redwood Coast Transit Authority Short Range Transit Plan 2019/20 to 2024/25. Fiscal Year (FY). Note: The fiscal year runs from July 1 through June 30 of the following year.

Fleet Transition to Reduce Emissions

The RCTA is in the process of transitioning to cleaner vehicles over the next five years, or as technology allows. The agency was successful in securing funding from the Transit and Intercity Rail Capital Program to transition the fleet from gasoline and diesel engine vehicles to battery-electric vehicles. Along with this fleet transition, the RCTA is constructing charging facilities at the Williams Drive maintenance and operations site, as well as a new passenger-focused transit center in downtown Crescent City on the corner of Front and K Streets.



Dial-A-Ride

The RCTA also offers public transit via the Dial-A-Ride service, which operates Monday through Friday. Dial-A-Ride serves the area between Smith River and Arcata in Humboldt County. Dial-A-Ride fares are \$1.75 for seniors and people with disabilities and \$5.00 for the general public. Reservations for trips can be made one to seven days in advance.

2.9.2. ADDITIONAL TRANSIT PROVIDERS

Yurok Tribe Transit Service

The Yurok Tribe Transit Service provides public transportation services operated by the Yurok Tribe Transportation Department for the communities of Klamath, Crescent City, Weitchpec, Orleans, and Tulley Creek. There is a Dial-A-Ride service and regular morning and evening pickup times for the following community destinations:

- Weitchpec (Pek-tah Fuel Mart) (7:50 a.m., 8:40 a.m., 10:40 a.m., 11:25 a.m., 4:15 p.m., and 6:40 p.m.)
- Orleans (bus shelter adjacent to Big Rock Road) (8:15 a.m., 11:00 a.m., 3:50 p.m., and 6:20 p.m.)
- Hoopa Shopping Center (9:00 a.m., 10:25 a.m., 4:35 p.m., and 5:35 p.m.)
- Willow Creek (HTA bus stop) (9:25 a.m. and 5:00 p.m.)
- Hoopa Trinity River Elders Village (TREV) (9:05 a.m., 10:20 a.m., 4:40 p.m., and 5:30 p.m.)

The Yurok Tribe Transit Service fare is \$1.50 per trip, per passenger, and it provides a free trip for elderly and their assistants for shopping, business, or personal needs once a month. This is an important transit system for the Tribal community, as many members live in isolated areas and have otherwise limited means of transportation.

2.9.3. MULTI-REGIONAL SERVICES

Amtrak

Amtrak does not currently have direct routes to Del Norte County or surrounding towns. Del Norte residents must use the Amtrak Thruway Bus Connecting Service to connect to the Coast Starlight rail route in Klamath Falls (187 miles northeast of Del Norte County) or to the Capitol Corridor rail route in Martinez, California (358 miles southeast of Del Norte County). Connection to Klamath Falls is provided by SouthWest POINT in Crescent City at the Cultural Center, and connection to the Capitol Corridor is accessed via the Amtrak Thruway Bus in Arcata. The Coast Starlight runs from Seattle to Los Angeles and travels through Portland, Sacramento, Oakland, and San Jose. The greater Amtrak network can be accessed from stations in Seattle, Portland, Sacramento, and Los Angeles. Arcata is accessible to Del Norte County residents by public transportation through the RCTA's Route 20.

Greyhound

There are no Greyhound stations in Del Norte. Greyhound previously serviced the North Coast, departing once daily for San Francisco and arriving in Arcata at 9:45 pm. This service was suspended as of June 30, 2024. Alternative options include bus services through Amtrak as well as the North State Express: Route 101.

Curry County Public Transit

Curry County Transit provides a fixed-route service called the Coastal Express, as well as a demand-response service. The Coastal Express serves the US 101 corridor from Lucky 7 Fuels/Casino in Smith River in northern Del Norte through Bandon, Coos Bay, and North Bend in Oregon. There are four daily timed transfers between the Coastal Express and the RCTA in Smith River.

Section 1: Introduction. The document throughout should reflect that the Resighini Rancheria has officially changed its name to the Pulikla Tribe of Yurok People.

The document has a placeholder number of public presentations at TAC meetings to identify the public participation process for the development of the RTP (see Section 1.5.3). Update to quantify the number of presentations held.

Section 1.4: Climate Change and Environmental Quality states that the transportation sector accounts for approximately half of the greenhouse gas (GHG) emission in California, yet Section 3.2.7: Climate Change and Environmental Justice states that transportation accounts for 37% of GHG emissions in California. Update with the correct statistics.

Section 2: Existing Conditions. The section on streets and roads would be enhanced with a description of federal and state highways serving the Del Norte region, as well as a list of communities for which the highway serves as a main street (see Section 2.8). US 199 is designated as a Forest Service Scenic Byway through the Smith River National Recreation Area (most of the length of the route through Del Norte County).

The RTP Checklist indicated that there is no maritime transportation in Del Norte County. However, the Crescent City Harbor District is an integral piece of the region's transportation system (see Section 2.13: Water Resources). The Harbor is partnering with DNLTC on the South Beach Climate Resilience Plan and was recently awarded Infrastructure Investment and Jobs Act (IIJA) funds for improvements to the harbor, including infrastructure to assist in goods movement of seafood products to market.

As of June 30, 2024, Greyhound no longer serves the North Coast (see Sections 2.9.3 and 2.14.2).

The sections discussing multi-regional and interconnectivity issues related to transit should include descriptions of the North State Express: Route 101, the multi-agency express route from Smith River to Santa Rosa. The route provides interregional connections to Oregon, Redding, Napa, the Bay Area, and beyond.

Humboldt Transit Authority (HTA) now runs service to Eureka to meet the North State Express: Route 101 (see Sections 2.9.3 and 2.14.12 which reference service to Arcata).

Section 2.9.1: Redwood Coast Transit suggests a planning study should be done to evaluate the transit system and research the feasibility of a regional transit hub. Perhaps this a component of the Carbon Reduction Program (CRP) plan.

CITY OF CRESCENT CITY
COMMUNITY DEVELOPMENT DEPARTMENT - PLANNING & ZONING
(Address) 377 J Street, Crescent City, CA 95531 (Phone) 707-464-9506



Incorporated April 13, 1854

(Website) www.crescentcity.org

NOTICE OF EXEMPTION
CEQA – APPENDIX E

To: **Office of Land Use and Climate
Innovation (Planning and Research)**
P.O. Box 3044, Room 113
Sacramento, CA 95812-3044

From: **City of Crescent City**
377 J Street
Crescent City, CA 95531

County of Del Norte
County Clerk
981 H Street, Suite 160
Crescent City, CA 95531

Project Title: **A Site Plan & Architectural Design Review (Application AR26-02)
for Community System Solutions proposed 36-unit mixed-use
development, located at 962 & 964 3rd Street, Crescent City, CA
95531 (APN 118-120-025-000)**

Document/Project Description: **Community System Solutions submitted a Major
Site Plan & Architectural Design Review
(Application AR26-02) for a proposed 36-unit
mixed-use development within the C-1 Zoning
(Downtown Business District) located at 962 &
964 3rd Street, Crescent City, CA 95531 (APN
118-120-025-000).**

Name of Public Agency
Approving Project:

City of Crescent City

Name of Person or Agency
Carrying Out Project:

Mike Bahr (Community System Solutions)

CONTACTS:
Name:
Organization:
Address:

PUBLIC/LEAD AGENCY:
Ethan Lawton
City of Crescent City
377 J Street
Crescent City, CA 95531

APPLICANT:
Mike Bahr
Community Systems Solutions
7806 Juarez Way
Fair Oaks, CA 95628

NOTICE OF EXEMPTION
CEQA – APPENDIX E

Phone:	<u>707-464-7483</u>	<u>541-505-2429</u>
Email:	<u>elawton@shn-engr.com</u>	<u>mike.bahr@cssgrants.org</u>
Regions:	<u>Citywide</u>	
Counties:	<u>Del Norte</u>	
Cities:	<u>Crescent City</u>	
Project Location-Specific:	<u>962 & 964 3rd Street, Crescent City, CA 95531 (APN 118-120-025-000)</u>	
Exempt Status:	<u>Categorical Exemption</u>	
Type, Section Number, or Code Number:	<u>Class 32 § 15332</u>	

Reasons why the project is exempt:

Class 32 § 15332. In-Fill Development Projects, consists of the proposed project:

1. Is consistent with the applicable general plan designation, policies, and zoning designation and regulations:

The proposed project (with Site Plan & Architectural Design Review) is consistent with the Crescent City General Plan's Commercial Business-Professional (B-P) land use designation and is consistent with the Crescent City's Downtown Business District (C-1) Zoning Code;

2. Development occurs within city limits on a project site (<5 acres) substantially surrounded by urban uses:

The project site is located in the City of Crescent City, is approximately 0.51 acres, and is located adjacent to existing commercial uses;

3. Site has no value, as habitat for endangered, rare, or threatened species:

The project will be located on a site that has had past disturbances, is already developed and is surrounded by paved surfaces and contains no habitat for rare, threatened, or endangered species;

4. Approval would not result in any significant effects relating to traffic, noise, air quality, or water quality:

The project proposes residential-only use surrounded by developed commercial area that already services commercial uses and has a limited potential to result in significant traffic, noise, air quality, or water quality impacts;

5. Site can be adequately served by all required utilities and public services:

The site is surrounded by and is already adequately served by utilities and public services.

Ethan Lawton
Signature by Lead Agency:

03/20/2026
Date:

Contract City Planner
Title:

**NOTICE OF EXEMPTION
CEQA – APPENDIX E**

***Authority cited: Sections 21083 and 21110, Public
Resources Code. Reference: Sections 21108, 21152,
and 21152.1, Public Resources Code.***

**Date Received
for filing at OPR: _____**

CITY OF CRESCENT CITY
WASTEWATER TREATMENT FACILITY

ORDER NO. R1-2023-0039
NPDES NO. CA0022756

Table 2. Effluent Limitations¹

Parameter	Units	Average Monthly	Average Weekly	Maximum Daily	Instantaneous Minimum	Instantaneous Maximum	Six-Month Median
Biochemical Oxygen Demand 5-day @ 20°C (BOD ₅)	mg/L	30	45	--	--	--	--
Total Suspended Solids	mg/L	30	45	--	--	--	--
pH	standard units	--	--	--	6.0	9.0	--
Oil and Grease	mg/L	25	40	--	--	75	--
Ammonia Nitrogen, Total (as N)	mg/L	--	--	72	--	180	18
Settleable Solids	mL/L	1.0	1.5	--	--	3.0	--
Turbidity	NTU	75	100	--	--	225	--
Copper, Total Recoverable	µg/L	--	--	300	--	840	32
Silver, Total Recoverable	µg/L	--	--	79	--	200	16
Endosulfan ⁴	µg/L	--	--	0.54	--	0.81	0.27
Endrin	µg/L	--	--	0.12	--	0.18	0.060
Total Residual Chlorine ⁵	µg/L	--	--	240	--	1800	60
DDT ⁶	µg/L	0.0051	--	--	--	--	--

WASTE DISCHARGE REQUIREMENTS

9

- 4.1.1.2. **Percent Removal:** The average monthly percent removal of BOD₅ and total suspended solids shall not be less than 85 percent. Percent removal shall be determined from the monthly average value of influent wastewater concentration in comparison to the monthly average value of effluent concentration for the same constituent over the same time period as measured at Monitoring Locations INF-001 and EFF-001, respectively.
- 4.1.1.3. **Disinfection:** Disinfected effluent discharged from the wastewater treatment plant through Discharge Point 001 to the Pacific Ocean shall not contain fecal coliform bacteria exceeding the following concentrations, as measured at Monitoring Location EFF-001:
- 4.1.1.3.1. **Enterococci**
- 4.1.1.3.1.1. The 6-week rolling geometric mean of enterococci shall not exceed 30 colony forming units (CFU) per 100 mL; and
- 4.1.1.3.1.2. No sample shall exceed a CFU of 110 per 100 mL.
- 4.1.1.3.2. **Total Coliform Organisms**
- 4.1.1.3.2.1. The median value of total coliform bacteria shall not exceed an MPN of 70 per 100 mL in a calendar month; and
- 4.1.1.3.2.2. Not more than 10 percent of the samples collected in a calendar month shall exceed an MPN of 230 per 100 mL.
- 4.1.1.3.3. **Fecal Coliform**
- 4.1.1.3.3.1. The 30-day geometric mean of fecal coliform density not to exceed 200 per 100 mL;
- 4.1.2. **Interim Effluent Limitations – Not Applicable**
- This Order does not establish interim effluent limitations or schedules for compliance with final limitations.
- 4.2. **Land Discharge Specifications – Not Applicable**
- This Order does not authorize discharges to land.
- 4.3. **Recycling Specifications – Discharge Point 002**
- 4.3.1. When discharging to the recycled water system, the Permittee shall maintain compliance with the following limitations at Discharge Point 002, with compliance measured at Monitoring Location REC-001, as described in the attached MRP.

- 6.3.4.2.5. The Permittee shall take all reasonable steps to prevent and minimize any sludge use or disposal in violation of this Order that may adversely affect human health or the environment.
- 6.3.4.2.6. Solids and sludge treatment, storage, and disposal or reuse shall not create a nuisance, such as objectionable odors or flies, and shall not result in groundwater contamination.
- 6.3.4.2.7. Solids and sludge treatment and storage sites shall have facilities adequate to divert surface water runoff from adjacent areas, to protect the boundaries of the site from erosion, and to prevent drainage from the treatment and storage site. Adequate protection is defined as protection from a design storm with a 100-year recurrence interval and 24-hour duration.
- 6.3.4.2.8. The discharge of sewage sludge and solids shall not cause waste material to be in a position where it is, or can be, conveyed from the treatment and storage sites and deposited in the waters of the state.
- 6.3.4.2.9. For the land application of biosolids as soil amendment, the Permittee shall submit a report of waste discharge or the Permittee may dispose of biosolids at another appropriately permitted facility.
- 6.3.4.2.10. New sludge treatment and storage facilities must comply with the requirements of title 27 of the CCR for the protection of water quality.

6.3.4.3. Wastewater Collection System

The Permittee has coverage under, and is separately subject to, the requirements of State Water Board Order No. WQ 2022-0103-DWQ, Statewide Waste Discharge Requirements General Order for Sanitary Sewer Systems. As such, the Permittee provides notification and reporting of SSOs in accordance with the requirements of Order No. WQ 2022-0103-DWQ and any revisions thereto for operation of its wastewater collection system.

6.3.4.4. Operator Certification

Supervisors and operators of municipal wastewater treatment facilities shall possess a certificate of appropriate grade in accordance with CCR title 23 of the CCR, section 3680. The State Water Board may accept experience in lieu of qualification training. In lieu of a properly certified wastewater treatment facility operator, the State Water Board may approve use of a water treatment facility operator of appropriate grade certified by DDW where water recycling is involved.

