ENVIRONMENTAL ASSESSMENT

Determinations and Compliance Findings for HUD-Assisted Projects
24 CFR Part 58

Responsible Entity: New Jersey Department of Community Affairs, Charles Richman, Acting Commissioner

Applicant Name Kelly Management (First) Group (Last)

-or- (Business/Project Name)

Project Location 10 E Ocean Ave, (Street Address)

Sea Bright (Municipality) Monmouth (County) NJ (State)

19 (Block) 3 (Lot)

Conditions for Approval [40 CFR 1505.2(c)]: (List all mitigation and project modification measures required by the Responsible Entity to eliminate or minimize adverse environmental impacts. These conditions must be included in project contracts and other relevant documents as required. The staff responsible for implementing and monitoring mitigation measures should be clearly identified in the mitigation plan.)

The following mitigation measures are required as conditions for approval of the project:

General

1. Acquire all required federal, state and local permits prior to commencement of construction and comply with all permit conditions.
2. If the scope of work of a proposed activity changes significantly, the application for funding must be revised and resubmitted for reevaluation under the National Environmental Policy Act.

Drainage/Storm Water Runoff

3. Temporary soil disturbances during construction on the project site will require the applicant to implement best management practices to minimize any potential short-term impacts.
4. Applicant must comply will requirements under stormwater discharge permits with oversight by local soil conservation districts to minimize any potential short-term impacts.
5. Best management practices will be used to properly manage operational storm water runoff.

Air Quality

6. Use water or chemical dust suppressant in exposed areas to control dust.
7. Cover the load compartments of trucks hauling dust-generating materials.

8. Reduce vehicle speed on non-paved areas and keep paved areas clean.
9. Retrofit older equipment with pollution controls.
10. Establish and follow specified procedures for managing contaminated materials discovered or generated during construction.
11. Employ spill mitigation measures immediately upon a spill of fuel or other hazardous material.
12. Obtain an air pollution control permit to construct and a certificate to operate for all equipment subject to N.J.A.C. 7:27-8.2(c). Such equipment includes, but is not limited to, the following:
• Any commercial fuel combustion equipment rated with a maximum heat input of 1,000,000 British Thermal Units per hour or greater to the burning chamber (N.J.A.C. 7:27-8.2(c)1);
• Any stationary storage tank for volatile organic compounds with a capacity of 2,000 gallons and a vapor pressure of 0.02 pounds per square inch or greater (N.J.A.C. 7:27-8.2(c)9);
• Any tank, reservoir, container, or bin with capacity in excess of 2,000 cubic feet used for storage of solid particles (N.J.A.C. 7:27-8.2(c)10); and
• Any stationary reciprocating engine with a maximum rated power output of 37 kW or greater, used for generating electricity, not including emergency generators (N.J.A.C. 7:27-8.2(c)21).
13. Minimize idling and ensure that all on-road vehicles and non-road construction equipment operated at or visiting the project site comply with the applicable smoke and "3-minute idling" limits (N.J.A.C. 7:27-14.3, 14.4, 15.3 and 15.8).
14. Ensure that all diesel on-road vehicles and non-road construction equipment used on or visiting the project site use ultra-low sulfur fuel (less than 15 ppm sulfur) in accordance with the federal Non-road Diesel Rule (40 CFR Parts 9, 69, 80, 86, 89, 94, 1039, 1051, 1065, 1068).
15. Operate, if possible, newer on-road diesel vehicles and non-road construction equipment equipped with tier 4 engines, or equipment equipped with an exhaust retrofit device.

Noise

16. Outfit all equipment with operating mufflers
17. Comply with the applicable local noise ordinance
Floodplain Management and Flood Insurance
18. All proposed reconstruction, repair, and mitigation of substantially damaged structures in the 100-year floodplain must adhere to the most recent elevation requirements in accordance with the Flood Hazard Area Control Act rules (N.J.A.C. 7:13).
19. As this project will take place within a tidal floodplain regulated under the Flood Hazard Area Control Act rules at N.J.A.C. 7:13-1.1, reconstruction and elevation projects within the same footprint may qualify for a Flood Hazard Area permit permit-by-rule provided the criteria at N.J.A.C. 7:13-7.2(a)3 is met.
20. All structures funded by the Stronger New Jersey Small Business Loan Program, if in, or partially in, the 100-year floodplain shown on the latest FEMA flood maps, must be covered by flood insurance and the flood insurance must be maintained for the economic life of the structure [24 CFR 58.6(a)(1)].
21. No funding will be provided to any person who previously received federal flood disaster assistance conditioned on obtaining and maintaining flood insurance, but failed to obtain and maintain the insurance [24 CFR 58.6(b)].

Hazardous Materials

22. All activities must comply with applicable federal, state, and local laws and regulations regarding asbestos, including but not limited to the following:
• National Emission Standard for Asbestos, standard for demolition and renovation, 40 CFR 61.145

• National Emission Standard for Asbestos, standard for waste disposal for manufacturing, fabricating, demolition, and spraying operations, 40 CFR 61.150
• NJAC 7:26-2.12—Generator requirements for disposal of asbestos containing waste materials
• New Jersey Asbestos Control and Licensing Act, N.J.S.A. 34:5A-32 et seq.
23. Applicant must comply with all laws and regulations concerning the proper handling, removal and disposal of hazardous materials (e.g. asbestos, lead-based paint) or household waste (e.g. construction and demolition debris, pesticides/herbicides, white goods).
24. All activities must comply with applicable federal, state, and local laws and regulations regarding lead-based paint, including but not limited to HUD's lead-based paint regulations in 24 CFR Part 35 Subparts B, H, and J.

