

**To:** Office of Planning and Research  
PO Box 3044  
1400 Tenth Street, Room 113  
Sacramento, CA 95812-3044

**From:** California Energy Commission  
1516 Ninth Street, MS-48  
Sacramento, CA 95814

**Project Applicant:** Innovative Housing Opportunities, Inc.

**Project Title:** Santa Ana Environmental Justice Innovation Zone

**Project Location:**

<u>Address</u>	<u>City</u>	<u>County</u>
	2021 E. 4th St. Orange	Santa Ana 92705

**Description of Nature, Purpose and Beneficiaries of Project:**

Under grant agreement, EPC-21-022, the California Energy Commission (CEC) will provide a grant of \$998,630 to Innovative Housing Opportunities, Inc. for feasibility studies, building design, and energy analysis activities only. Innovating Housing Opportunities proposes a mixed-use development approach for low-income communities to build and sustain low-impact, zero-emission homes. The proposed design, if built, would replace an underutilized, 1960's C-class office complex with 160 apartments in four stories, as well as office and light retail space. This project will lead to a scalable, decarbonization approach to solving environmental justice issues in the design and construction phases. The efforts of this team will also encourage greater involvement by diverse practitioners by incorporating meaningful opportunities for black, indigenous, and people of color practitioners to participate in the design and other phases of this work.

Beneficiaries will include future occupants of this development if built; the City of Santa Ana; and investor-owned utility ratepayers. Ratepayer benefits will include greater electricity reliability, lower costs, increased safety for this development if built, and other projects that might use methods developed under this design work. The design will also increase local reliability by pairing battery storage and solar photovoltaic facilities within the community.

**Name of Public Agency Approving Project:** California Energy Commission

**Name of Person or Agency Carrying Out Project:** Innovative Housing Opportunities, Inc.

**Exempt Status:** *(check one)*

- Ministerial Exemption (Pub. Resources Code § 21080(b)(1); Cal. Code Regs., tit. 14, § 15268);
- Declared Emergency (Pub. Resources Code § 21080(b)(3); Cal. Code Regs., tit. 14, § 15269(a));
- Emergency Project (Pub. Resources Code § 21080(b)(4); Cal. Code Regs., tit. 14, § 15269(b)(c));
- Categorical Exemption. State type and section number  
Cal. Code Regs., tit. 14, §15262
- Statutory Exemptions. State code number.
- Common Sense Exemption. (Cal. Code Regs., tit. 14, §15061(b)(3))

**Reasons why project is exempt:**

The grant agreement will fund feasibility, design, and planning studies for an all-electric, mixed-use

Authority cited: Sections 21083 and 21110, Public Resources Code. Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.

Innovative Housing Opportunities, Inc.

development, which has not been approved, adopted, or funded by the CEC, and which will not result in the adoption of a plan that will have a legally binding effect on later activities. This falls within title 14, Cal. Code Regs. tit. 14, § 15262, Feasibility and Planning Studies: The CEC has considered environmental factors.

The grant agreement will fund the design of a mixed-use development project and the improvement of methods for possible use in advanced energy development efforts (e.g., planning, architectural, and engineering work). Activities will include information collection, research, design, and energy and emissions analyses. Activities will also include economic analysis, preparation of conceptual drawings and design plans, performance modeling, and construction feasibility analysis.

No construction or changes to the physical environment will be funded by the grant or occur during the design and analysis work. The design activities will take place in existing office buildings, and professionals will visit the proposed development site. Therefore, there is no possibility that the activities may have a significant effect on the environment.

The grant agreement 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. 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. This falls within title 14, Cal. Code Regs. tit. 14, § 15061(b)(3), Common Sense Exemption.

**Lead Agency**

**Contact Person:** Molly Mahoney **Area code/Telephone/Ext:** 916-776-0790

**If filed by applicant:**

1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project?  Yes  No

**Signature:** Molly Mahoney **Date:** 4/26/2022 **Title:** Energy Analyst

**Signed by Responsible Agency**

**Signed by Lead Agency**

**Signed by Applicant**

**Date received for filing at OPR:** \_\_\_\_\_