6.3.4.5. Ensuring Adequate Capacity

If the Facility will reach capacity within 4 years, the Permittee shall notify the Regional Water Board. A copy of such notification shall be sent to appropriate

local elected officials, local permitting agencies, and the press. Factors to be evaluated in assessing reserve capacity shall include, at a minimum, (1) comparison of the wet weather design flow with the highest daily flow, and (2) comparison of the average dry weather design flow with the lowest 30-day flow. The Permittee shall demonstrate that adequate steps are being taken to address the capacity problem. The Permittee shall submit a technical report to the Regional Water Board showing how flow volumes will be prevented from exceeding capacity, or how capacity will be increased, **within 120 days after providing notification to the Regional Water Board**, or within 120 days after receipt of Regional Water Board notification that the Facility will reach capacity within 4 years. The time for filing the required technical report may be extended by the Regional Water Board. An extension of 30 days may be granted by the Executive Officer, and longer extensions may be granted by the Regional Water Board itself. [Cal. Code. Regs., tit. 23, §2232].

6.3.5. Other Special Provisions

6.3.5.1. Storm Water

For the control of storm water discharges from the Facility, if required, the Permittee shall seek separate authorization to discharge under the requirements of the State Water Board's Water Quality Order No. 2014-0057-DWQ, NPDES General Permit No. CAS000001, General Permit for Storm Water Discharges Associated with Industrial Activities (or subsequent renewed versions of the NPDES General Permit CAS000001), which is not incorporated by reference in this Order.

BMPs to control the run-on of storm water to the Facility site shall be maintained and upgraded as necessary. The Permittee shall describe the effectiveness of these storm water BMPs, as well as activities to maintain and upgrade these BMPs during the previous year, in its annual report to the Regional Water Board.

6.3.6. Compliance Schedules – Not Applicable

This Order does not establish interim effluent limitations or schedules of compliance for final numeric effluent limitations.

7. COMPLIANCE DETERMINATION

Compliance with the effluent limitations contained in section 4 of this Order and with Discharge Prohibition 3.7 will be determined as specified below.

7.1. Compliance with Effluent Limitations

7.1.1. Single Constituent Effluent Limitations. The Permittee is out of compliance with the effluent limitation if the concentration of the pollutant in the monitoring

The Facility is designed to treat an average dry weather flow of 1.86 million gallons per day (mgd), and a peak wet weather flow of 6.12 mgd of secondary treated wastewater. The Permittee has three significant industrial users, including a cheese factory and two breweries that are covered under local pretreatment permits to discharge to the Facility.

The treatment system consists of a mechanically cleaned screen, a flow-measuring Parshall flume, and a wet well in which five pumps are available to lift the flow to the primary clarifiers. Primary treatment consists of two grit removal tanks followed by two rectangular primary clarifiers. Secondary treatment is provided by operating the rotating biological contactors (RBC) and membrane bioreactor (MBR) in parallel. The RBC system consists of three trains of four-stage, RBCs with a combined surface area of 1.2 million square feet. Flow from the RBCs reach three rectangular secondary clarifiers. Flows from the clarifiers and flow from the MBR unit are commingled and disinfected using sodium hypochlorite and dechlorinated using sodium bisulfite prior to discharge to the Pacific Ocean at Discharge Point 001.

5. The Permittee was previously regulated under WDR Order No. R1-2017-0002 (previous permit), adopted by the Regional Water Board on February 2, 2017, which also contained discharge prohibitions, effluent and receiving water limitations, compliance provisions, and monitoring and reporting requirements. In this previous permit, effluent limitations for fecal coliform bacteria were established based on U.S. EPA's National Recommended Criteria for shellfish harvesting waters and are included in the National Shellfish Sanitation Program's Guide for the Control of Molluscan Shellfish, 2015 Revision. (U. S. Department of Health and Human Services, Food and Drug Administration).
6. Historically, the Facility's compliance monitoring for disinfection relied solely on fecal coliform and the Permittee was generally able to comply with these requirements. Six violations of effluent limitations for disinfection were identified during the term of Order No. R1-2017-0002. Under the new Order, disinfection effluent limitations are now based on requirements related to fecal coliform, enterococci, and total coliform. The Permittee reported 29 violations of disinfection effluent limits in the 2024 calendar year and has demonstrated that they cannot consistently comply with the enterococci and total coliform effluent limitations in their NPDES permit (Order No. R1-2023-0039). The Permittee's initial evaluation of their treatment system indicates that bacteria exceedances are related to operation of the RBCs during periods of treatment flows greater than 1.1 million gallons per day (MGD).
7. On July 29, 2024, the Permittee submitted a Time Schedule Order Request for the Facility that expressed a concern that the Facility would continue to exceed the effluent limits for enterococci and total coliform bacteria and requested

interim effluent limitations for the remainder of the current permit term to allow time for the Permittee to determine what corrective actions are necessary to ensure adequate disinfection of the wastewater is occurring at the Facility. Regional Water Board staff identified that in order to provide the requested TSO, the Permittee must further provide the Regional Water Board a general task list that identifies the anticipated steps and a corresponding time schedule that will allow the Facility to come into compliance with the effluent limitations. The Permittee provided this additional information on March 5, 2025.

8. The Regional Water Board concurs that, based on the monitoring results from calendar year 2024, it is infeasible for the Permittee to immediately comply with final effluent limitations for enterococci and total coliform bacteria during periods of treatment flows greater than 1.1 MGD.
9. Terms in the Permit that the Permittees violate and/or threaten to violate are:
 - 4.1.1.3. **Disinfection:** Disinfected effluent discharged from the wastewater treatment plant through Discharge Point 001 to the Pacific Ocean shall not contain fecal coliform bacteria exceeding the following concentrations, as measured at Monitoring Location EFF-001:
 - 4.1.1.3.1. **Enterococci**
 - 4.1.1.3.1.1. The 6-week rolling geometric mean of enterococci shall not exceed 30 colony forming units (CFU) per 100 mL; and
 - 4.1.1.3.1.2. No sample shall exceed a CFU of 110 per 100 mL.
 - 4.1.1.3.2. **Total Coliform Organisms**
 - 4.1.1.3.2.1. The median value of total coliform bacteria shall not exceed an MPN of 70 per 100 mL in a calendar month; and
 - 4.1.1.3.2.2. Not more than 10 percent of the samples collected in a calendar month shall exceed an MPN of 230 per 100 mL.
10. Water Code section 13300 states: "Whenever a regional board finds that a discharge of waste is taking place or threatening to take place that violates or will violate requirements prescribed by the regional board, or the state board, or that the waste collection, treatment, or disposal facilities of a discharger are approaching capacity, the board may require the discharger to submit for approval of the board, with such modifications as it may deem necessary, a detailed time schedule of specific actions the discharger shall take in order to correct or prevent a violation of requirements."

schedule includes interim requirements and actions and milestones leading to compliance.

14. This Order establishes compliance schedules below that address anticipated future violations of final effluent limitations for enterococci and total coliform bacteria. In accordance with Water Code section 13385 (j)(3)(B) and the terms of this Order, MMPs will not be assessed for violations of the final effluent limitations for enterococci and total coliform bacteria during periods of treatment plant flows greater than 1.1 MGD as stipulated in Finding 11 above. Specifically, the Regional Water Board finds that:

- a. This Order is being issued after July 1, 2000 and specifies the actions the Permittees are required to take to correct the violations of Order No. R1-2023-0039.
- b. The Permittee is unable to consistently comply with the new disinfection effluent limitations related to enterococci and total coliform bacteria because new or modified control measures are needed to achieve compliance, and the new or modified control measures are necessary and dependent on the completion of a series of studies, thus the new or modified control measures cannot be designed, installed, and put into operation within 30 calendar days.
- c. This Order establishes interim effluent limitations for disinfection criteria and establishes a compliance schedule for bringing the Facility into compliance with final effluent limitations for enterococci and total coliform bacteria in the Permit that are as short as possible.
- d. Provisions 6.3.2.1 of the Permit require the Permittees to develop and conduct a Pollution Minimization Program to identify and control pollutant sources including, but not limited to, enterococci and total coliform bacteria at the Facility.

15. Accordingly, the Regional Water Board finds that MMPs for violations of final effluent limitations when discharging to the Pacific Ocean at Discharge Point 001, as measured at Monitoring Location EFF-001 and as specified in Effluent Limitations sections 4.1.1.3.1 and 4.1.1.3.2 of the Permit do not apply for enterococci and total coliform bacteria during months when the Facility's flow exceeds 1.1 MGD and requires operation of the rotating biological contactors. This exception applies through April 1, 2030, provided the Permittee complies with the interim effluent limitations contained in this Order. If an interim effluent limitation contained in this Order is exceeded, then the Permittee is subject to MMPs for that particular exceedance, as it will no longer meet the exception in Water Code section 13385(j)(3)(B)(i)(ii).

Task	Task Description	Compliance Date
B	Submit a Treatment System Evaluation Technical Report for Executive Officer review and approval. The Technical Report shall identify all methods evaluated, results of the Discharger's technical evaluation, the corrective action that has been chosen to achieve compliance with all effluent limitations of the Facility's wastewater, and include a schedule that identifies all necessary tasks to comply with the final limitations that is as short as practicable.	October 31, 2025
C	Submit Semi-Annual Assessment Reports identifying the status of the Treatment System Evaluation and any current or planned projects that are intended to bring the Permittee into compliance with the final effluent limitations for enterococci and total coliform bacteria. The reports shall include: i. Summary of data collected to date. ii. Evaluation of the Facility performance with regard to disinfection and compliance with final effluent limitations. iii. Evaluation of the potential for operational modifications to achieve desired effluent disinfection. iv. Summary of any implemented operational modifications.	Semi-Annually (January 1 and July 1 of each year)
D	The Permittee shall submit to the Regional Water Board Executive Officer the complete preliminary design specifications and identify funding sources for the selected corrective action.	December 31, 2027
E	The Permittee shall submit written verification and an electronic copy of the complete design plans and specifications for construction of the corrective action to the Regional Water Board Executive Officer.	December 31, 2028
F	The Permittee shall complete construction of the chosen corrective action and submit a final report to the Regional Water Board Executive Officer, including as-built plans of the completed corrective action.	December 31, 2029
G	Achieve full compliance with final effluent limitations for enterococci and total coliform bacteria.	May 1, 2030

4. Until the Permittee can achieve full compliance with the Permit, the Permittee shall operate and maintain, as efficiently as possible, all facilities and systems necessary to comply with all prohibitions, effluent limitations and requirements

**CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
NORTH COAST REGION**

5550 Skylane Blvd, Suite A
Santa Rosa, CA 95403-1072

Phone (707) 576-2220 • Fax (707) 523-0135

[California State Water Resources Control Board Website](http://www.waterboards.ca.gov)
(<http://www.waterboards.ca.gov>)

**ORDER No. R1-2026-0024
GENERAL NPDES NO. CAG581001**

Waste Discharge Requirements

For

**Publicly-Owned Treatment Works that Discharge to the Pacific Ocean
in the North Coast Region**

The following Permittees are subject to waste discharge requirements (WDRs) set forth in this General Order upon authorization by a Notice of Applicability (NOA) from the California Regional Water Quality Control Board, North Coast Region (Regional Water Board):

Table 1. Permittee Information

Permittees	This General Order applies to Publicly-Owned Treatment Works (POTWs) that treat domestic, commercial, and industrial wastewaters, and discharge to the Pacific Ocean, a water of the United States.
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Table 2. Discharge Location

Discharge Location	Receiving Water
Discharge locations will be authorized when each Permittee enrolls under this General Order.	Pacific Ocean/Groundwater

This Order was adopted on:

June 16, 2026

This Order shall become effective on:

October 1, 2026

This Order shall expire on:

September 30, 2031

The U.S. Environmental Protection Agency (U.S. EPA) and the California Regional Water Quality Control Board, North Coast Region (Regional Water Board) may authorize the following classifications of discharge to enroll under this Order: Major and Minor

Table 3. Effluent Limitations ⁽¹⁾ – Discharge Point 001

Parameter	Units	Average Monthly	Average Weekly	Maximum Daily	Instantaneous Minimum	Instantaneous Maximum	6-Month Median
Biochemical Oxygen Demand 5-day @ 20°C (BOD ₅)	mg/L	30	45	--	--	--	--
Total Suspended Solids	mg/L	30	45	--	--	--	--
pH	standard units	--	--	--	6.0	9.0	9.0
Oil and Grease	mg/L	25	40	--	--	75	--
Settleable Solids	ml/L	1.0	1.5	--	--	3.0	--
Turbidity	NTU	75	100	--	--	225	--
Ocean Plan Table 3 Pollutants	µg/L	(2)	(2)	(2)	(2)	(2)	(2)

Table Notes

1. See Definitions in Attachment A and Compliance Determination discussion in section 8 of this Order.
2. Site-Specific Effluent Limitations for individual Ocean Plan Table 3 Pollutants, when necessary, are identified within Attachments G through L of this General Order based on individual Reasonable Potential Analyses for each potential enrollee.

- 5.1.1.2. **Percent Removal:** The average monthly percent removal of BOD₅ and total suspended solids shall not be less than 85 percent. Percent removal shall be determined from the monthly average value of influent wastewater concentration in comparison to the monthly average value of effluent concentration for the same constituent over the same time period as measured at Monitoring Locations INF-001 and EFF-001, respectively.

RBC Capital Upgrade and Biosolids/Digester Optimization Project Basis of Design Report / 10% Design

The biological reduction of nitrate to nitrogen gas occurs in the anoxic zones by denitrifying bacteria. The nitrate produced in the aerobic zones is recycled to the pre-anoxic zones in the return activated sludge (RAS).

ML is pump to the membrane tanks using two pumps at the end of the aerated zone and protected by a baffle wall. The mixed ML from the surface is directed to a surface/scum pump. Surface wasting is advantageous to maintaining good ML filterability, which leads to better membrane performance. The surface wasting is pumped to the WAS storage tank.

Filtrate is then pumped to a downstream disinfection process. RAS flows by gravity from both membrane tanks into a common RAS channel that is piped to the anoxic zone. A small portion of the ML is directed to the screen influent channel. Rescreening removes stringy solids that have agglomerated within the MBR process from particles originally small enough to pass the screens.

The membrane tanks are aerated during permeate production to maintain membrane productivity. An additional blower will be added to the existing air scouring system so it can provide the required air to both trains. The anoxic zone is mixed by a propeller mixer. Aerobic zones are aerated and mixed using fine bubble membrane disk diffusers.

3.1.3 Design Criteria

Table 3-1 presents the design criteria for the combined MBR process.

Table 3-1. Membrane Bioreactor Train Capacities

Design Condition	Train 1 (existing)	Train 2 (proposed)	Combined
ADWF	1.2 MGD	1.0 MGD	2.2 MGD
MDWWF	1.5 MGD	1.5 MGD	3.0 MGD
Peak Condition	1.9 MGD	1.9 MGD	3.8 MGD

MBR Train 2 will be constructed in the easternmost secondary clarifier. Figure 3-4 presents the proposed piping connections. Table 3-2 presents the additional facility and yard piping required for MBR Train 2.