FINDING:

◉ **Finding of No Significant Impact (FONSI) [24 CFR 58.40(g)(1); 40 CFR 1508.27]**
(The project will not result in a significant impact on the quality of the human environment.)

○ **Finding of Significant Impact [24 CFR 58.40(g)(2); 40 CFR 1508.27]**
(The project may significantly affect the quality of the human environment.)

Funding Information

Grant Number	HUD Program	Funding Amount
B-13-DS-34-0001	*Stronger New Jersey Small Business Loan (SBL)*	*$4,500,000.00*
		$0.00
		$0.00

Estimated Total HUD Funded Amount:

$4,500,000.00

Estimated Total Project Cost [24 CFR 58.32(d)]: (HUD and non-HUD funds)

$5,000,000.00

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

The proposed project would assist the community in the recovery from Superstorm Sandy and involves rebuilding the Mad Hatter, a restaurant, sports bar and nightclub, located on an approximately 0.1435-acre lot located at 10 East Ocean Avenue, in Sea Bright, Monmouth County, New Jersey (see SBL619239_ProjectLocationMap and SBL619239_TaxCard). The Mad Hatter, a three-story structure containing a restaurant, a sports bar, a nightclub, an office, storage rooms, and two apartments, sustained substantial wind, flood and ocean surge damage from

Superstorm Sandy. There is approximately $1,200,000 in covered building damage, and the structure needs to be raised to adhere to the new Federal Emergency Management Agency (FEMA) V-Zone requirements, Advisory Base Flood Elevations (ABFE) and current hurricane codes. The Mad Hatter rebuild will involve the demolition of the current structure and construction of a new four-story sustainable structure elevated by piles/columns. The rebuild will include an elevator, restaurant, sports bar, a stage for local bands, an office, a kitchen, and a large outdoor area with a banquet/party room. In addition, the pile/column construction during rebuild will elevate the business floors of the Mad Hatter allowing for the parking of seven automobiles beneath the business floors (see SBL619239_NJDEPEnvironmentalandHistoricReviewApplication). The purpose of the proposed project is to restore the Mad Hatter commercial establishment to full operation.

The Stronger New Jersey Business Loan (SBL) program provides loans to small businesses and non-profits that were impacted by Superstorm Sandy for rehabilitation and reconstruction projects to expand businesses within storm-impacted communities and contribute to economic revitalization throughout New Jersey. Sea Bright is located in one of the nine most storm-impacted counties and is a storm-impacted municipality with a commercial district that is integrated within its residential neighborhoods. The Central Business District of Sea Bright Borough is located near the geographic center of the Borough on both sides of Ocean Avenue (Route 36) between the Shrewsbury River Bridge to the north and Osborne Place to the south. The majority of the Borough's working population works outside of the community and travels fairly long distances to employment centers in northern New Jersey and New York.

The new Mad Hatter structure will be designed to resemble a residential building in an effort to fit in with the town appeal. The outdoor area on the street level will include an area where residents and visitors can park their vehicles or secure their bikes while dining or enjoying the beach. Upon completion, the Mad Hatter would be able to hire approximately 75 to 100 new employees. The proposed project is needed to address damage from Superstorm Sandy, in particular to commercial businesses, to provide employment opportunities to residents and restore the appearance and appeal of this commercial area of Sea Bright.

Description of the Proposed Project [24 CFR 50.12 & 58.32, 40 CFR 1508.25]: (Include all contemplated actions that are logically either geographically or functionally a composite part of the project, regardless of the source of funding. As appropriate, attach maps, site plans, renderings, photographs, budgets, and other descriptive information.)

The proposed action involves the demolition of the three-story, storm-damaged building that currently houses the Mad Hatter restaurant, sports bar and nightclub, as well as two residential apartments on the approximately 0.1435-acre lot located at 10 East Ocean Avenue, in Sea Bright, Monmouth County, New Jersey (see SBL619239_ProjectLocationMap and SBL619239_TaxCard). The project structure was constructed in phases over a period of years ranging from 1891 through 1907 (based on review of historic aerial photographs and fire insurance maps). Following demolition of the current structure, the Mad Hatter will be rebuilt as a four-story sustainable structure containing an elevator, restaurant, sports bar, a stage for local bands, an office, a kitchen, and a large outdoor area with a banquet/party room. The new structure will be elevated by piles/columns allowing for the parking of seven automobiles beneath the business floors. Based on the application materials, all work will be done within the existing footprint of the project site (see SBL619239_NJDEPEnvironmentalandHistoricReviewApplication). It is anticipated that the new facility will be open 7 days a week from 11:00 am to 2:00 am.

Existing Conditions and Trends [24 CFR 58.40(a)]: (Describe the existing conditions of the project area and its surroundings, and the trends likely to continue in the absence of the project.)

