

Notice of Exemption

44-06262025-104 Appendix E

To: Office of Planning and Research
P.O. Box 3044, Room 113
Sacramento, CA 95812-3044

County Clerk

County of: Santa Cruz

Governmental Center

701 Ocean St, Santa Cruz, Ca 95060

From: (Public Agency): City of Santa Cruz

Planning Dept., 809 Center St, Room 101

Santa Cruz, CA 95060

(Address)

Project Title: Arthaus Ocean

Project Applicant: Riaz Capital

Project Location - Specific:

530, 542, 548 Ocean Street

Project Location - City: Santa Cruz

Project Location - County: Santa Cruz

Description of Nature, Purpose and Beneficiaries of Project:

The project consists of a nonresidential demolition authorization permit, lot line adjustment, watercourse development permit, design permit, heritage tree permits, density bonus request and sign permit to demolish four commercial buildings, combine three lots into one parcel, remove four heritage-sized trees and prune more than 25-percent of the canopy of one heritage-sized tree, and construct a six-story mixed-use building with 225 residential units and ground floor commercial area. The project includes a density bonus request pursuant to California Government Code sections 65915-65918, and the applicant requested the granting of sixteen waivers and two incentive/concessions pursuant to provisions of state and local regulations.

Name of Public Agency Approving Project: City of Santa Cruz

Name of Person or Agency Carrying Out Project: Riaz Capital

Exempt Status: (check one):

- ☐ Ministerial (Sec. 21080(b)(1); 15268);
- ☐ Declared Emergency (Sec. 21080(b)(3); 15269(a));
- ☐ Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- ☒ Categorical Exemption. State type and section number: Section 15332, Class 32, Infill Development Projects
- ☐ Statutory Exemptions. State code number: _____

Reasons why project is exempt:

The proposed project qualifies for a Class 32 Categorical Exemption as afforded by CEQA. The application exhibits consistency with General Plan and zoning designations, policies, and regulations, with a project site comprising 32,062 square feet (736 acres) in size, below the maximum threshold of five (5) acres, located within city limits and surrounded by existing residential and commercial urban uses. As a previously-developed urban infill site, the subject lot holds no value as habitat for endangered, rare, or threatened species, with none known to exist on the site; development of the project would not result in any significant impact relating to traffic, noise, air quality or water quality as supported by the submitted information, and the site can be adequately served by all required utilities and public services. Therefore, the proposal qualifies for the Categorical Exemption found in CEQA Guidelines Section 15332, infill exemption. None of the exceptions to the exemptions under Section 15300.2 apply to the project in that the project is not part of a larger project that could result in a cumulative impact, there are no unusual circumstances associated with the project or subject parcel, the project will not result in damage to resources associated with an officially designated scenic highway, the project site is not included on any lists compiled pursuant to Section 65962.5 of the Government Code related to Hazardous Waste Sites, and the project will not result in substantial adverse changes in the significance of a historical resource site in that there are no known historic resources on the property.

Lead Agency

Contact Person: Rina Zhou

Area Code/Telephone/Extension: 831-420-5104

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: [Signature] Date: June 24, 2025 Title: Senior Planner

☒ Signed by Lead Agency ☐ Signed by Applicant

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: _____