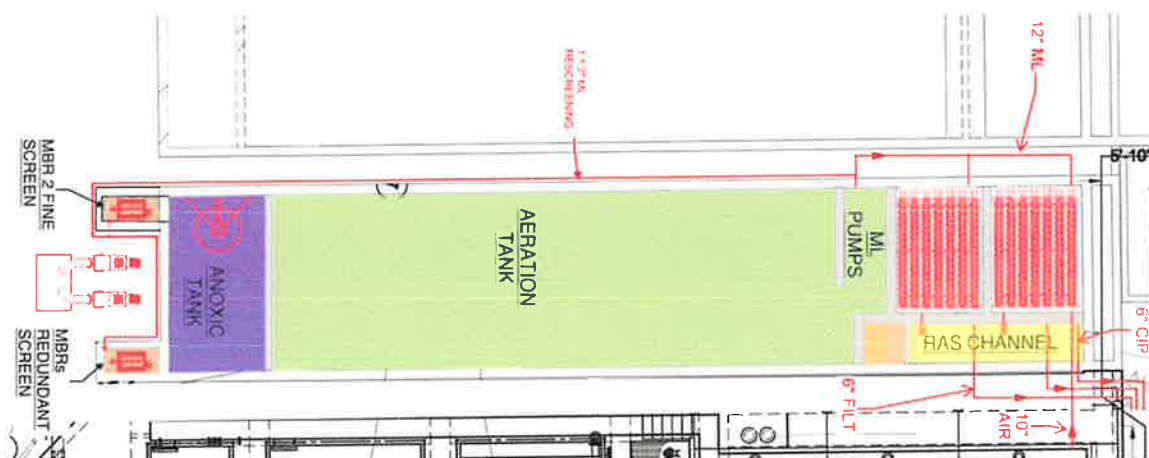


Figure 3-4. Proposed Membrane Bioreactor Train 2 Process Piping Routes

3.1.4 Structural Improvements

Existing wood-framed walkways and railings will be demolished. A new walkway will be constructed using aluminum framing, grating, and guardrail between the MBR and the cloth filters above the process piping.

New reinforced concrete walls and channels needed for the MBR basins will be designed. Because of the small amount of horizontal reinforcing in the existing walls, the connections for the new walls will be designed so as not to transfer axial forces into the new walls from differential fluid pressures on the existing walls to reduce the horizontal bending induced in those walls. The existing basin walls will be used to provide out-of-plane support to the new walls because of differential fluid pressures and hydrodynamic demands from seismic loading.

3.1.5 Instrumentation and Controls

Except for surface wasting, process controls will be designed to match the existing MBR design. Controls that coordinate multiple membrane tanks will be expanded to include MBR Train 2. Any obsolete PLC equipment associated with a master control panel (MCP) or local control panels (LCPs) will be upgraded by the supplier.

3.2 Attached Growth Treatment Facility

The biological treatment train of the combined MBR trains is inadequate to treat peak flows. Instead of installing additional MBR capacity to treat peak flows, a separate biological and filtration process will be provided to replace the capacity of the failing RBCs. The replacement process will be an attached growth system for biological treatment, followed by cloth media filtration.

To maintain the biological colonies during low flow periods, the influent flows will be diverted through the attached growth process before the MBR process. This will benefit the process by reducing the biological loading to the MBRs and allowing the attached growth facility to remain online during low flow periods.

3.2.1 Background

The existing RBC facility has recurring mechanical issues. As of March 2025, 4 of 12 RBC units were permanently offline because of mechanical issues. The remaining eight RBC units cannot provide the required treatment performance, resulting in high suspended solids in the clarified effluent. The Project Report (Jacobs 2025) recommended replacing the existing RBCs with an attached growth system provided by WavTex. This system uses a moving woven media fixed-film mounted within modular frames. The frames contain integrated aeration by fine bubble diffusers. WavTex modules are designed to be installed in an open channel with multiple units arranged in series. The footprint of the WavTex modules will fit within the existing available footprint within the RBC channels.

3.2.2 Design Criteria

Once the existing RBC mechanical equipment is demolished, the three existing RBC trains will be converted into three open channel attached growth trains outfitted with WavTex units by Entex. Table 3-11 presents the design criteria for the attached growth system.

Table 1. Proposed Schedule

Project Milestones	Approximate Schedule/Timeline
Notice to Proceed (State Water Resources Control Board Division of Financial Assistance Funding Approval)	November 30, 2023
General Information Package	March 2026
Technical Package	March 2026
Environmental Package	March 2026
Financial Security Package	March 2026
Basis of Design Report and Cost Estimate	July 2025 to October 2025
Completed CWSRF Application Submitted	March 2026
DFA Funding Application Review Period and Funding Agreement Development	March 2026 to March 2028
Bidding and Award Design	March 2028 to May 2028
Full Detailed Design, Permitting, and Cost Estimates	June 2028 to June 2030
Bidding and Award Construction	July to September 2030
Construction (60 months estimated)	
Notice to Proceed	October 2030
Completion	October 2035
CWSRF = Clean Water State Revolving Fund	
DFA = Division of Financial Assistance	

FISCAL ANALYSIS

Adoption of the Final Project Report does not have any financial impact but is necessary to meet the requirements for grant funding to improve the WWTP to become compliant with current and future permit regulations. Non-compliance with permit regulation results in Mandatory Minimum Penalties (MMPs) and potentially ACLs that would result in fines and lawsuits that the City would need to pay for not complying with NCRWQCB water quality requirements.

The adoption of the Final Project Report is a critical step toward completing the Clean Water State Revolving Fund (CWSRF) Construction Financial Assistance Application. The resolution delegating signature authority to the City Manager is required by the State Water Board in order to submit the financial package of the CWSRF application. Based on the 2025-26 CWSRF Intended Use Plan, the City could be eligible to receive up to \$50 million dollars in grant funding and qualify for low interest loans if the project exceeds the grant cap. The City is eligible because the 2025-26 IUP prioritizes communities who are requesting funding to improve wastewater facilities to address violations specifically for disadvantaged communities.

Future fiscal impacts will depend on grant and loan terms secured through the CWSRF Program.

An opinion of probable construction cost was prepared for the selected project. This construction cost opinion is a Class 5 estimate as defined by the Association for the Advancement of Cost Engineering International. Table ES-1 summarizes the opinion of probable construction cost for the selected alternative, along with the estimated accuracy range.

Table ES-1. Opinion of Probable Construction Cost and Estimated Accuracy Range – Selected Alternative

Alternative	Low Range -20%	Opinion of Probable Construction Cost	High Range +50%
Selected Alternative	\$46,160,000	\$57,700,000	\$86,550,000

STRATEGIC PLAN ASSESSMENT

This action supports the following Strategic Plan goals:

GOAL 1: Support quality services, community safety, and health to enhance the quality of life and experience of our residents and visitors.

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Crescent City WWTP RBC Capital Upgrade & Biosolids/Digester Optimization Project

- **Heating, Ventilation, and Cooling Improvements:** MBR and dewatering buildings require improvements to the existing heating, ventilation, and air conditioning systems to continue to support the equipment housed in the buildings.

An opinion of probable construction cost was prepared for the selected project. This construction cost opinion is a Class 5 estimate as defined by the Association for the Advancement of Cost Engineering International.

Table ES-1 summarizes the opinion of probable construction cost for the selected alternative, along with the estimated accuracy range.

Table ES-1. Opinion of Probable Construction Cost and Estimated Accuracy Range – Selected Alternative

Alternative	Low Range -20%	Opinion of Probable Construction Cost	High Range +50%
Selected Alternative	\$46,160,000	\$57,700,000	\$86,550,000

Appendix D provides a copy of the construction cost estimate and supporting information.

Table ES-2 presents the proposed milestones and timelines required for the project implementation. Section 5 describes conditions and limitations to this schedule. Figure ES-1 shows the proposed site plan and list of recommended improvements.

Table ES-2. Proposed Schedule

Project Milestones	Approximate Schedule/Timeline
Notice to Proceed (State Water Resources Control Board Division of Financial Assistance Funding Approval)	November 30, 2023
General Information Package	March 2026
Technical Package	March 2026
Environmental Package	March 2026
Financial Security Package	March 2026
Basis of Design Report and Cost Estimate	July 2025 to October 2025
Completed CWSRF Application Submitted	March 2026
DFA Funding Application Review Period and Funding Agreement Development	March 2026 to March 2028
Bidding and Award Design	March 2028 to May 2028
Full Detailed Design, Permitting, and Cost Estimates	June 2028 to June 2030
Bidding and Award Construction	July to September 2030
Construction (60 months estimated)	
Notice to Proceed	October 2030
Completion	October 2035

CWSRF = Clean Water State Revolving Fund

DFA = Division of Financial Assistance

5.14 Proposed Schedule

Table 5-5 summarizes proposed milestones and timelines required for the project implementation through construction. The proposed schedule is subject to various conditions and requirements, including the following:

- Grant application review and approval by SWRCB
- Grant agreement preparation and approval by SWRCB
- Environmental review and participating agencies
- 60-month construction estimate, given the need to sequence improvements (such as digesters) to maintain continuous operation
- Other constraints and issues that are out of the control of the City or Jacobs

Table 5-5. Proposed Project Schedule

Project Milestones	Approximate Schedule/Timeline
Notice to Proceed (SWRCB Division of Financial Assistance Funding Approval)	November 30, 2023
General Information Package	March 2026
Technical Package	March 2026
Environmental Package	March 2026
Financial Security Package	March 2026
Basis of Design Report and Cost Estimate	July 2025 to October 2025
Completed CWSRF Application Submitted	March 2026
DFA Funding Application Review Period and Funding Agreement Development	March 2026 to March 2028
Bidding and Award Design	March 2028 to May 2028
Full Detailed Design, Permitting, and Cost Estimates	June 2028 to June 2030
Bidding and Award Construction	July to September 2030
Construction (60 months estimated)	
Notice to Proceed	October 2030
Completion	October 2035

DFA = Division of Financial Assistance

5.15 Estimate of Probable Construction Costs

An opinion of probable construction cost was prepared for the selected project. This construction cost opinion is a Class 5 estimate as defined by AACE International.

Table 5-6 summarizes the opinion of probable construction cost for the selected alternative, along with the estimated accuracy range.

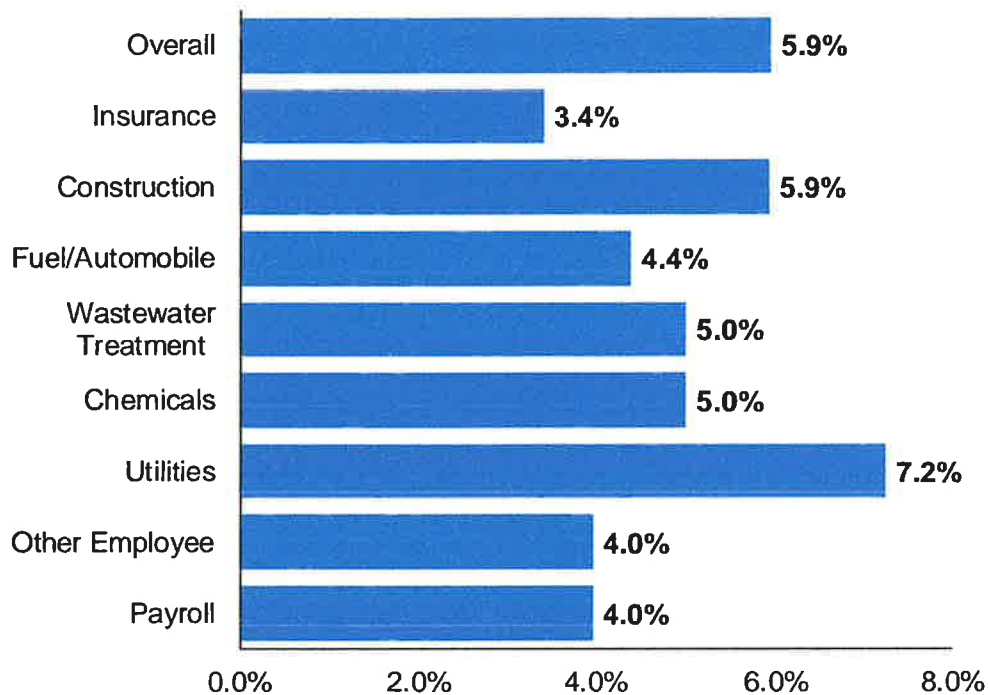
Crescent City WWTP RBC Capital Upgrade & Biosolids/Digester Optimization Project

Table 5-6. Opinion of Probable Construction Cost and Estimated Accuracy Range – Selected Alternative (Alternative 3)

Alternative	Low Range -20%	Opinion of Probable Construction Cost	High Range +50%
Selected Alternative	\$46,160,000	\$57,700,000	\$86,550,000

Appendix D provides a copy of the construction cost estimate and supporting information.

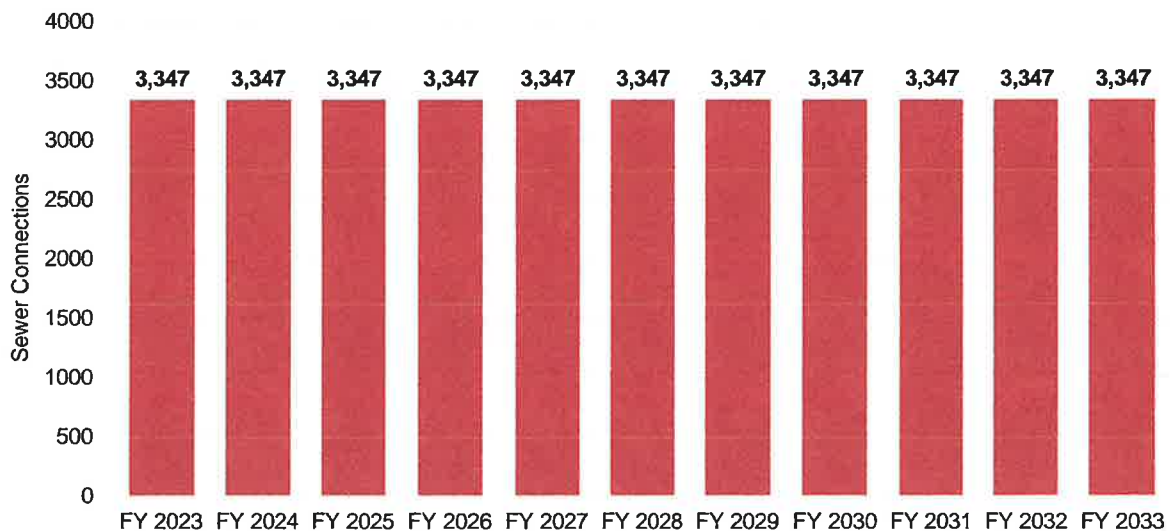
Figure 5. Escalation Factors



Customer Growth

All analyses performed during the study were based on an assumption of customer connections. The analysis assumes that there will be no change in customers over ten years, an assumption confirmed by CSA-1 staff as additional connections over the study period based on historic development patterns should be less than significant.

Figure 6. Projected Customer Growth FY 2023 - FY 2033



Currently, customers are billed on a per connection basis and each connection is equal to one unit, which is assumed to represent a standard unit of service, as the overall impact on the collection system is consistent among all connections

Equivalent Units

Sewer customers are billed by the number of connections or units on each parcel. For example, all customers are billed the same user fee charge for each connection. A parcel with three connections would pay three times the user fee, annually. Connections represent a standard unit of service as CSA-1 only provides collection services. Since the cost per connection was determined to be equal, the total cost per customer represents the relative impact each has on the conveyance system (sewer flow). In addition to the CSA-1 conveyance fees, represented in this report, the City of Crescent City also bills customers based on sewer strength and flow as they provide sewer treatment services.

Typically, the cost of service analysis would also determine customer related costs, such as billing, and apply those to each customer evenly, regardless of the number of connections. Since CSA-1 doesn't bill customers directly, fees are levied on the annual property tax roll, no billing related costs need to be separated at the customer level, all costs are allocated to sewer conveyance, thus reflected in the user fee. The number of connections served by CSA-1 for the current year (FY 2023) through the end of the study period (FY 2028) are shown in Table 6.