The Borough of Sea Bright is a small, coastal community located in the northeastern corner of Monmouth County

bounded to the north by the Gateway National Park at Sandy Hook, to the east by the Atlantic Ocean, to the south by the Borough of Monmouth Beach, and to the west by the Shrewsbury and Navesink Rivers. The Borough is long and narrow, approximately four miles in length with an average width of less than one quarter mile and is almost completely developed with only a small amount of vacant, developable land. The Borough is largely residential with a number of resort-oriented recreational uses with condominiums, townhouses and other multi-family development dominating Sea Bright's land use. Restaurants, marinas, beach clubs, and cabanas are present among the residential uses. The Central Business District of Sea Bright Borough is located near the geographic center of the Borough on both sides of Ocean Avenue (Route 36) between the Shrewsbury River Bridge to the north and Osborne Place to the south. The majority of the Borough's working population works outside of the community and travels fairly long distances to employment centers in northern New Jersey and New York. During the 2013 season, the Mad Hatter's restaurant was open for business in a limited capacity by operating out of the facility's patio and an 800-square foot indoor area and serving food with the assistance of mobile trailers for kitchen and refrigeration space as the majority of indoor space was not usable due to the storm damage. In 2014, the establishment operated as a bar during the summer season and closed for the winter season. In the absence of the proposed project, it is possible that the Mad Hatter will no longer be open for business or if open, continue to operate in a limited capacity as the majority of the indoor building space is not usable due to storm damage.

PART I: STATUTORY CHECKLIST [24 CFR 50.4, 24 CFR 58.5]

DIRECTIONS – For each authority, check either Box "A" or "B" under "Status."

"A box" The project is in compliance, either because: (1) the nature of the project does not implicate the authority under consideration, or (2) supporting information documents that project compliance has been achieved. In either case, information must be provided as to WHY the authority is not implicated, or HOW compliance is met; OR

"B box" The project requires an additional compliance step or action, including, but not limited to, consultation with or approval from an oversight agency, performance of a study or analysis, completion of remediation or mitigation measure, or obtaining of license or permit.

IMPORTANT: Compliance documentation consists of verifiable source documents and/or relevant base data. Appropriate documentation must be provided for each law or authority. Documents may be incorporated by reference into the ERR provided that each source document is identified and available for inspection by interested parties. Proprietary material and studies that are not otherwise generally available for public review shall be included in the ERR. Refer to HUD guidance for more information.

Statute, Authority, Executive Order, Regulation, or Policy cited at 24 CFR §50.4 & §58.5	STATUS	Compliance Documentation

1. Air Quality [Clean Air Act, as amended, particularly sections 176(c) & (d), and 40 CFR 6, 51, 93]	○ A ◉ B	*The proposed project is in compliance. Of the applicable activities, it involves demolition and new construction but not acquisition of undeveloped land, change of land use, or major rehabilitation.* *According to the U.S. Environmental Protection Agency (USEPA), Monmouth County has been designated a nonattainment or maintenance area for five National Ambient Air Quality Standards (NAAQS) (see SBL619239_USEPANonAttainmentMaintenanceforNAAQS):* *• a moderate nonattainment area for 8-hour ozone (1997 Standard)* *• a marginal nonattainment area for 8-hour ozone (2008 Standard)* *• a non-classified maintenance area for carbon monoxide (1971 Standard)* *• a maintenance area of particulate matter (PM2.5) (2006 Standard)* *• a maintenance area for particulate matter (PM2.5) (1997 Standard)* *Emissions associated with the proposed project are estimated to be well below the threshold when compared to the federal General Conformity Rule de minimis thresholds.* *There will be temporary, unavoidable increases in particulate matter levels during the proposed repairs and rehabilitation of the building. While air quality may be temporarily affected during improvement activities, the proposed project will adhere to state air quality standards (N.J.A.C. 7:27-1 et seq.). Air quality effects will be mitigated to the extent feasible.* *The Division of Air Quality (DAQ) has revised the General Conformity Applicability Analysis for the DCA, HUD Community Development Block Grant for Disaster Recovery (CDBG-DR) for the Hurricane Sandy recovery efforts according to a memorandum from the DAQ dated January 23, 2014 (see SBL619239_RevisedGeneralConformityApplicability). The general conformity analysis is required by the Clean Air Act and Federal Regulation (40 CFR Part 93, (Subpart B)). This revision is due to updated information received from the Sandy Recovery Environmental and Historic Preservation Review Program regarding commercial construction activities associated with the CDBG-DR, which were not assessed in the original environmental assessment. The revised estimated air emissions, including the air emissions related to commercial construction activities, continue to remain well below the Federal General Conformity regulation's de minimis thresholds and are presented to conform to the State Implementation Plan (SIP).* *To avoid adverse air quality impacts, compliance with the regulatory requirements of New Jersey's Air Rules continues to remain in effect. Activities must still meet the State's Air Pollution Control requirements, e.g., obtaining permits when necessary, adherence to idling limitations, and implementation of all reasonable measures to mitigate dust and fugitive emissions from demolition and construction.*