Table 6. Number of Connections

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Connections	3,347	3,347	3,347	3,347	3,347	3,347

Cost of Service Allocation

The total Test Year revenue requirement developed in the financial planning stage, \$361,476, is shown in Table 7. The total revenue requirements will be divided by the number of connections in the fee setting stage to determine the per connection fee.

Table 7. Test Year Revenue Requirements

Cost Allocation Summary	Total
O&M Revenue Requirements	\$251,778
Non-Operating Revenue Requirements	\$128,700
	\$380,478
Other Operating Revenue	\$0
Non-Operating Revenue	\$0
Net Balance From Operations	(\$19,002)
Rate Revenue Requirement	\$361,476

Approximately 136 apartment units (Hidden Creek Apartments and Summer Park Apartments), five single family homes, and the expansion of the Walmart to a Supercenter have occurred within this area. The Summer Park Apartments has two remaining phases, which would include up to 104 additional apartments.

According to the County, the population within the CSA No. 1 is approximately 8,000. Development within the CSA No. 1 will likely continue at the current county-wide rate of 0.4 percent per year, putting the CSA No. 1 population at approximately 8,494 in 2030.

Disadvantaged Unincorporated Communities

LAFCo is required to evaluate water service, sewer service, and structural fire protection within disadvantaged unincorporated communities as part of this service review, including the location and characteristics of any such communities. A disadvantaged unincorporated community (DUC) is defined as any area with 12 or more registered voters where the annual median household income is less than 80 percent of the statewide annual median household income (pursuant to Government Code Section 56033.5 and Water Code Section 79505.5).

According to the 2008-2012 American Community Survey 5-Year Estimates, the California median household income (MHI) is \$61,400. The Del Norte countywide MHI is \$39,626, which places it at 65% of the California MHI. With only one incorporated city, Crescent City, most of the County's population exists in unincorporated communities that qualify as "disadvantaged".

The California Department of Water Resources has mapped communities that are at or below 80 percent of the annual median household income by using census data for each county. According to this data, the communities of Smith River, Hiouchi, Gasquet, Klamath, and parts of the incorporated City of Crescent City are classified as disadvantaged within Del Norte County.

The CSA No. 1 provides one of the three basic services - sewer collection service – to areas that are considered disadvantaged. The City of Crescent City delivers water directly to customers within the Northcrest Improvement District (AD2) and delivers water to the Bertsch-Ocean View Community Services District (BOV CSD) for the BOV CSD's use in serving customers within AD1. Crescent Fire Protection District (Crescent City Fire and Rescue) provides fire protection services within all of CSA No. 1.

Services & Infrastructure

Services Overview

The CSA No. 1 owns and maintains wastewater collection infrastructure within their jurisdiction. The CSA No. 1's collection lines feed into the wastewater treatment plant operated by the City of Crescent City. The City Public Works Department provides maintenance and emergency response services, under contractual agreements, with the CSA, but does not fund, operate, or have control over the CSA collection system (County 2012). The CSA No. 1 currently provides wastewater collection services to 2,436 customers (i.e. connections).



was then used in the analysis, along with O&M and non-operating expenses, to determine the gross Revenue Requirement for the sewer system. The capital projects included in the CIP (represented in \$1,000s), along with their assumed funding sources by fiscal year, for the Projection Period are provided in **Table 3**.

Table 3 – Sewer CIP (\$1,000s)

Description	Funding Source	Projected for Fiscal Year Ending June 30					
		2026	2027	2028	2029	2030	2031
Sewer Capital Projects							
Influent Spiral Lift (Install)	Cash	\$ 50	\$ -	\$ -	\$ -	\$ -	\$ -
Influent Gate (Complete)	Cash	35	-	-	-	-	-
Primary Influent Valves	Cash	120	-	-	-	-	-
Rbc Gearbox Replace	Cash	62	65	68	72	75	-
Influent Pump Rebuild	Cash	-	151	159	167	-	-
Gas Flare Replace / Relocate (May Change)	Cash	-	79	-	-	-	-
Primary Buildings Replace	Cash	-	28	189	-	-	-
Wooden Walkway	Cash	-	-	53	-	-	-
Truck (At Wwtp)	Cash	-	36	-	-	-	-
Rbc Media Replace	Cash	-	-	239	251	-	-
Chemical Pumps	Cash	-	56	-	-	-	-
Mbr Diffusers	Cash	-	-	-	58	61	-
Lift Station Rehab (Williams, Harbor)	Cash	-	-	-	46	49	-
Collection System Repairs	Cash	225	263	276	289	304	-
City Equipment Purchases	Cash	16	79	83	87	91	-
Future R&R and Improvement Projects	Cash	-	-	-	-	-	993
Digester Optimization	Grants	-	-	-	1,811	1,901	-
Gravity Thickener rehabilitation & Distribution Box: Jacobs 22 #20	Grants	-	-	560	427	225	-
Biological Survey And Toxicity Study (Required By NPDES)	Cash	-	32	-	-	-	-
Sewer Lines Camera Inspection	Cash	-	-	386	-	-	-
Total Sewer Capital Projects		\$ 508	\$ 788	\$ 2,012	\$ 3,208	\$ 2,706	\$ 993

2.3.3 Debt Service

The City currently has one outstanding debt issue associated with the sewer utility system, with an annual payment of approximately \$1.7M, as shown in **Table 4**. A minimum debt service coverage ratio of net revenue of at least 1.20 times the annual debt service payment is typically required to be maintained on an annual basis. In simple terms, this means the utility typically must have \$1.20 in net operating revenues for every \$1.00 in debt service they are committed to paying on outstanding debt. The debt service coverage is calculated by dividing net operating revenues (revenue less operations and maintenance expenses) by annual debt service. Based on discussions with City staff, there are no future debt issuances anticipated to take place over the Projection Period. The annual debt payments over the Projection Period, which are included in the development of the gross Revenue Requirement, are provided in **Table 4**.

Table 4 – Annual Debt Service Payments

Description	Projected for Fiscal Year Ending June 30				
	2027	2028	2029	2030	2031
Annual Debt Service					
SRF Loan Agreement	\$ 1,697,663	\$ 1,697,663	\$ 1,697,663	\$ 1,697,663	\$ 1,697,663
Total Annual Debt Service	\$ 1,697,663	\$ 1,697,663	\$ 1,697,663	\$ 1,697,663	\$ 1,697,663



Table 10 – Units of Service

Description	Total Customers	CCF Flow	BOD Factor ^[1]	BOD Pounds	TSS Factor ^[1]	TSS Pounds
Inside City:						
Residential						
Residential ^[2]	1,138	73,507.95	225	103,177	225	103,177
Multi-Family	89	68,611.92	225	96,305	225	96,305
Mixed Use						
Combined Residential (2) / Light Commercial	1	264.00	225	371	225	371
Combined Residential/Light Commercial	5	463.20	225	650	225	650
Non-Residential						
Light Commercial	245	33,307.56	250	51,946	250	51,946
Heavy Commercial	34	11,569.56	650	46,914	650	46,914
Sub-Total Inside City	1,512	187,724.19		299,363		299,363
Outside City:						
Residential						
Residential ^[2]	2,448	152,404.16	225	213,918	225	213,918
Multi-Family	26	65,332.80	225	91,703	225	91,703
Mixed Use						
Combined Residential/Light Commercial	2	110.64	225	155	225	155
Non-Residential						
Light Commercial	81	15,639.48	250	24,391	250	24,391
Heavy Commercial	5	3,522.66	650	14,284	650	14,284
Sub-Total Outside City	2,562	237,009.74		344,451		344,451
Monitored:						
Industrial Pretreatment	1	26,926.08	47	7,895	46	7,727
Sub-Total Monitored	1	26,926.08		7,895		7,727
Total	4,075	451,660.01		651,708		651,540

Notes:

[1] Average strength factors for BOD and TSS are based on the State Water Resources Control Board Revenue Program Guidelines, Appendix G. For the "Monitored" customer class, sewer sample results gathered and provided by the City were utilized to determine BOD and TSS Strength Factors.

[2] Annual sewer flows for single family residential customers were calculated by taking the average winter consumption for the lowest three months of water consumption data provided to determine the factor of winter average usage compared to the total annual average monthly water usage. This factor was then applied to the projected monthly average "Test Year" water consumption to determine the "Test Year" annual sewer flows.

The Revenue Requirement for each cost component is divided by its respective unit of service to calculate a unit cost. The unit cost for each cost component is demonstrated in **Table 11**.

APPENDIX - B

CITY OF CRESCENT CITY, CA

SEWER CUSTOMER & STENGTH CHARACTERISTICS BY CUSTOMER CLASS - TEST YEAR FY 2027

Line	Description	Total Customers	CCF Flow	BOD Factor ^[1]	BOD Pounds	TSS Factor ^[1]	TSS Pounds
Inside City:							
Residential							
1	Residential ^[2]	1,138	73,507.95	225	103,177	225	103,177
2	Multi-Family	89	68,611.92	225	96,305	225	96,305
Mixed Use							
3	Combined Residential (2) / Light Commercial	1	264.00	225	371	225	371
4	Combined Residential/Light Commercial	5	463.20	225	650	225	650
Non-Residential							
5	Light Commercial	245	33,307.56	250	51,946	250	51,946
6	Heavy Commercial	34	11,569.56	650	46,914	650	46,914
7	Sub-Total Inside City	1,512	187,724.19		299,363		299,363
Outside City:							
Residential							
8	Residential ^[2]	2,448	152,404.16	225	213,918	225	213,918
9	Multi-Family	26	65,332.80	225	91,703	225	91,703
Mixed Use							
10	Combined Residential/Light Commercial	2	110.64	225	155	225	155
Non-Residential							
11	Light Commercial	81	15,639.48	250	24,391	250	24,391
12	Heavy Commercial	5	3,522.66	650	14,284	650	14,284
13	Sub-Total Outside City	2,562	237,009.74		344,451		344,451
Monitored:							
14	Industrial Pretreatment	1	26,926.08	47	7,895	46	7,727
15	Sub-Total Monitored	1	26,926.08		7,895		7,727
16	Total	4,075	451,660.01		651,708		651,540

Notes:

- [1] Average strength factors for BOD and TSS are based on the State Water Resources Control Board Revenue Program Guidelines, Appendix G. For the "Monitored" customer class, sewer sample results gathered and provided by the City were utilized to determine BOD and TSS Strength Factors.
- [2] Annual sewer flows for single family residential customers were calculated by taking the average winter consumption for the lowest three months of water consumption data provided to determine the factor of winter average usage compared to the total annual average monthly water usage. This factor was then applied to the projected monthly average "Test Year" water consumption to determine the "Test Year" annual sewer flows.

CITY OF CRESCENT CITY, CA
SEWER SYSTEM
PROJECTED OPERATING RESULTS - SEWER

APPENDIX - C

Line	Description	Existing 2027	Proposed 2027	Projected for Fiscal Year Ending June 30			
				2028	2029	2030	2031
DEBT SERVICE COVERAGE							
<u>Income Available for Debt Service</u>							
	From Operations	\$ 345,744	\$ 1,723,456	\$ 2,289,046	\$ 2,533,364	\$ 2,727,070	\$ 2,894,053
	Total Income Available for Debt Service	\$ 345,744	\$ 1,723,456	\$ 2,289,046	\$ 2,533,364	\$ 2,727,070	\$ 2,894,053
<u>Debt Service Coverage - Total Indebtedness</u>							
	Calculated	0.20	1.02	1.35	1.49	1.61	1.70
	Targeted	1.50	1.50	1.50	1.50	1.50	1.50
26	Capital Outlay	-	-	-	-	-	-
27	Transfers In	194,074	194,074	194,074	194,074	194,074	194,074
28	Transfers Out	(72,100)	(72,100)	(74,263)	(76,491)	(78,786)	(81,150)
29	Net Results	\$ (1,229,945)	\$ 147,767	\$ 711,194	\$ 953,284	\$ 1,144,695	\$ 1,309,314
<u>RESERVE FUND BALANCE ACTIVITY</u>							
<u>O&M Fund Balance (413)</u>							
30	Beginning Fund Balance	\$ 2,359,275	\$ 2,359,275	\$ 2,462,462	\$ 2,570,496	\$ 2,683,634	\$ 2,802,124
31	Deposit/(Withdrawal) from Operations	(1,229,945)	147,767	711,194	953,284	1,144,695	1,309,314
32	Transfer from/(to) Capital Fund	1,333,131	(44,581)	(603,160)	(840,147)	(1,026,206)	(1,185,191)
33	Ending Fund Balance	\$ 2,462,462	\$ 2,462,462	\$ 2,570,496	\$ 2,683,634	\$ 2,802,124	\$ 2,926,247
34	Targeted Fund Balance	\$ 2,462,462	\$ 2,462,462	\$ 2,570,496	\$ 2,683,634	\$ 2,802,124	\$ 2,926,247
35	Variance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
36	Days Cash on Hand	180	180	180	180	180	180
37	Targeted Days Cash on Hand	180	180	180	180	180	180
<u>Capital Reserve (913)</u>							
38	Beginning Fund Balance	\$ 2,057,291	\$ 2,057,291	\$ 1,314,372	\$ 465,540	\$ 335,597	\$ 782,006
39	Transfer from/(to) O&M Fund	(1,333,131)	44,581	603,160	840,147	1,026,206	1,185,191
40	Cash Funded Capital Projects From CIP	(787,500)	(787,500)	(1,451,993)	(970,090)	(579,796)	(992,947)
41	Ending Fund Balance	\$ (63,340)	\$ 1,314,372	\$ 465,540	\$ 335,597	\$ 782,006	\$ 974,250
42	Total Fund Balance	\$ 2,399,122	\$ 3,776,834	\$ 3,036,036	\$ 3,019,231	\$ 3,584,129	\$ 3,900,497

TAB 23 Affirmatively Furthering Fair Housing and Site Amenities

AFFIRMATIVELY FURTHERING FAIR HOUSING

Not Applicable	Provide complete documentation of the applicable point option selected.	Attachment 23-A1, 23-A2, etc
	<u>SITE AMENITIES</u> Reg. § 10325(c)(4)(A)	
Provided	Labeled color photographs, name, address, telephone number, contact person and website (if applicable) for each requested amenity. NOTE: A single map may be submitted for all site amenities provided that all distances and amenities are clearly and legibly shown.	Attachment 23-B
Provided	<u>Transit site amenities:</u> Provide a schedule of the relevant route(s). Clearly note the relevant stops and times demonstrating the required frequency. For transit points requiring regular service during commute times, if the transit stop nearest the project is not included in the schedule(s), highlight the two stops appearing on the schedule(s) which the transit stop falls between. Provide sufficient information identifying the stop nearest the project (map, photo, etc.) and where it is located in reference to the stops appearing on the schedule.	Attachment 23-C
Not Applicable	Documentation that includes a budget and operating schedule of van or dial-a-ride service for rural set-aside projects.	
Not Applicable	Certification by the project applicant committing to provide residents free or discounted transit passes for at least 15 years. (Points not available for projects with van service. Only available to Rural set-aside projects with dial-a-ride service for free or discounted dial-a-ride passes.)	
Not Applicable	Evidence of CTCAC Executive Director's prior approval of private transit system	
Not Applicable	Evidence of CTCAC Executive Director's prior approval of bus line aggregation	
Provided	<u>Public school amenities:</u> Provide evidence the project is located within the attendance boundary of the school. If possible, provide a letter from the school confirming the project is within the school's specific attendance boundary and the school has space available for the project's students. Evidence from a web-based school locator is also acceptable. This point category does not include schools for which the project is not in the immediate attendance boundary but use a district-wide boundary, open enrollment, inter- or intra-district transfer, etc.	Attachment 23-D
Provided	<u>Grocery stores, medical clinics/hospitals, pharmacies:</u> Provide amenity details in the form of brochures or webpages, if available. Include documentation confirming medical clinic minimum staffing and accepted payment requirements. Large multipurpose stores containing grocery sections may qualify if the application contains interior measurements of the grocery section verified by a third party. Supporting documentation must confirm that the multipurpose store meets all grocery requirements of the applicable point category.	Attachment 23-D
Provided	A medical clinic with a physician, physician's assistant, or nurse practitioner onsite for a minimum of 40 hours each week, or hospital (not merely a private doctor's office). A qualifying medical clinic must accept Medi-Cal payments, or Medicare payments for Senior Projects, or Health Care for the Homeless for projects housing homeless populations, or have an equally comprehensive subsidy program for low-income patients.	
Not Applicable	If a hospital is under construction at application, please include evidence of this, as well as evidence from a third party that the hospital will be completed and available to the residents prior to the project's completion.	



CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
ATTACHMENT 40 FOR CDLAC-CTCAC JOINT APPLICATION
2023 4% FEDERAL LOW-INCOME HOUSING TAX CREDITS WITH TAX-EXEMPT BONDS
INCLUDING STATE CREDITS

April 11, 2023 Version

II. APPLICATION - SECTION 1: CTCAC APPLICANT STATEMENT AND CERTIFICATION

CTCAC APPLICANT Step Forward Communities

PROJECT NAME: Battery Point Apartments

PLEASE INCLUDE APPLICATION FEE WITH APPLICATION SUBMISSION

Check Only

The undersigned CTCAC Applicant hereby makes application to the California Tax Credit Allocation Committee ("CTCAC") for a reservation of Federal and State Low-Income Housing Tax Credits ("Credits") in the amount(s) of:

\$3,879,952 annual Federal Credits
\$16,011,905 total State Credits

for the purpose of providing low-income rental housing as herein described. I understand that Credit amount preliminarily reserved for this project, if any, may be adjusted over time based upon changing project costs and financial feasibility analyses which CTCAC is required to perform on at least three occasions.

Election to sell ("certificate") state credits: Yes By selecting "Yes" or "No" in the box immediately before, I hereby make an election to sell ("certificate") or not sell all or any portion of the state credit, as allowed pursuant to Revenue and Taxation Code Sections 12206(o), 17058(q), and 23610.5(r). I further certify that the applicant is a non-profit entity, and that the state credit price will not be less than eighty (80) cents per dollar of credit. I acknowledge that if I elect to sell ("certificate") all or any portion of the state credit, I may, only once, revoke an election to sell at any time before CTCAC issues the Form(s) 3521A for the project.

I agree it is my responsibility to provide CTCAC with the original complete application as well as such other information as CTCAC requests as necessary to evaluate my application. I represent that if a reservation or allocation of Credit is made as a result of this application, I will also furnish promptly such other supporting information and documents as may be requested. I understand that CTCAC may verify information provided and analyze materials submitted as well as conduct its own investigation to evaluate the application. I recognize that I have an affirmative duty to inform CTCAC when any information in the application or supplemental materials is no longer true and to supply CTCAC with the latest and accurate information.

I certify that the numbers describing project cost, development budget, financing amounts, operating subsidies, unit mix and targeting, and all related application documents are the same as those provided in applications submitted to CDLAC, CalHFA, and HCD, as applicable. I certify that any applications, revisions, or updates provided to CTCAC, CDLAC, CalHFA, or HCD will be provided to all other of these state agencies providing financing, tax credits, or subsidies to the project.

I acknowledge that if I receive a reservation of Tax Credits, I will be required to submit requisite documentation at the following stages: updated development timetable under regulation section 10326(j)(4), and the time the project is placed-in-service.

I represent I have read Section 42 of the Internal Revenue Code (IRC) pertaining to Federal Tax Credits, and if applying for State Tax Credits, I represent I have also read California Health and Safety Code Sections 50199.4 et seq. and California Revenue and Taxation Code Sections 12206, 17058, and 23610.5 pertaining to the State Tax

Credit program. I understand that the Federal and State Tax Credit programs are complex and involve long-term maintenance of housing for qualified low-income households. I acknowledge that CTCAC has recommended that I seek advice from my own tax attorney or tax advisor.

I certify that I have read and understand the provisions of Sections 10322(a) through (h) related to application filing deadlines, forms, incomplete applications, and application changes.

I agree to hold CTCAC, its members, officers, agents, and employees harmless from any matters arising out of or related to the Credit program.

I agree that CTCAC will determine the Credit amount to comply with requirements of IRC Section 42 but that CTCAC in no way warrants the feasibility or viability of the project to anyone for any purpose. I acknowledge that CTCAC makes no representation regarding the effect of any tax Credit which may be allocated and makes no representation regarding the ability to claim any Credit which may be allocated.

I acknowledge that all materials and requirements are subject to change by enactment of federal or state legislation or promulgation of regulations.

In carrying out the development and operation of the project, I agree to comply with all applicable federal and state laws regarding unlawful discrimination and will abide by all Credit program requirements, rules, and regulations.

I acknowledge that the Low-Income Housing Tax Credit program is not an entitlement program and that my application will be evaluated based on the Credit statutes, regulations, and the Qualified Allocation Plan adopted by CTCAC which identify the priorities and other standards which will be employed to evaluate applications.

I acknowledge that an award of federal or state Tax Credits does not guarantee that the project will qualify for Tax Credits. Both federal law and the state law require that various requirements be met on an ongoing basis. I agree that compliance with these requirements is the responsibility of the applicant.

I acknowledge that the information submitted to CTCAC in this application or supplemental thereto may be subject to the Public Records Act or other disclosure. I understand that CTCAC may make such information public.

I acknowledge that if I obtain an allocation of Federal or State Tax Credits, I will be required to enter into a regulatory contract that will contain, among other things, all the conditions under which the Credits were provided including the selection criteria delineated in this application.

I declare under penalty of perjury that the information contained in the application, exhibits, attachments, and any further or supplemental documentation is true and correct to the best of my knowledge and belief.

I certify and guarantee that each item identified in CTCAC's minimum construction standards will be incorporated into the design of the project, unless a waiver has been approved by CTCAC. The project will at least maintain the installed energy efficiency and sustainability features' quality when replacing systems and materials. When requesting a threshold basis increase for a prevailing wage requirement, if the project is subject to state prevailing wages, I certify that contractors and subcontractors will comply with California Labor Code Section 1725.5. When requesting a threshold basis increase for development impact fees, the impact fee amounts are accurate as of the application date. In an application proposing rehabilitation work, I certify that all necessary work identified in the Capital Needs Assessment, including the immediate needs listed in the report, will be performed (unless a waiver is granted) prior to the project's rehabilitation completion.

I understand that any misrepresentation may result in cancellation of Tax Credit reservation, notification of the Internal Revenue Service and the Franchise Tax Board, and any other actions that CTCAC is authorized to take pursuant to California Health and Safety Code Section 50199.22, issuance of fines pursuant to California Health and Safety Code Section 50199.10, and negative points per Regulation Section 10325(c)(3) or under general authority of state law.

I certify that I believe that the project can be completed within the development budget and the development timetable set forth (which timetable is in conformance with CTCAC rules and regulations) and can be operated in the manner proposed within the operating budget set forth.

I agree that CTCAC is not responsible for actions taken by the applicant in reliance on a prospective Tax Credit reservation or allocation.

Dated this _____ day of _____, 20____ at
_____, California.

By _____
(Original Signature)

Duane Henry
(Typed or printed name)

Executive Director
(Title)

m. Site Amenities

Maximum 10 Points

The amenity must be in place at the time of application (refer to CTCAC regulations and the Checklist for limited exceptions). The application must include a map scaled for distance using a standardized radius from the development site as determined by the Committee. Measurement from the project to a site must not cross significant physical barriers. The map must show the distance of the site amenities from the development site. **An application proposing a project located on multiple scattered sites shall be scored proportionately in the site amenities based upon (i) each site's score, and (ii) the percentage of units represented by each site.** **Proportional scoring** means, for a project to score the maximum 10 points, each site must independently score 10 points for site amenities. No more than 10 points will be awarded in this category. Only one point award will be available in each of the subcategories listed below.

Amenities may include:

Transit

- (i) Located where there is a bus rapid transit station, light rail station, commuter rail station, commuter rail station, ferry terminal, bus station, or public bus stop within 1/3 mile of the project site with service at least every 30 minutes during the hours of 7-9 a.m. and 4-6 p.m. Monday through Friday (or at least two departures during each peak period for the commuter rail station or ferry terminal), and the project's density exceeds 25 units per acre. 7 Points
 - (ii) The project site is within 1/3 mile of a bus rapid transit station, light rail station, commuter rail station, ferry terminal, bus station, or public bus stop with service at least every 30 minutes during the hours of 7-9 a.m. and 4-6 p.m. Monday through Friday (or at least two departures during each peak period for the commuter rail station or ferry terminal). 6 Points
 - (iii) The project site is within 1/2 mile of a bus rapid transit station, light rail station, commuter rail station, ferry terminal, bus station, or public bus stop with service at least every 30 minutes during the hours of 7-9 a.m. and 4-6 p.m. Monday through Friday (or at least two departures during each peak period for the commuter rail station or ferry terminal). 5 Points
 - (iv) The project site is within 1/3 mile of a bus rapid transit station, light rail station, commuter rail station, ferry terminal, bus station, or public bus stop. (For rural projects, these points may be awarded where van or dial-a-ride service is provided to tenants.) 4 Points
- If dial-a-ride or van services: (select)
- (v) The project site is within 1/2 mile of a bus rapid transit station, light rail station, commuter rail station, ferry terminal, bus station, or public bus stop. 3 Points

Select one: (i)

In addition to meeting one of the categories above (i through v), points are available to applicants committing to provide residents free transit passes or discounted passes to each rent restricted unit for at least 15 years. For item (iv) rural projects, points not available for projects with van services. Only available to projects with dial-a-ride service for free or discounted dial-a-ride passes:

Select one: N/A

N/A

A private bus or transit system providing free service may be substituted with prior approval from the CTCAC Executive Director. This prior approval must be received before the application deadline and the bus or transit system must meet the relevant headway and distance criteria stated above. If pre-approved, select applicable point category above.

Total Points for Transit Amenity:	7
--	----------

Public Park

- (i) The site is within 1/2 mile of a public park or a community center accessible to the general public (1 mile for Rural set-aside projects). A public park shall not include 1) school grounds unless there is a bona fide, formal joint-use agreement between the jurisdiction responsible for the park's/recreation facilities and the school district or private school providing availability to the general public of the school grounds and/or facilities. 2) greenbelts or pocket parks, or 3) open space preserves or biking parkways unless there is a trailhead or designated access point within the specified distance. **3 Points**

Joint-use agreement (if yes, please provide a copy) **N/A**

- (ii) The site is within 3/4 mile (1.5 miles for Rural set-aside). **2 Points**

Select one: **(i)**

Total Points for Public Park Amenity:	3
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Book-Lending Public Library

- (i) The site is within 1/2 mile of a book-lending public library that also allows for inter-branch lending when in a multi-branch system (1 mile for Rural set-aside projects). **3 Points**

- (ii) The site is within 1 mile of a book-lending public library that also allows for inter-branch lending when in a multi-branch system (2 miles for Rural set-aside projects). **2 Points**

Select one: **(i)**

Total Points for Public Library Amenity:	3
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Full-Scale Grocery Store, Supermarket, Neighborhood Market, or Farmers' Market

Please refer to Checklist Items for supporting documentation requirements

- (i) The site is within 1/2 mile of a full scale grocery store/supermarket of at least 25,000 gross interior square feet where staples, fresh meat, and fresh produce are sold (1 mile for Rural set-aside projects). **5 Points**

- (ii) The site is within 1 mile of a full scale grocery store/supermarket of at least 25,000 gross interior square feet where staples, fresh meat, and fresh produce are sold (2 mile for Rural set-aside projects). **4 Points**

- (iii) The site is within 1.5 mile of a full scale grocery store/supermarket of at least 25,000 gross interior square feet where staples, fresh meat, and fresh produce are sold (3 mile for Rural set-aside projects). **3 Points**

- (iv) The site is within 1/4 mile of a neighborhood market of 5,000 gross interior square feet or more where staples, fresh meat, and fresh produce are sold (1/2 mile for Rural set-aside projects). **4 Points**

- (v) The site is within 1/2 mile of a neighborhood market of 5,000 gross interior square feet or more where staples, fresh meat, and fresh produce are sold (1 mile for Rural set-aside projects). **3 Points**

- (vi) The site is within 1/2 mile of a weekly farmers' market on the list of Certified Farmers' Markets by the California Department of Food and Agriculture and **2 Points**

**POINTS SYSTEM SUMMARY
SELF SCORING WORKSHEET**

	APPLICANT POINTS	MAXIMUM POINTS	TOTAL POINTS
b. Preservation and Other Rehabilitation Project Priorities	0	20	0
c. New Construction Density and Local Incentives	10	10	10
d. Exceeding Minimum Income Restrictions	20	20	20
e. Exceeding Minimum Rent Restrictions	10	10	10
f. General Partner & Management Company Experience	10	10	10
General Partner Experience	7	7	
Management Company Experience	3	3	
g. Housing Needs	10	10	10
h. Leveraged Soft Resources	8	8	8
i. Readiness to Proceed	10	10	10
j. Affirmatively Furthering Fair Housing	9	10	9
k. Service Amenities	10	10	10
l. Cost Containment	12	12	12
m. Site Amenities	10	10	10
*Negative Points (if any, enter the amount:)		NO MAX	0
Total Points:			119.0

CDLAC TIE BREAKER

Public Benefit Numerator	\$37,364,916
Cost-Adjusted Bond and State Credit Allocation Denominator	÷ \$43,553,524
Tiebreaker	85.791%

Numerator	
A. Unit Production Benefit	\$ 10,075,000
B. Rent Savings Benefit	\$ 6,424,416
C. Special Needs Population Benefit	\$ -
D. Extremely Low Income Benefit	\$ 1,320,000
E. Sustainability Benefit	\$ 15,515,500
F. Opportunity Benefit	\$ -
G. Comp. Comm. Revitalization Benefit	\$ 4,030,000
Public Benefit	\$ 37,364,916

Denominator
Bond Request
State Credits
Total Allocations
Adjustments
Prevailing Wages
Construction Type
SWBD * .25
Cost-Adjusted Allocation

A. Unit Production Benefit

Bedroom Count	Adjustment Factor	Actual LI Unit Count	Adjusted Unit Count	Adjusted Units
0	0.90	0	0	0
1	1.00	54	54	54
2	1.25	62	62	77.5
3	1.50	28	28	42
4	1.75	16	16	28
Total		160	160	201.5

Adjusted Units	201.5
Benefit Multiplier	× \$ 50,000
Unit Production Benefit	\$ 10,075,000

B. Rent Savings Benefit

Average AMI of Units without Federal Rental Assistance:	52.13%
Average is less than 40%:	0
Monthly Rent Savings	\$ 35,691
Benefit Multiplier (12 months × 15 years)	× 180
Rent Savings Benefit	\$ 6,424,416

C. Special Needs Population Benefit

Units serving Special Needs, Homeless, or Veterans:	0
Maximum (50% of Low-Income Units):	80
Special Population Quantity	0
Benefit Multiplier	× \$ 10,000
Special Needs Population Benefit	\$ -

D. Extremely Low Income Benefit

CDLAC TIE BREAKER

Public Benefit Numerator	\$37,364,916
Cost-Adjusted Bond and State Credit Allocation Denominator	÷ \$43,553,524
Tiebreaker	85.791%

E. Sustainability Benefit

Transit Site Amenity Points	7
Benefit Multiplier	× \$ 4,000
Bedroom-Adjusted Low-Income Units	× 201.5
Transit Benefit	\$ 5,642,000

Walkable Amenity Count	6
Benefit Multiplier	× \$ 4,000
Walkability Benefit	\$ 4,836,000

Project has:

- an award of HCD TOD funding
- an award of HCD AHSC funding
- a transit stop within ¼ mile with service every 30 min
- a transit stop within ½ mile with service every 15 min

Yes

Eligible: 1

Bedroom-Adjusted Low-Income Units	× 201.5
Benefit Multiplier	× \$ 25,000
Mass Transit Benefit	\$ 5,037,500

Sustainability Benefit \$ 15,515,500

F. Opportunity Benefit

Project meets the CDLAC new construction definition	
Project is Large Family housing type	Yes
Project is Permanent Supportive Housing	
Opportunity Area Designation	Low Resource

Eligible: 0

Benefit Multiplier	\$ -
Bedroom-Adjusted Low-Income Units	× 201.5
Opportunity Benefit	\$ -

G. Comprehensive Community Revitalization Benefit

Project is a component of the Area's Community Revitalization Plan Yes

Eligible: 1

Bedroom-Adjusted Low-Income Units 201.5



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\$ 38,430,000
\$ 16,011,905
\$ 54,441,905

15%
5%
0%
\$ 43,553,524

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Tetrapod

- 1) A CIPP block repair from Hwy 101, 100 Lineal feet East (North of Chevron South)
- 2) Twelve spot CIPP repairs East of Hwy 101 between Elk Valley Rd & Front Street

The settlement agreement also establishes the following project milestones:

TASK	DESCRIPTION	PROPOSED COMPLETION DATE
1	Complete Preparation of Bid Documents	October 31, 2026
2	Complete Bid Publication	November 30, 2026
3	Quarterly Progress Report 1	January 31, 2027
4	Complete Contract Award	January 31, 2027
5	Quarterly Progress Report 2	April 30, 2027
6	Quarterly Progress Report 3	July 31, 2027
7	Complete Construction	September 30, 2027
8	Quarterly Progress Report 4	October 31, 2027
9	Compliance Project Completion Date	December 31, 2027
10	Submission of Final Report / Certification of Completion	March 1, 2028

The engineer's estimate for the base bid for this project, including 10% contingency, is \$300,000, which meets the financial obligation of the City under the Settlement Agreement.

The project will be bid with additive bid items for additional sewer lines needing repair. RWQCB staff have approved this list of possible locations as well.

Staff will return to the Council requesting City Manager authorization for the contract award of the sewer line repair contract to the lowest responsible bidder.

FISCAL ANALYSIS

The sewer funds required to complete this sewer line improvement project are currently in the Fiscal 2026-2027 budget approved by the City Council in anticipation of completing this compliance project.

STRATEGIC PLAN ASSESSMENT

GOAL 1: SUPPORT QUALITY SERVICES, COMMUNITY SAFETY, AND HEALTH TO ENHANCE THE QUALITY OF LIFE AND EXPERIENCE OF OUR RESIDENTS AND VISITORS
D. Provide and maintain an efficient, adequate infrastructure to provide for both current and future community needs

ATTACHMENTS

1. R1-2026-0058 - Settlement Agreement for Entry of Administrative Liability Order

In the matter of:	)	Order R1-2026-0058
	)	
City of Crescent City	)	
Wastewater Treatment Facility	)	SETTLEMENT AGREEMENT AND
	)	STIPULATION FOR ENTRY OF
WDID No. 1A84006ODN	)	ADMINISTRATIVE CIVIL LIABILITY
	)	ORDER
	)	

This Settlement Agreement and Stipulation for Entry of Administrative Civil Liability Order (Stipulated Order) is presented to the Regional Water Quality Control Board, North Coast Region (North Coast Water Board) and is entered into by and between the North Coast Water Board's Prosecution Team (Prosecution Team) and the City of Crescent City (Discharger) and, or its delegate, for adoption as an order by settlement pursuant to Government Code section 11415.60. This Stipulated Order resolves the violations reported by the Discharger from January 1, 2024, to March 23, 2026, by the imposition of administrative civil liability against the Discharger in the amount of **\$258,000.**

1. The Discharger owns and operates a Wastewater Treatment Facility located at 210 Battery Street in Crescent City, Del Norte County, California (Facility). Between April 1, 2017, until February 1, 2024, the Discharger was subject to the requirements of Waste Discharge Requirements (WDRs) Order No. R1-2017-0002 (2017 Order), which serves as a National Pollutant Discharge Elimination System (NPDES) Permit. The 2017 Order was rescinded and superseded by WDRs Order No. R1-2023-0039 (2023 Order) which went into effect on February 2, 2024.¹

Regulatory Measure	Order Number	Effective Dates
NPDES Permit	R1-2017-0002 (2017 Order)	04/01/2017 – 02/01/2024
NPDES Permit	R1-2023-0039 (2023 Order)	02/02/2024 – Present

Final packet page 206

10. Project Specific Conditions of Approval

Approval is conditioned upon:

- Closing on construction financing will be subject to final Limited Partnership Agreement (LPA) being substantially consistent to the assumptions made at time of final commitment and as reflected in the attached Financial Analysis Summary attached to this Final Commitment Staff Report, and acceptable to CalHFA, in its sole discretion.
- Any default as to any loans by the Agency for the Development shall constitute a default under any other loans by the Agency for the Development
- Final subdivision structure will be subject to Agency's approval.
- No site work or construction commencement prior to the issuance of a HUD Risk Sharing Program Firm Approval Letter.
- CalHFA will require that the local funding regulatory agreements contain provisions allowing rent increases to the maximum CTCAC rents if rental subsidies are no longer available.
- The total deferred developer's fee of \$6,138,596 will not be fully repaid by year 15 per project cashflow; therefore, the owner must provide evidence of investor approval of the total deferred developer's fee structure. Receipt of LPA and investor written approval evidencing that any outstanding deferred developer fee remaining in Year 15 will be treated as a developer contribution.
- CalHFA requires that MIP affordability covenants be recorded in senior position to all foreclosable debt. However, the locality is requiring the Affordable Housing Agreement to be recorded 1st (ahead of) CalHFA Bond and CalHFA MIP Regulatory Agreement as indicated in Section 9. Allowance of the City's first lien position is subject to CalHFA receiving a Stand Still Agreement from the City in form and content acceptable to CalHFA in its sole discretion.
- The CalHFA subsidy will be, in the Agency's sole discretion, the lesser of 1) the principal amount as stated on hereto or 2) an amount as determined by the Agency in the event the financial assumptions change prior to construction loan closing and/or permanent loan closing.
- All MIP Loan principal and accrued interest will be due and payable at maturity.
- The Borrower has requested that 100% of surplus cash be available for the repayment of the deferred developer's fee (DDF) until the earlier of year 15 of operations is complete or full repayment of the DDF. Thereafter, the surplus cash split shall be 50% to Borrower and 50% to Residual Receipt lender(s). As a condition of this approval, the Borrower must provide evidence that the DDF repayment structure is required pursuant to the Limited Partnership Agreement (LPA). In addition, the owner must provide evidence of investor and all residual receipt lender(s) approvals of the total deferred developer's fee structure and residual receipt split. Residual receipt lenders must also agree to defer the payments on their loans.
- An updated Phase I is required per CalHFA underwriting standards and HUD Risk Share. The current Phase I ESA dated 3/9/2023 exceeds the 180 days validity and an updated Phase I ESA will be required prior to closing.
- Receipt of a certification by the engineer on record that Project has been built to current seismic code acceptable to the Agency prior to permanent closing.
- Funds from the CalHFA permanent loan and/or the subsidy loan shall not be used to fund or offset any portion of the offsite improvement's construction costs, except to the extent such costs are attributable to improvements for the exclusive use by the tenants of the Project.
- An estoppel as to the lien priority of the Agency loans and approval of the Agency's form of subordination agreement by all subordinate lenders prior to construction closing.
- Receipt of evidence of Borrower compliance with Crescent City conditions of approval.
- A standstill/subordination agreement may be required for the HCD-IIG restrictive covenant.

AFFORDABILITY**11. CalHFA Affordability (Occupancy and Rent) Restrictions**

The CalHFA Permanent Financing Regulatory Agreement will restrict a minimum of 40% of the total units at or below 60% AMI; with 30% of the total units (48 units) at or below 60% AMI and 10% of the total units (17 units) at 50% of AMI for 55 years.

Mr. Willaim E. Rice
CEQA for Crescent City Battery Park Apartments
August 26, 2023
Page 6

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.”

(Guidelines § 15064.3.) The Project site is within one-half mile of an existing major transit stop and/or a stop along an existing high quality transit corridor. And given its central City location adjacent to schools, it will significantly decrease VMT in the surrounding area. Therefore, the Guidelines advise that the Project should be *presumed* to cause less than significant traffic impacts.

Residential air quality impacts are closely correlated with traffic impacts. With the Project resulting in a significant decrease in VMT, operational air quality impacts will be commensurately decreased. Potential construction and operational noise impacts will be mitigated by local ordinance, and water quality impacts will be avoided under State and Federal requirements.

Conclusion

McCorkle Eastside Neighborhood Group v. City of St. Helena, supra, provides excellent guidance for the City in understanding the limited scope of CEQA to the Project. Regardless of whether the City’s Municipal Code is similar to St. Helena’s, the Project clearly meets the criteria for a Class 32 categorical exemption, and I recommend the City adopt one for it after making a finding that none of the exceptions to categorical exemptions listed in Guidelines section 15300.2 apply to the Project—a finding easily made here.

Please let me know if you have any questions regarding any of the above.

Very truly yours,

LEIBOLD McCLENDON & MANN, P.C.

John G. McClendon

By: John G. McClendon

Attachment: JGMcC Professional Resume

DEVELOPER will transfer all entitlements, project documents (architectural renderings, engineered plans, environmental analyses, and the like) and legal title to the Property to CITY.

4.3 Affordability. DEVELOPER warrants and represents that 4 of the 27 residential units will be offered at affordable rents to households earning up to 120% AMI for a period of 55 years.

4.4 Affordable Housing Covenant. DEVELOPER will execute an Affordable Housing Covenant, attached hereto as **Exhibit E**, and record it against the Property.

5. DEFAULT & REMEDIES.

5.1 Events of Default. Failure or delay by either party to perform any material term or provision of this Agreement constitutes a default under this Agreement. The party who fails or delays must immediately commence to cure, correct or remedy such failure or delay and shall complete such cure, correction or remedy with reasonable diligence and during any period of curing shall not be in default.

5.2 Written Notice. The injured party shall give written notice of default to the party in default specifying the default complained of by the injured party. Except as required to protect against further damages, the injured party may not institute proceedings against the party in default until ninety (90) days after giving such notice; provided, however, that if such event of default cannot be cured within such ninety (90) calendar day period and the party in default has diligently commenced efforts to cure, the party in default shall have such reasonable time as is necessary to diligently prosecute such cure to completion. Failure or delay in giving such notice shall not constitute a waiver of any default nor shall it change the time of default.

5.3 No Waiver of Default. Except as otherwise expressly provided in this Agreement, any failure or delay by either party in asserting any of its rights or remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies or deprive such party of its right to institute and maintain any actions or proceedings that it may deem necessary to protect, assert or enforce any such rights or remedies.

5.4 Remedies. In addition to any other rights or remedies, either party may institute legal action to cure, correct or remedy any default, or recover damages for any default, or to obtain any other remedy consistent with the purpose of this Agreement. Except as otherwise expressly stated in this Agreement, the rights and remedies of the parties are cumulative, and the exercise by any party of one or more of such rights or remedies shall not preclude the exercise by it, at the

EXHIBIT D

PLHA PROGRAM TERMS AND CONDITIONS

1. Effective Date, Commencement of Work

This Agreement is effective upon the date of the Department representative's signature on page one of the fully executed Standard Agreement, STD 213. Contractor agrees that work under this agreement shall not commence until execution of the STD 213, (the "Effective Date").

2. Strict Compliance

Contractor will strictly comply with the terms, conditions and requirements of the Permanent Local Housing Allocation (PLHA) Statutes, Guidelines, the Notice of Funding Availability (NOFA), and this Agreement.

3. Contractor's Application for Funds

- A. Contractor has submitted to the Department an Application for a Grant under the Program. The Department is entering into this Agreement based on, and in substantial reliance upon, Contractor's facts, information, assertions and representations contained in that Application, and in any subsequent modifications or additions thereto approved by the Department. The Application and any approved modifications and additions thereto are hereby incorporated into this Agreement.
- B. Contractor warrants that all information, facts, assertions and representations contained in the Application and approved modifications and additions thereto are true, correct, and complete to the best of Contractor's knowledge. In the event that any part of the Application and any approved modification and addition thereto is untrue, incorrect, incomplete, or misleading in such a manner that would substantially affect the Department's approval, disbursement, or monitoring of the funding and the Grants or activities governed by this Agreement, then the Department may declare a breach hereof and take such action or pursue such remedies as are provided for breach hereof.

Permanent Local Housing Allocation (PLHA) Program – Grant
NOFA Date: (RD 1) 02/26/2020, (RD 2) 05/03/2021 (RD 3) 08/17/2022 (RD 4) 12/29/2023
Approved Date: 10/05/2020
Prep. Date: 07/12/2024

EXHIBIT D

5. Core Practices

- A. A Contractor or Subrecipient must provide eligible activities in a manner consistent with the housing first practices described in California Code of Regulations, title 25, section 8409(b)(1)-(6). A Contractor or Subrecipient allocated funds for eligible activities that provide permanent housing shall incorporate the core components of Housing First as provided in Section 8255(b) of the Welfare and Institutions Code.

6. Monitoring Grant Activities

- A. Contractor shall monitor the activities selected and awarded by them to ensure compliance with PLHA requirements. An onsite monitoring visit of Subrecipients and any other service providers shall occur whenever determined necessary by the Contractor, but at least once during the Grant period.
- B. The Department will monitor the performance of the Contractor based on a risk assessment and according to the terms of this Agreement. The Department may also monitor any Subrecipients of the Contractor as the Department deems appropriate based on a risk assessment.
- C. As requested by the Department, the Contractor shall submit to the Department all PLHA monitoring documentation necessary to ensure that Contractor and its Subrecipients are in continued compliance with PLHA requirements. Such documentation requirements and the submission deadline shall be provided by the Department at the time such information is requested from the Contractor.

7. Reporting/Audits

- A. Commencing with the Effective Date of this Agreement and continuing through the Expiration Date, the Contractor shall submit an annual report to the Department by July 31 of each year that reports all activities from the previous fiscal year (7/1–6/30), on forms provided by the Department.