2. Airport Hazards (Clear Zones and Accident Potential Zones) [24 CFR 51D]	◉ A ○ B	*The proposed project is in compliance. Of the applicable activities, it involves new construction but not acquisition for construction, change in land use, increase in density, or major rehabilitation.* *The restrictions on construction and major rehabilitation of structures in runway protection zones (formerly called runway clear zones) apply to civil airports (24 CFR 51.303). Civil airports are defined as commercial service airports designated in the Federal Aviation Administration's National Plan of Integrated Airport Systems (NPIAS) (24 CFR 51.301(c)). Within the 9 counties most impacted by Superstorm Sandy, the only New Jersey airports listed as commercial service airports in the current NPIAS are Newark Liberty International Airport in Essex and Union Counties and Atlantic City International Airport in Atlantic County. Runway protection zones extend up to half a mile from the ends of runways along flight paths, and become wider as distance from the runway increases. Newark Liberty International Airport is located approximately 24 miles to the northwest of the project location, and Atlantic City International Airport is located approximately 69 miles to the southwest of the project location (see SBL619239_AirportHazardsMap).* *HUD regulations also include restrictions on construction and major rehabilitation in clear zones and accident potential zones associated with runways at military airfields (24 CFR 51.303). The only military airfield in New Jersey with clear zones and accident potential zones subject to these restrictions is the Lakehurst Naval Air Station. The clear zones and accidental potential zones associated with the Lakehurst Naval Air Station are located in Burlington County and Ocean County. Consequently, the proposed project is not located within an airport clear zone or the Lakehurst Accident Potential Zone, which is located approximately 27 miles southwest of the proposed project location (see SBL619239_AirportHazardsMap).*
3. Coastal Zone Management [Coastal Zone Management Act sections 307(c) & (d)]	◉ A ○ B	*The proposed project is in compliance. Of the applicable activities, if involves new construction but not acquisition of undeveloped land, change of land use, or major rehabilitation.* *Per the New Jersey Department of Environmental Protection's (NJDEP) HUD Environmental Review Tool, the proposed project is located within the Coastal Area Facility Review Act zone (see SBL619239_CoastalZoneManagementMap). However, the NJDEP Division of Land Use Regulation (DLUR) has determined that the action does not require a Coastal Wetlands permit or permits under the Coastal Permit Program and that no additional consultation or approval is required (see SBL619239_ DLURCoastalJurisdictionalDetermination). In addition, DLUR determined that the project is presumed to be consistent with the New Jersey Coastal Zone Management Program and a Water Quality Certificate is authorized.* *The project is not located within the regulated boundaries of the Upland Waterfront Development Zone or the Hackensack Meadowlands and permits pursuant to these applicable statures are not required (see SBL619239_CoastalZoneManagementMap).*

4. Contamination and Toxic Substances [24 CFR 50.3(i) & 58.5(i)(2)]	◉ A ○ B	*Of the applicable activities, it involves demolition and new construction but not acquisition, change of use to residential, rehabilitation, leasing, or construction or improvements to infrastructure.* *HUD policy requires that the proposed site and adjacent areas be free of hazardous materials, contamination, toxic chemicals and gases, and radioactive substances, where a hazard could affect the health and safety of occupants of the property or conflict with the intended use of the property.* *To identify sites near the proposed project location that have hazardous materials, contamination, toxic chemicals, gases and radioactive substances as specified in 24 CFR 58.5(i), a review of the NJDEP's HUD Environmental Review Tool was conducted. This review identified that the project location is not within the 3,000-foot radius of any "threatening" sites (see SBL619239_ContaminationandToxicSubstancesMap).* *The parcel may be within the 3,000 foot radius of a Hazardous Waste cleanup site, Landfill, solid waste cleanup site or Hazardous Waste facility that handles hazardous materials or toxic substances; however, all sites that were determined by NJDEP to be "non-threatening" to the potential HUD project are not depicted on the map. Only sites determined to be "threatening" by the NJDEP are depicted on the map.* *The site reconnaissance performed on March 10, 2015, revealed no visible recognized environmental conditions (RECs) in the vicinity of the proposed project. There were no obstacles to identification of RECs. In addition, the proposed project site is not listed on a State or Federal Hazardous Waste sites database (see SBL619239_ContaminationandToxicSubstancesMap).* *All solid waste materials must be managed and transported in accordance with the state's solid and hazardous waste rules.* *Asbestos* *As the project structure was constructed in phases over a period of years ranging from 1891 through 1907 (based on review of historic aerial photographs and fire insurance maps; see SBL619239_SHPOResponse), asbestos is assumed to be present and is a potential concern. All activities must comply with applicable federal, state, and local laws and regulations regarding asbestos, including but not limited to the National Emission Standard for Asbestos, standard for demolition and renovation, 40 CFR 61.145; National Emission Standard for Asbestos, standard for waste disposal for manufacturing, fabricating, demolition, and spraying operations at 40 CFR 61.150; and NJAC 7:26-2.12-Generator requirements for disposal of asbestos containing waste materials; New Jersey Asbestos Control and Licensing Act, N.J.S.A. 34:5A-32 et seq. A survey of the existing building will be completed prior to initiation of demolition activities to determine if the building has any asbestos-containing materials.* *Lead* *As the project structure was constructed in phases over a period of years ranging from 1891 through 1907 (based on review of historic aerial photographs and fire insurance maps; see SBL619239_SHPOResponse), lead-based paint is assumed to be present and is a potential concern. The applicant must comply with all laws and regulations concerning the proper handling, removal and disposal of hazardous materials (e.g., asbestos, lead-based paint) or household waste (e.g., construction and demolition debris, pesticides/herbicides, white goods). In accordance with 24 CFR Part 35.155(a)(1), any property constructed prior to January 1, 1978 is required to comply with applicable federal, state ,and local laws and regulations regarding lead-based paint, including but not limited to HUD's lead-based paint regulations in 24 CFR Part 35 Subparts B, H, and J. A survey of the building will be completed to determine if lead-based painted materials are present within the structure.* *Radon* *No testing or mitigation is required for structures that are in areas with ranks of Tier 3 or Tier 2. Because the project is located in a Tier 3 area, no radon testing or mitigation is required (see SBL619239_RadonPotentialMap).*