The first report will be due on July 31, 2025 and will report all activities from date of initial fund disbursement through June 30, 2025.

- B. The annual report shall contain a detailed report which must include, at a minimum:
 - 1) Identification of the Eligible Activities to which the Contractor committed program funds, and the income levels of households assisted.

Permanent Local Housing Allocation (PLHA) Program – Grant
NOFA Date: (RD 1) 02/26/2020, (RD 2) 05/03/2021 (RD 3) 08/17/2022 (RD 4) 12/29/2023
Approved Date: 10/05/2020
Prep. Date: 07/12/2024

EXHIBIT D

- B. The Contractor agrees that the Department or its designee shall have the right to review, obtain, and copy all records and supporting documentation pertaining to performance of this Agreement. The Contractor agrees to provide the Department or its designee, with any relevant information requested. The Contractor agrees to permit the Department or its designee access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees who might reasonably have information related to such records and inspecting and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with the PLHA Statutes, the NOFA, and this Agreement.
- C. The Contractor further agrees to retain all records for a period of five years after the end of the term of this Agreement:
- 1) If any litigation, claim, negotiation, audit, monitoring, inspection or other action has been started before the expiration of the required record retention period, all records must be retained until completion of the action and resolution of all issues, which arise from it.
 - 2) The Contractor also agrees to include in any contract that it enters into in an amount exceeding \$10,000, the Department's right to audit the contractor's records and interview their employees. The Contractor shall comply with the caveats and be aware of the penalties for violation of fraud and for obstruction of investigation as set forth in California Public Code Section 10115.10.
- D. The determination by the Department of the eligibility of any expenditure shall be final. If the eligibility of any expenditure cannot be determined because records or documentation are inadequate, the expenditure may be disallowed, and HCD shall determine the reimbursement method for the amount disallowed.
- E. The Contractor shall retain all books and records relevant to this Agreement for a minimum of five years after the end of the term of this Agreement. Records relating to any and all audits or litigation relevant to this Agreement shall be retained for five years after the conclusion or resolution of the matter.

9. Breach and Remedies

- A. The following shall each constitute a breach of this Agreement:
- 1) Contractor's failure to comply with the terms of this Agreement.

Permanent Local Housing Allocation (PLHA) Program – Grant
NOFA Date: (RD 1) 02/26/2020, (RD 2) 05/03/2021 (RD 3) 08/17/2022 (RD 4) 12/29/2023
Approved Date: 10/05/2020
Prep. Date: 07/12/2024

EXHIBIT D

- 2) Use of, or permitting the use of, Grant funds provided under this Agreement for any ineligible costs or for activities not approved under this Agreement.
 - 3) Any failure to comply with the deadlines set forth in this Agreement.
- B. In addition to any other remedies that may be available to the Department in law or equity for breach of this Agreement, the Department may:
- 1) Bar the Contractor from applying for future PLHA and other HCD funds;
 - 2) Revoke any other existing PLHA award(s) to the Contractor;
 - 3) Require the return of any unexpended PLHA funds disbursed under this Agreement;
 - 4) Require repayment of PLHA funds disbursed and expended under this agreement;
 - 5) Require the immediate return to the Department of all funds derived from the use of PLHA funds including, but not limited to recaptured funds and returned funds;
 - 6) Seek, in a court of competent jurisdiction, an order for specific performance of the defaulted obligation or the appointment of a receiver to complete the technical assistance in accordance with the PLHA Program requirements; and,
 - 7) Seek such other remedies as may be available under the relevant agreement or any law.
- C. All remedies available to the Department are cumulative and not exclusive.
- D. The Department may give written notice to the Contractor to cure the breach or violation within a period of not less than fifteen days.

EXHIBIT D

13. Special Conditions Contractors and Subrecipients

The Contractor agrees to comply with all conditions of this Agreement including the Special Conditions set forth in Exhibit E. These conditions shall be met to the satisfaction of the Department prior to disbursement of funds. The Contractor shall ensure that all Subrecipients are made aware of and agree to comply with all conditions of this Agreement and the applicable State requirements governing the use of Grant funds. The Contractor shall ensure that all Subrecipients are qualified to do business and in good standing with the California Secretary of State and the California Franchise Tax Board. Failure to comply with these conditions may result in cancellation of this Agreement.

14. Compliance with State and Federal Laws, Rules, Guidelines and Regulations

The Contractor agrees to comply with all State and Federal laws, rules and regulations that pertain to construction, health and safety, labor, fair employment practices, equal opportunity, and all other matters applicable to the Grant, the Contractor, its Subrecipients, and any other Grant activity.

15. Litigation

- A. If any provision of this Agreement, or an underlying obligation, is held invalid by a court of competent jurisdiction, such invalidity, at the sole discretion of the Department, shall not affect any other provisions of this Agreement and the remainder of this Agreement shall remain in full force and effect. Therefore, the provisions of this Agreement are, and shall be, deemed severable.
- B. The Contractor shall notify the Department immediately of any claim or action undertaken by or against it, which affects or may affect this Agreement or the Department and shall take such action with respect to the claim or action as is consistent with the terms of this Agreement and the interests of the Department.

EXHIBIT B

BUDGET DETAIL AND PAYMENT PROVISIONS

1. Application for Funds

- A. Grantee has submitted to the Department an Application for a Grant under the Program. The Department is entering into this Agreement on the basis of, and in reliance on fact, information, assertions and representations contained in the Application and any subsequent modifications or additions thereto approved by the Department. The Application and any approved modifications and additions thereto are hereby incorporated into this Agreement.
- B. The Grantee warrants that all information, facts, assertions, and representations contained in the Application and approved modifications and additions thereto are true, correct, and complete to the best of the Grantee's knowledge. In the event that any part of the Application and any approved modification and addition thereto is untrue, incorrect, incomplete, or misleading, in such a manner that would substantially affect the Department's approval, disbursement, reimbursement, or monitoring of the funding and the grant or activities governed by this Agreement, the Department may declare a breach hereof and take such action or pursue such remedies as are provided for breach hereof.

2. Grant and Reimbursement Limit

The Department's decision to approve or deny an application or request for funding pursuant to the Program, and its determination of the amount of funding provided, shall be final. The maximum total amount granted and disbursable to the Grantee pursuant to this Agreement shall not exceed \$650,000.

3. Grant Timelines

- A. This Agreement is effective upon approval by all parties and the Department, which is evidenced by the date signed by the Department on page one, Standard Agreement, STD 213 (the "Effective Date").
- B. The grant term begins on the day the Department and the grantee have fully executed the Standard Agreement as described in Exhibit D(1).
- C. All reimbursement requests for Grant funds must be submitted to the Department no later than March 30, 2026.
- D. Upon completion of all deliverables within the Standard Agreement and prior to processing final invoicing, the awardee shall submit a Close Out Report.

Prohousing Incentive Program (PIP)
NOFA Date: 1/23/2024
Approved Date: 06/11/2024
Preparation Date: 10/15/2024

EXHIBIT D

PIP TERMS AND CONDITIONS

1. Effective Date, Commencement of Work

This Agreement is effective upon the date of the Department representative's signature on page one of the full executed Standard Agreement, STD 213. Grantee agrees that work under this Agreement shall not commence until execution of the STD 213, (the "Effective Date").

2. Strict Compliance

Grantee will strictly comply with the terms, conditions and requirements of the PIP Statute, Guidelines and NOFA, and PLHA Statute and Guidelines, and this Agreement.

3. Contractor's Application for Funds

- A. Grantee has submitted to the Department an Application for a Grant under the Program.
- B. Grantee warrants that all information, facts, assertions and representations contained in the Application and approved modifications and additions thereto are true, correct, and complete to the best of Grantee's knowledge.

4. Eligible Activities

- A. Grant funds awarded to the Grantee and expended by either the Grantee or any entity to which Grantee awards funds shall be used for the eligible activities set forth in Exhibit A(4). The following additional requirements shall apply:
- B. Each Grantee shall submit a Plan contained in Exhibit E detailing:
 - 1) The manner in which allocated funds will be used for eligible activities.
 - 2) A description of how the Plan is consistent with the programs set forth in the Local government's Housing Element.
 - 3) The following for each proposed Activity:
 - a) A description of each proposed Activity and the percentage of funding allocated to it.
 - b) A description of major steps/actions and a proposed schedule required for the implementation and completion of the Activity.

Prohousing Incentive Program (PIP)
NOFA Date: 1/23/2024
Approved Date: 06/11/2024
Preparation Date: 10/15/2024

EXHIBIT D

16. Compliance with State and Federal Laws, Rules, Guidelines and Regulations

- A. The Grantee agrees to comply with all state and federal laws, rules and regulations that pertain to construction, health and safety, labor, fair employment practices, equal opportunity, and all other matters applicable to the grant, the Grantee, its contractors or subcontractors, and any other grant activity.
- B. During the performance of this Agreement, the Grantee assures that no otherwise qualified person shall be excluded from participation or employment, denied program benefits, or be subjected to discrimination based on race, color, ancestry, national origin, sex, gender, gender identity, gender expression, genetic information, age, disability, handicap, familial status, religion, or belief, under any program or activity funded by this contract, as required by Title VI of the Civil Rights Act of 1964, the Fair Housing Act (42 USC 3601-20) and all implementing regulations, and the Age Discrimination Act of 1975 and all implementing regulations.
- C. The Grantee shall include the nondiscrimination and compliance provisions of this clause in all agreements with its sub-recipients, contractors, and subcontractors, and shall include a requirement in all agreements with all of same that each of them in turn include the nondiscrimination and compliance provisions of this clause in all contracts and subcontracts they enter into to perform work under the Prohousing Incentive Program.
- D. The Grantee shall, in the course of performing project work, fully comply with the applicable provisions of the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)
- E. The Grantee shall adopt and implement affirmative processes and procedures that provide information, outreach and promotion of opportunities in the Prohousing Incentive Program project to encourage participation of all persons regardless of race, color, national origin, sex, religion, familial status, or disability. This includes, but is not limited to, a minority outreach program to ensure the inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women, as required by 24 CFR 92.351.

17. Litigation

Prohousing Incentive Program (PIP)
NOFA Date: 1/23/2024
Approved Date: 06/11/2024
Preparation Date: 10/15/2024



California Tax Credit Allocation Committee

Conferences: On August 1, 2023 Mr. Zeto attended the National Housing & Rehabilitation Association (NH&RA) Summer Institute in Dana Point and spoke on a regional HFA roundtable panel alongside Committee member Tiena Johnson Hall from CalHFA and leadership from the State of Washington to discuss current issues in the industry and provide agency updates.

Grand Opening Events: On August 3, 2023 Deputy Executive Director Ricki Hammett and Development Section Chief Carmen Doonan attended the groundbreaking event for the On Broadway project in Sacramento. The developer is EAH Housing, and this is their first project in Sacramento. The project includes tax credit and tax-exempt bond financing and will create 140 units, 138 of which are affordable units. This is a new construction, Extremely Low Income/Very Low Income, large family project, with 37 units for the homeless set-aside, and incomes ranging between 30-60% or less of area median income.

Extensions and Credit Exchanges: On March 27, 2023, the Committee delegated authority to the Executive Director to grant extensions to readiness to proceed deadlines and credit exchanges for projects impacted by bank closures. To date, three extensions and two credit exchanges have been approved. Since the July 26, 2023, meeting, there have been no additional approvals. The Committee will continue to be updated.

Legislation: Mr. Zeto discussed the following legislation impacting CTCAC:

AB 2873 (Jones-Sawyer) Low Income Housing Credit: Women, Minority, Disabled Veteran, and LGBT Business Enterprises: On August 15, 2023, CTCAC posted draft documents for Housing Supplier Diversity Reporting, established through Assembly Bill 2873 which amended Section 50199.15 and added Section 50199.23 to the Health and Safety Code, intending to increase supplier and contractor participation in the development of low-income housing tax credit (LIHTC) projects by women, minority, disabled veteran, and LGBT business enterprises. Housing sponsors receiving a tax credit allocation in 2024 and meeting the requirements will need to begin collecting procurement data for all funded projects. Any questions on the guidelines or reporting form may be emailed to AB2873@treasurer.ca.gov. There will be a workshop later in the year to further discuss these documents, and they are expected to be finalized by the end of November 2023.

Chairperson Ma called for public comments:
None.

4. Agenda Item: Recommendation for Reservation of 2023 Second Round Federal Four Percent (4%) and State Low-Income Housing Tax Credit (LIHTCs) for Tax-Exempt Bond Financed Projects – (Action Item)

Presented by: Carmen Doonan

Ms. Doonan reported that there are 34 projects being presented to the Committee for approval of 4% federal and state LIHTC reservations. She noted that there were two staff reports with state tax credit amounts that were revised due to administrative errors, and the amounts now match the CDLAC Final Recommendations List. The first project whose staff report was revised is Maison's Sierra (CA-23-541); the incorrect amount of state tax credits on the original staff report was \$13,302,649, and the correct amount is \$12,865,979. The second project is Devonwood Apartments (CA-23-543); the incorrect amount of state tax credits on the original staff report was \$9,238,616, and the correct amount is \$9,238,568.

MOTION: Mr. Sertich motioned to approve staff's recommendations, and Ms. Miller seconded the motion.

CTCAC Committee Meeting
August 23, 2023



California Tax Credit Allocation Committee

Chairperson Ma called for public comments:
None.

Motion passed unanimously via roll call vote.

5. *Agenda Item: Public Comment*

William Leach from Kingdom Development thanked the CTCAC staff for releasing the applicant list for the 9% round faster than ever this year and for administering the program well. He thanked the Committee for being transparent and helping the industry to understand their chances of success.

6. *Agenda Item: Adjournment*

The meeting was adjourned at 10:18 a.m.