5. Endangered Species [Endangered Species Act of 1973, particularly section 7; 50 CFR 402]	◉ A ○ B	*The proposed project is in compliance. Of the applicable activities, it involves demolition and new construction but not major rehabilitation, acquisition of undeveloped land, or change of land use.* *The environmental review considered potential impacts of the HUD-assisted project to threatened and endangered (T and E) species and, for animals, critical habitats. The review evaluated potential impacts not only to any listed, but also to any proposed or candidate endangered or threatened species and critical habitats. Projects that affect T and E species or critical habitats require consultation with the U.S. Fish and Wildlife Service (USFWS) and/or the National Marine Fisheries Service (NMFS), in compliance with the procedure of Section 7 of the Endangered Species Act.* *The NJDEP ArcGIS Screening Tool Centroid layer indicates that federally and state-listed T and E species are not documented on the subject property. Review of the individual NJDEP HUD Environmental Review Tool layers for piping plover, red knot and bats (northern long-eared bat) indicate that these species are not present on the project site or immediately surrounding properties (see SBL619239_EndangeredSpeciesMap). As a result, coordination with the NJDEP Division of Fish and Wildlife, Endangered Species Program (ENSP) was not required.* *Consultation with the NJDEP State Forestry Services – Natural Heritage Program (NHP) determined, in the Table 1: On Site Data Request Search Results under the Rare Plants/Ecological Communities Possibly On Site category, that no rare plant species, ecological communities or rare wildlife species or wildlife habitat are documented on the proposed project site. In Table 2: Vicinity Data Request Search Results, under the Rare Plants/Ecological Communities within the Vicinity category, one rare plant species/ecological community (seabeach amaranth) is documented in the immediate vicinity (one quarter mile) of the proposed project. NHP determined that with regard to wildlife species and habitats, four foraging habitats (black-crowned night-heron, common tern, least tern and osprey), one nesting habitat (Osprey), three live individual sightings (fin whale, humpback whale and North Atlantic right whale), and one occupied habitat (Atlantic leatherback) are located within the immediate vicinity (one quarter mile) of the proposed project (see SBL619239_NJDEPNaturalHeritageProgramResponse). The project will not impact these species because the project activities do not threaten their habitats.* *The USFWS IPaC landscape explorer tool was used to generate a list of any federally listed endangered species on the project site or in the project vicinity (see SBL619239_IPaCResults). Results of this screening indicate that no critical habitats are located on the project site or in the project vicinity. The IPaC tool identified two T and E species, piping plover and seabeach amaranth, in the project vicinity. However, based on review of the NJDEP ArcGIS Screening Tool Centroid layer, NJDEP HUD Environmental Review Tool layers and consultation with NJDEP NHP, piping plover and seabeach amaranth are not located on the project site, and the project will not affect these species. In addition, the IPaC tool identified seven migratory birds on or within the vicinity of the proposed project site. Because tree cutting and vegetation removal are not part of the proposed project activity, the project will not affect migratory birds.*
6. Environmental Justice [Executive Order 12898]	◉ A ○ B	*The proposed project is in compliance. Of the applicable activities, it involves demolition and new construction but not acquisition, change of land use, major rehabilitation, or an adverse impact or condition with respect to an environmental issue.* *The thresholds for minority and low-income populations in New Jersey are 48.52 percent (urban areas) and 18.58 percent, respectively. The project area covers Census blocks that include environmental justice communities. The project area contains Census tracts and blocks with low environmental justice communities, i.e., minority populations ranging from approximately 0 percent to 10 percent and populations below poverty level ranging from approximately 0 percent to 10 percent (see SBL619239_EnvironmentalJusticeMap PercentMinority and SBL619239_Environmental JusticeMapPercentBelowPoverty).* *The project would not generate adverse resource or health effects or adversely impact residential, commercial, or community facilities or services that may be of importance to environmental justice communities. The project would not generate disproportionately high and adverse environmental impacts on environmental justice communities (see SBL619239_EnvironmentalJusticeChecklist).*

7. Explosive and Flammable Operations [24 CFR 51C]	◉ A ○ B	*The proposed project is in compliance. Of the applicable activities, it involves a project for commercial use involving new construction but not a residential project involving new construction, rehabilitation where unit density is increased, change of land use to residential, vacant buildings made habitable or any project for industrial, institutional or recreational use, when the activity is new construction or any project for industrial, commercial, institutional or recreational use, when the activity is change of land use.* *The definition of "HUD-assisted project" at 24 CFR 51.201 is predicated on whether the proposed project increases the number of people exposed to hazardous operations. As this project involves a project for commercial use involving new construction, it may result in such an increase. Review of aerial photography and field reconnaissance of the project location and its surrounding areas (up to one mile radius) did not identify any large stationary aboveground tanks within a one-mile radius of the project or any stationary aboveground tanks within 1,000 feet of the project (see SBL619239_ExplosiveandFlammableOperationsMap). Therefore, the proposed project and its activities are in compliance.*
8. Farmland Protection [Farmland Protection Policy Act of 1981, particularly section 1504(b) & 1541; 7 CFR 658]	◉ A ○ B	*The proposed project is in compliance. Of the applicable activities, it involves new construction but not acquisition of undeveloped land, conversion of undeveloped land or site clearance.* *Review of the NJDEP's HUD Environmental Review Tool indicated that the property involved in the proposed project does not include prime farmland or farmland of unique importance as identified by the U.S. Department of Agriculture, Natural Resources Conservation Service (NRCS, formerly the Soil Conservation Service) or farmland of statewide importance (see SBL619239_FarmlandProtectionMap). Review of the Sea Bright Master Plan dated April 1989 indicated that the property involved in the proposed project is zoned Commercial (see SBL619239_SeaBrightMasterPlan). Therefore, the property involved in the proposed project consists of "land already in or committed to urban development" within the meaning of 7 CFR 658.2(a), and is therefore not farmland for the purposes of the Farmland Protection Policy Act.*

9. Floodplain Management [24 CFR 55; Executive Order 11988, particularly section 2(a)]	○ A ◉ B	*The proposed project is in compliance. Of the applicable activities, it involves building construction, but does not include rehabilitation or repair, acquisition, disposition, financing or leasing existing building or construction of or improvements to infrastructure.* *The presence of a Special Flood Hazard Area (100-year floodplain, zones A or V) was determined by using the NJDEP's HUD Environmental Review Tool with the Federal Emergency Management Agency (FEMA) Preliminary Flood Insurance Rate Map (FIRM) layer applied. Per the NJDEP's HUD Environmental Review Tool, it has been determined that a portion of proposed action (western half of the parcel) is located in a 100-year floodplain (AE zone) while the remainder of the proposed action (eastern half of the parcel) is not located within a Special Flood Hazard Area. The proposed project is not located within a floodway. The FEMA Preliminary FIRMs layer is the first "best available information" in the screening tool (see SBL619239_FloodplainManagementMap).* *Per the FEMA National Flood Insurance Program FIRM Map for Monmouth County, New Jersey (All Jurisdictions), Panel 201 of 457, Map Number 34025C0201F, dated September 25, 2009, the entire proposed project area, approximately 0.1435 acres, is located within the 100-year floodplain (AE zone) (see SBL619239_FIRM34025C0201F).* *An 8-step floodplain analysis is being conducted to determine whether the proposed project would have adverse effects on the floodplain. The results of the 8-step floodplain analysis indicate that there are no practicable alternatives to the proposed project. An early public notification was posted on March 27, 2015, with a comment period of 15 days. No comments were received (see SBL619239_8-StepFloodplainAnalysis). Steps 7 and 8 of the 8-Step process are not yet completed, but will be as follows:* *Step 7: Determination of No Practicable Alternative* *A final public notice will be published in accordance with 24 CFR Part 55 for a minimum of 7-day comment period. The notice shall state the reasons why the project must be located in the floodplain, provide a list of alternatives considered, and all mitigation measures to be taken to minimize adverse impacts and preserve natural and beneficial floodplain values. All comments received during the comment period will be responded to and fully addressed prior to funds being committed to the proposed project, in compliance with Executive Order 11988 or 24 CFR Part 55.* *Step 8: Implement the Proposed Action* *Implementation of the proposed action may require additional local and state permits, which could place additional design modifications or mitigation requirements on the project.* *NFIP flood insurance is required as the project activity involves construction of a structure within a FEMA-identified Special Flood Hazard Area.* *Per DLUR, as this project will take place within a tidal floodplain regulated under the Flood Hazard Area Control Act rules at N.J.A.C. 7:13-1.1, reconstruction and elevation projects within the same footprint may qualify for a Flood Hazard Area permit permit-by-rule provided the criteria at N.J.A.C. 7:13-7.2(a)3 is met (see SBL619239_DLURFloodHazardAreaDetermination).*

10. Historic Preservation [National Historic Preservation Act of 1966, particularly sections 106 & 110; 36 CFR 800]	◉ A ○ B	*The proposed project is in compliance. Of the applicable activities, it involves demolition, new construction and ground disturbance, but not rehabilitation, repair, acquisition, or disposition.* *The project involves a small business loan to finance the demolition and reconstruction of a commercial building that has been a bar and restaurant since some years before Hurricane Sandy struck in 2012. The property is comprised of what were originally two adjacent buildings, both constructed after 1891 and before 1907 (based on review of historic aerial photographs and fire insurance maps; see SBL619239_SHPOResponse), that are now treated as a single structure. These buildings occupy a lot measuring 50 by 125 feet (0.1435 acre) on the Sandy Hook Peninsula, a barrier island. The lot is not located in or adjacent to any area of known archeological sensitivity, and desktop historical background research documented that extensive ground disturbance had likely occurred there. A review by Secretary of the Interior (SOI)-qualified archeologist Christopher L. Borstel, Ph.D., RPA, determined that the proposed undertaking meets Programmatic Agreement (PA) Tier II Allowance I ("Barrier Islands..."), making it "exempt from archeological review by the New Jersey State Historic Preservation Office" (HPO). The property is located within or in the vicinity of the putative Downtown Sea Bright Historic District, an area identified during a joint HPO-Federal Emergency Management Agency (FEMA) windshield survey on 11/29/2012 (HPO Proj. No. 13-0251-1; Log No. L2013-078—HPO concurrence 12/13/2012) (see SBL619239_HistoricPreservationExemptionZoneMap). Through consultation concerning potential historic architectural issues, HPO concluded that the "property does not appear to be located within an area that retains sufficient integrity to contribute to a potential historic district" and that it is not individually eligible for the National Register of Historic Places (NRHP). HPO consequently reached a finding of No Historic Properties Affected for the proposed undertaking (HPO Proj. No. 15-1774; Log No. C2015-213—HPO letter of 3/23/2015). The application is therefore in compliance with Section 106 of the National Historic Preservation Act (NHPA) and related laws and regulations. See SBL619239_SHPOResponse.*
11. Noise Abatement and Control [Noise Control Act of 1972, as amended by the Quiet Communities Act of 1978; 24 CFR 51B]	◉ A ○ B	*The proposed project is in compliance. It does not involve any of the applicable activities: acquisition, conversion, or new construction for residential or other noise-sensitive developments such as hospitals, nursing homes, day care, community centers, etc. and does not involve reconstruction or rehabilitation projects where residential density is being increased.* *Per HUD directive, 24 C.F.R. Part 51B is not applicable to a disaster recovery program, including reconstruction, rehabilitation, elevation and mitigation that meets the requirements for exclusion in 24 CFR 51.101(a) (3). The regulation states that HUD noise policy does not apply to "assistance that has the effect of restoring facilities substantially as they existed prior to the disaster." The proposed project involves the demolition and reconstruction of a commercial establishment damaged during Superstorm Sandy and would improve the commercial establishment substantially as it existed prior to Superstorm Sandy.*