- (D) removal or withdrawal under threat of removal as general partner from a housing tax credit partnership;
- (E) failure to provide physical amenities or services or any other item for which points were obtained (unless funding for a specific services program promised is no longer available);
- (F) failure to correct serious noncompliance after notice and cure period within an existing housing tax credit project in California;
- (G) serious, after a notice and cure period, or repeated failure to submit required compliance documentation for a housing Tax Credit project located anywhere;
- (H) failure to perform a tenant income recertification upon the first anniversary following the initial move-in certification for all one hundred percent (100%) tax credit properties, or failure to conduct ongoing annual income certifications in properties with non-tax-credit units;
- (I) material misrepresentation of any fact or requirement in an application;
- (J) failure of a building to continuously meet the terms, conditions, and requirements received at its certification as being suitable for occupancy in compliance with state or local law, unless it is demonstrated to the satisfaction of the Executive Director that the circumstances were entirely outside the control of the owner;
- (K) failure to submit a copy of the owner's completed 8609 showing the first year filing;
- (L) failure to promptly notify CTCAC of a property management change or changing to a management company of lesser experience contrary to Section 10325(c)(1)(B);
- (M) failure to properly notify CTCAC and obtain prior approval of Transfer Events, general partner changes, transfer of a Tax Credit project, or allocation of the Federal or State Credit;
- (N) certification of site amenities, distances or service amenities that were, in the Executive Director's sole discretion, inaccurate or misleading;
- (O) falsifying documentation of household income or any other materials to fraudulently represent compliance with IRC Section 42; or
- (P) failure of American Recovery and Reinvestment Act (ARRA) funded projects to comply with Section 42, CTCAC regulations, or other applicable program requirements;
- (Q) failure to provide required documentation of third-party verification of sustainable and energy efficient features.
- (R) failure to correct serious noncompliance, including incorrect rents or income qualification, incorrect utility allowance, or other overcharging of residents. In assigning negative points, CTCAC shall consider the most recent monitoring results for each of the parties' projects in the most recent three-year monitoring cycle. CTCAC shall allow affected parties a reasonable period to correct serious noncompliance before assigning negative points. Negative points may be warranted when more than ten percent (10%) of the party's total portfolio has Level 3 deficiencies under the Uniform Physical Conditions Standards established by HUD. In addition, negative points may be warranted when more than ten percent (10%) of the tenant files most recently monitored resulted in findings of either household

E21 Verified official workbook cell extract
 CA23-518 official workbook
<https://www.treasurer.ca.gov/sites/default/files/ctcac/23-518.xlsx>
 Points System!H595: selected option (i), 30-minute weekday peak transit.
 Points System!AJ610: 7 transit points.
 Application Checklist!B899: Provided; I899: Attachment 23-C.
 Application Checklist!B918: Not Applicable; D918: prior bus-line aggregation approval.
 Tie Breaker!G62: 7 points.
 Tie Breaker!G65: =G62*G63*G64; result \$5,642,000.
 Tie Breaker!G74: Yes to Mass Transit Benefit.
 Tie Breaker!G81: =G77*G80*G64; result \$5,037,500.
 Tie Breaker!H3: \$37,364,916 numerator.
 Tie Breaker!H4: \$43,553,524 denominator.
 Tie Breaker!H5: =H3/H4; 85.790798...%, displayed 85.791%.
 Conditional calculation in the notice:
 If 4 points, rather than 7, qualified and the separate Mass Transit Benefit did not qualify, with all other formula inputs unchanged:

$$(37,364,916 - 2,418,000 - 5,037,500) / 43,553,524 = 68.672780...\%$$

 Displayed: 68.673%; reduction: 17.118 percentage points.
 This is a conditional calculation, not a finding that the award was lost.
 Extract checked against both formula and stored-value workbook views and the corresponding retained application PDF. October 4, 2026.

Supplemental RCTA stop route and frequency records

These are original RCTA records with their dates preserved. They corroborate the route connections and historical service descriptions. They do not replace the missing complete 2023 application-date or March 2026 approval-date timetables.

Source 15

November 25, 2024 Board packet

Original PDF pages 109-110; printed D-2-D-3

September 18-21, 2024 boarding survey

Pacific/E: Route 1. A/Condor: Route 2.

A/Pacific is separately identified.

<https://redwoodcoasttransit.org/wp-content/uploads/2024/11/RCTA-Agenda-Packet-11-25-2024-v2.pdf>

Source 16

November 2024 technical memorandum

Original PDF pages 26 and 33; printed pages 20 and 27

Service summary expressly accurate as of October 2024

Table 8 reports local Routes 1-4 at 60-minute frequency.

The transfer section lists the seven routes at Cultural Center.

<https://redwoodcoasttransit.org/wp-content/uploads/2024/11/RCTA-SRTP-TM1.pdf>

**Table D-1: RCT Boarding and Alighting Data
Weekday Route 1**

	Passengers On	Passengers Off
Transferred from Route 3	2	--
Cultural Center	13	0
5th and N Safeway	2	0
Suburban Propane (101 North & Wilson Ave)	3	3
DMV (Parkway & Washington)	0	0
Walmart	7	4
Summer Park Ct	3	1
Sutter Coast Hospital	2	1
Wellness Center	0	2
Tri Counties Bank (Northcrest & Washington)	0	0
Charter Communications (Northcrest & East Coolidge)	0	0
Harding & Northcrest	0	4
East Harding & California	1	3
Harding & El Dorado	2	0
Del Norte High School	4	8
El Dorado & Hamilton	1	1
El Dorado & McNamara	0	1
El Dorado & Murphy	0	0
El Dorado & Lauff	0	1
Pacific & E Street	2	0
H & 11th Street	0	1
Crescent Elk Middle School - G Street	1	3
Veterans' Hall (H & 8th Street)	1	2
H & 4th Street	0	2
3rd & K Street	1	4
Cultural Center	2	4
Transferred to Route 3	--	2
Total	47	47
Representative of a full day of weekday service, surveyed over 9/18/2024-9/21/2024		

**Table D-2: RCT Boarding and Alighting Data
Weekday Route 2**

	Passengers On	Passengers Off
Transferred From Route 4	13	--
Cultural Center	12	0
Grocery Outlet (3rd between K & L)	8	0
Triplicate (3rd & G Street)	0	0
2nd & G Street	0	0
New Life Community Church (2nd & D Street)	0	0
2nd & B Street	0	0
A & 3rd Street	0	0
A & 5th Street	0	0
A & 7th Street	1	0
A & 10th Street	1	2
A & Condor Street	2	3
A & Pacific Street	0	2
Inyo & Macken Street	0	2
Inyo Street between Cooper & Childs	1	0
Inyo & Keller Street	0	1
Inyo & McNamara Street	3	2
El Dorado & Hamilton	0	0
Del Norte High School	6	1
Inyo & Small (College and High School)	4	0
Seawood West	1	0
Seawood East (W. Washington)	0	0
School District Office (Washington & Lafayette)	1	0
Pacific Vision	2	0
Urgent Care (Washington Blvd / Leif Circle)	0	5
Walmart	12	19
Summer Park Ct	2	1
Shangri-La Trailer Court	1	1
Shop Smart (101 South & Northcrest intersection)	2	3
Coast Central Credit Union	0	2
Grocery Outlet (3rd between K & L)	0	7
Cultural Center	0	5
Transferred to Route 4	--	14
Total	72	70
Representative of a full day of weekday service, surveyed over 9/18/2024-9/21/2024, no data for the 9:00 AM trip.		

Table 8: Summary of RCTA Services and Frequency

	Service Hours ¹				Start & End Locations		Weekday Service Frequency (Minutes)
	Weekday		Saturday				
	Start	End	Start	End	Start	End	
<u>Bus: Fixed Route</u>							
Route 1 - Parkway / El Dorado	7:00 AM	5:55 PM	--	--	Cultural Center	Same as start	60
Route 2 - A / Inyo / Washington	7:00 AM	5:25 PM	8:00 AM	4:25 PM	Cultural Center	Same as start	60
Route 3 - Northcrest	8:00 AM	5:25 PM	--	--	Northcrest @ Madison	Cultural Center	60
Route 4 - Bertsch	7:30 AM	5:55 PM	8:30 AM	4:55 PM	Cultural Center	Same as start	60
Route 300 - CEMS & DNHS School Tripper	2:55 PM	3:34 PM	--	--	Crescent Elk Middle	Cultural Center	1 Trip on Schooldays
<u>Intercity Routes - Summer Service</u>							
North Segment Route 20 - Crescent City / Smith River	6:05 AM	7:13 PM	6:05 AM	7:13 PM	Cultural Center	Cultural Center	4 Round Trips
South Segment Route 20 - Crescent City / Eureka	7:30 AM	8:31 PM	6:45 AM	7:13 PM	Cultural Center	Cultural Center	3 Round Trips
Route 199 - Crescent City / Gasquet	6:38 AM	5:07 PM	--	--	Cultural Center	Same as start	3 Round Trips
<u>Intercity Routes - Winter Service</u>							
North Segment Route 20 - Crescent City / Smith River	6:05 AM	7:13 PM	6:05 AM	8:31 PM	Cultural Center	Cultural Center	4 Round Trips
South Segment Route 20 - Crescent City / Eureka	7:30 AM	8:31 PM	6:45 AM	7:13 PM	Cultural Center	Cultural Center	2 Round Trips
Route 199 - Crescent City / Gasquet	6:38 AM	5:07 PM	--	--	Cultural Center	Same as start	2 Round Trips
<u>Additional Services</u>							
Dial-a-Ride	7:00 AM	6:00 PM	8:00 AM	5:00 PM	--	--	--
Airport Shuttle Service	7:00 AM	6:00 PM	8:00 AM	5:00 PM	--	--	--
Medical Shuttles	8:00 AM	6:00 PM	--	--	--	--	--
Note 1: Summary accurate as of October, 2024.							
Note 2: South Segment of Route 20 also has one additional PM trip with service from Crescent City to Klamath year round.							
Note 3: Route 300 operates only during the academic year on school days only. It adjusts operations to between 1:15 PM and 1:49 on Monday's and other early release school days.							
Note 4: Medical Shuttles operates Tuesday & Thursday only with service to Grants Pass or Medford Oregon. Return to Crescent city by 6 PM, Day, Veterans Day, and the day after							
Note 5: No service on New Year's Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, or Christmas Day.							
Source: RCTA							

Other Services

RTC also offers other premium demand-based services which have been implemented in response to unmet transit needs requests within Del Norte County. Those services are detailed below.

Airport Shuttle CEC

RCTA's Airport Shuttle provides rides to and from Del Norte County Regional Airport (CEC) offering door-to-door service upon 1–7 day advanced request anywhere within its Crescent City DAR zone plus an expanded Airport Shuttle service area which includes the communities of Fort Dick and areas along US 197 just west of Hiouchi. The service operates during the same days and hours as the DAR service and is generally served by the same vehicles except when large groups require a larger vehicle.

Southern Oregon Medical Shuttle

RTC also operates a low-cost shuttle for medical appointments in Grants Pass, and Medford, Oregon which are the nearest major urban centers to Del Norte County at 1 hour and 45 minutes and 2 hours and 20 minutes away respectively. The shuttle provides door-to-door service from within the Crescent City DAR Zone, leaves Crescent City at 8 AM on Tuesdays and Thursdays, and departs Medford or Grants Pass after the last passenger appointment with a cutoff departure time of 3:00 PM.

Transfer Opportunities

RCTA fixed routes provide a cohesive transit network within Del Norte County, and Northern Humboldt County by providing ample transfer opportunities between routes. Some key RCTA transfer locations and the routes served at each, include:

- Crescent City Cultural Center Transit Hub – Routes 1,2,3,4,20,199, and 300
- Walmart – Routes 1, 2, and 300
- Del Norte High School – Routes 1, 2, 20, 199, and 300
- Safeway – Routes 1,3,4, and 199
- Inyo St. and Small Ave. (DNHS and College) – Routes 2, 199, and 300
- Crescent Beach Motel – Routes 4, and 20

Transfers to other regional transit providers are also possible. Other regional services that RCTA passengers can transfer to are listed below, as well as the stops where these transfers are possible:

- Humboldt Transit Authority (Redwood Transit) –Trinidad, Arcata/Eureka Airport, Humboldt State University, Arcata Transit Center, Eureka Transit Center, Eureka VA Clinic
- Curry Public Transit (Coastal Express) – Lucky 7 Casino (Smith River)
- Yurok Tribal Transit Services – Pem-May (Klamath), several RCTA bus stops in Crescent City
- SW Point – Lucky 7 Casino (Smith River), Crescent City, Hiouchi, Gasquet

The City Council and its members may deal with the administrative services of the City only through the City Manager, and except for the purpose of inquiry, neither the City Council nor any member thereof may give orders or instructions to any subordinate of the City Manager. The City Manager may only take orders and instructions from the City Council when sitting in a duly convened meeting of the City Council, and no individual council member may give any orders or instructions to the City Manager.

11. OTHER TERMS AND CONDITIONS

A. The CITY, in consultation with WIER, may from time to time fix other terms and conditions relating to the performance of the City Manager hereunder, provided such terms and conditions are not inconsistent or in conflict with the provisions of this Agreement.

B. The City Manager must perform all duties in accordance with all the laws, ordinances, rules and regulations applicable to the position.

C. The entire agreement between the parties with respect to the subject matter hereunder is contained in this Agreement. Except as expressly provided to the contrary, the provisions of this Agreement are for the benefit of the parties solely and not for the benefit of any other person, persons, or legal entities.

D. This Agreement may be amended at any time by mutual agreement of the parties, but any such amendment must be in writing, dated, and signed by both parties and attached hereto.

E. Any failure of a party to insist upon strict compliance with any term, undertaking, or condition of this Agreement shall not be deemed to be a waiver of such term, undertaking, or condition. To be effective, a waiver must be in writing, signed and dated by the parties.

F. This Agreement will be governed by and construed in accordance with the laws of the State of California. The parties agree that venue for any dispute resolution, lawsuit or otherwise, will be in Del Norte County, California.

G. WIER acknowledges that he has not been induced to enter into this Agreement by any representation or statements, oral or written, not expressly contained herein or expressly incorporated by reference. CITY makes no representations, warranties or guarantees, expressed or implied, other than expressed representations, warranties, and guarantees contained in this Agreement.

H. All communications regarding this Agreement must be sent to the CITY COUNCIL at 377 "J" Street, Crescent City, California, 95531, with a copy to the City Attorney at the address of her private law office, currently 710 H Street, Crescent City, California, 95531; or to WIER at

7. City Manager Employment Agreement

- **Recommendation: Hear staff report**
- **Take public comment**
- **Authorize the Mayor to execute Eric Wier's Employment Agreement as City Manager**

Human Resources Administrator Sunny Valero reported to the Council the Agreement for the City Manager and gave a history of the long recruitment for this position. Council Member Short asked for Sunny to name the community panel members: Del Norte County Administrative Officer Jay Sarina, School Superintendent Jeff Harris, retired Interim City Manager and Del Norte County Administrative Officer Jeannine Galatioto, Sydney Clinton, and Elk Valley Casino General Manager Michael White.

On a motion by Mayor Pro Tem Kime, seconded by Council Member Fallman, and carried unanimously on a 5-0 polled vote, the City Council of the City of Crescent City authorized the Mayor to execute Eric Wier's Employment Agreement as City Manager.

City Manager Wier addressed the Council and said what a privilege it has been to be the Interim. He expressed the gratitude for his staff and is excited for the future.

8. One-Year Extension of the Disposition and Development Agreement with Danco Communities

- **Recommendation: Hear staff report**
- **Take public comment**
- **Authorize the City Manager to sign the attached letter authorizing a one-year extension of the Disposition and Development Agreement with DANCO Communities for the sale of property and construction of a three story 27-unit senior housing complex on APN 118-170-02 within the Downtown Business (C1) District.**

City Manager Wier reported to the Council the project that has been before the Council before, however, funding had not come through for the agency yet therefore a year-extension has been requested. Danco will apply again July 2nd for the tax credits that will make this project successful and construction can begin. City Manager Wier went over a detailed explanation of the application and funding process Danco is currently going through. Council Member Greenough asked what the time frame for breaking ground would be; City Manager Wier stated expected date for construction to start will be mid-2019, if they get the funding they need.

On a motion by Council Member Short, seconded by Council Member Greenough, and carried unanimously on a 5-0 polled vote, the City Council of the City of Crescent City authorized the City Manager to sign the attached letter authorizing a one-year extension of the Disposition and Development Agreement with DANCO Communities for the sale of property and construction of a three story 27-unit senior housing complex on APN 118-170-02 within the Downtown Business (C1) District.

9. County of Del Norte Kids Summer Camp use of Cultural Center

- **Recommendation: Hear Staff Report**
- **Take Public Comment**
- **Consider waiving the fees for the use of the Cultural Center for the KIDS summer camp program on Wednesdays, from 1 p.m. to 5:00 p.m. from the dates of July 11, 2018 to August 22, 2018.**