12. Sole Source Aquifers [Safe Drinking Water Act of 1974, as amended, particularly section 1424(e); 40 CFR 149]	◉ A ○ B	*The proposed project is in compliance. Of the applicable activities, it involves new construction but not acquisition of undeveloped land or change of land use.* *Review of the NJDEP's HUD Environmental Review Tool indicated that the proposed project is located in an area of a sole source aquifer. The New Jersey Coastal Plain aquifer system underlies the proposed project site (see SBL619239_SoleSourceAquifersMap).* *A 1996 letter from USEPA to HUD regarding project requiring sole source aquifer review by USEPA (see SBL619239_USEPASoleSourceAquiferReviewofHUDProjects) states that the following activities would not create a significant hazard to public health and are therefore generally excluded from sole source aquifer review:* *• rehabilitations or improvements to infrastructure already in place, such as water and sewer line replacement, fire hydrant installations, curb cuts, building renovations that do not involve significant expansion, street light and sign installment, road repavement, etc.* *HUD has provided guidance that EPA consultation or review is not required for new construction or rehabilitation projects that rely on municipal public water and sewer service. Consultation with EPA Region 2 is not required as long as the threshold criteria described below on sole source aquifers are not exceeded:* *1. Impervious surface coverage that does not exceed 75 percent of the site, and* *2. There is no significant runoff from the site.* *The proposed project and property are serviced by municipal water and sewer by New Jersey American Water and the Borough of Sea Bright, respectively, will not have impervious surface coverage exceeding 75 percent of the site, and will not have any significant runoff, either construction or operational, from the site. No additional impervious surface will be added to the project location. Therefore, there will not be any increase to impervious surface and the proposed project is in compliance.*
13. Wetland Protection [24 CFR 55, Executive Order 11990, particularly sections 2 & 5]	◉ A ○ B	*The proposed project is in compliance. Of the applicable activities, it involves new construction but not acquisition of undeveloped land, change of land use, or reconstruction on an expanded building footprint.* *A review of the NJDEP HUD Environmental Review Tool indicated that no coastal or freshwater wetlands are present on or adjacent to the proposed project site (see SBL619239_WetlandsProtection Map).* *Per DLUR, a Coastal Wetlands permit is not required for the proposed project as no mapped wetlands are on site, and the project will not impact freshwater wetlands and associated transition areas regulated under the Freshwater Wetlands Protection Act Rules at N.J.A.C. 7:7A (see SBL619239_ DLURCoastalWetlandsJurisdictionalDetermination).*
14. Wild and Scenic Rivers [Wild and Scenic Rivers Act of 1968, particularly section 7(b) & (c); 36 CFR 297]	◉ A ○ B	*The proposed project is in compliance Of the applicable activities, it involves new construction but not major rehabilitation, acquisition of undeveloped land, or change in land use.* *New Jersey has 262.7 river miles designated as segments of the National Wild and Scenic Rivers System, including portions of the Delaware River, Great Egg Harbor River, Maurice River, and Musconetcong River. Designated rivers also include specific segments of tributaries to these rivers as referenced in the Act. The nearest Wild and Scenic River, the Lower Delaware River, is located approximately 47 miles to the west of the proposed project site (see SBL619239_WildandScenicRiversMap). Therefore, the project is not located within one quarter mile of a Wild and Scenic River stream bank, is not within a one-mile radius of a designated Wild and Scenic River, and would not affect Wild and Scenic Rivers.*

PART II: ENVIRONMENTAL ASSESSMENT CHECKLIST [24 CFR 58.40; 40 CFR 1508.8 & 1508.27]

For each impact category, evaluate the significance of the effects of the proposal on the character, features, and resources of the project area. Enter relevant base data and credible, verifiable source documentation to support the finding. Note names, dates of contact, telephone numbers, and page references. Attach additional material as appropriate. **All conditions, attenuation, or mitigation measures have been clearly identified.**

Impact Codes:

(1) no impact anticipated
(2) potentially beneficial
(3) potentially adverse- requires documentation
(4) requires mitigation
(5) significant/potentially significant adverse impact requiring avoidance or modification which may require an Environmental Impact Statement

Impact Categories	Impact Code	Impact Evaluation, Source Documentation and Mitigation or Modification Required
Land Development		
Conformance with Comprehensive and Neighborhood Plans	*2*	*A Goal and Objective for the Borough of Sea Bright per the Sea Bright Master Plan prepared in April 1989 is to promote a desirable visual environment through creative development techniques and good civic design and arrangement, including redevelopment of the central business district within the Borough of Sea Bright. Sea Bright's Central Business District (CBD) is defined as the central portion of the Borough on either side of Ocean Avenue (Route 36) between Osborne Street and Shrewsbury Bridge. According to the Master Plan, the Borough's business district suffers from a number of design problems including inadequate and inefficient parking facilities design and no unifying architectural theme. The proposed project would address this goal/objective by demolishing the existing three-story storm-impacted Mad Hatter structure within the CBD and constructing a new sustainable commercial structure elevated by pilings/columns to allow for parking beneath the building; something that does not exist currently. Demolition and reconstruction activities will begin once the applicant receives six bulk variances from the Planning/Zoning Board of Sea Bright. The new structure will be designed to look like a residential building in an effort to unify the architectural theme of the surrounding area.*
Land Use Compatibility and Conformance with Zoning	*2*	*According to the Sea Bright Master Plan prepared in April 1989, the project is zoned Commercial and is located within the Borough's CBD. The proposed project involves demolition of the existing three-story building that currently houses the Mad Hatter restaurant, sports bar, and nightclub, as well as two residential apartments located at 10 East Ocean Avenue in Sea Bright, Monmouth County. Following demolition of the current structure, the Mad Hatter will be rebuilt as a four-story structure containing a parking area, elevator, restaurant, sports bar, stage for local bands, office, kitchen, and a large outdoor area with a banquet/private party room. The project requires six bulk variances from the Planning/Zoning Board of Sea Bright. This new commercial establishment will serve residents and visitors of the community and is an appropriate land use for this district.*

Urban Design-Visual Quality and Scale	*2*	*The proposed work would improve visual quality relative to current conditions by replacing the existing storm-damaged structure with a new four-story structure containing a parking area, elevator, restaurant, sports bar, stage for local bands, office, kitchen, and a large outdoor area with a banquet/private party room. The new structure will be designed to look like a residential building in an effort to unify the architectural theme of the surrounding area and enhance the visual quality of the surrounding neighborhood. The scale of the four-story building would be consistent with the scale of other adjacent commercial properties.*
Slope	*1*	*The project parcel and surrounding area are generally flat in topography; therefore, the proposed project would not impact steep slopes.*
Erosion	*1*	*According to the US Department of Agriculture (USDA) Web Soil Survey, the proposed project site is on 0 to 8 percent slope soils. Because the project site is relatively flat and was previously developed for commercial use, erosion is not expected to affect the proposed project and is generally addressed during the local permitting process.*
Soil Suitability	*1*	*Review of the USDA Web Soil Survey identified the majority of the proposed project site as being underlain by Udorthents-Urban land complex, 0 to 8 percent slopes soil. The parent material of the Udorthents soil type is described as "fill and/or disturbed original soil material". The parent material of the Urban Land soil type is described as "surface covered by pavement, concrete, buildings, and other structures underlain by disturbed and natural soil material". This soil type is not classified as prime farmland. Documentation supporting this finding is presented in SBL619239_USDASoilMap and SBL619239_FarmlandProtectionMap.* *Because the project site was previously developed for commercial use, it can be concluded that soils are suitable for commercial redevelopment. If unsuitable soils have caused structural problems for previous structures on the project site, this would generally be addressed during local permitting process.*
Hazards and Nuisances, Including Site Safety	*1*	*The proposed project site is currently occupied by the storm-damaged Mad Hatter structure. The redevelopment of this parcel would eliminate nuisances associated with semi-occupied or semi-operational buildings, thereby enhancing the local neighborhood. Site safety can be managed through the use of construction best management practices (BMPs) (i.e., perimeter fencing).*
Drainage/Storm Water Runoff	*4*	*The Borough of Sea Bright is required by applicable permits to manage stormwater runoff from construction activities and municipal stormwater systems (MS4 regulations, N.J.A.C. 7:14A et seq.). The proposed project would result in temporary soil disturbances during construction of the new four-story restaurant and bar on the project site. Implementation of best management practices (BMPs) and the requirements under stormwater discharge permits with oversight by local soil conservation districts will minimize any potential short-term impacts (see Conditions for Approval). Furthermore, the site plan approval process will address any drainage/stormwater runoff concerns.*

Noise-Effects of Ambient Noise on Project & Contribution to Community Noise Levels	*4*	*The proposed demolition and construction activity at the project site would cause temporary increases in noise levels at nearby residences. Noise impacts would be mitigated to the extent feasible (see Conditions for Approval).*
Energy Consumption	*1*	*Jersey Central Power and Light provides electric utilities to the project site. Some energy would be consumed in implementing the proposed project; however, the project would replace the existing storm-damaged Mad Hatter building on the project site. Furthermore, the proposed project will substantially reduce the facility's energy consumption that was previously caused by energy inefficient appliances. Therefore, the implementation of the proposed project is not expected to substantially increase long-term energy consumption.*
Socioeconomic Factors		
Demographic Character Changes	*1*	*According to 2010 census data, the proposed project is not located in a high diversity area (see SBL619239_DemographicCharacterChanges). The project will replace the current Mad Hatter building that was damaged during Superstorm Sandy with a new commercial structure to be occupied by the Mad Hatter. No impacts to the demographic character of the area are anticipated.*
Displacement	*1*	*The Mad Hatter structure currently located on the project site contains two residential apartment units, which are currently vacant. Because the project site's apartment units are vacant, no residents will be displaced.*
Employment and Income Patterns	*2*	*2009 to 2013 census data shows that the Borough of Sea Bright has a lower unemployment rate and higher income level when compared to the state as a whole (see SBL619239_EmploymentandIncomePatterns). The proposed project would provide a temporary boost to the construction industry, and when completed, the establishment anticipates hiring approximately 75 to 100 new employees. Therefore, the proposed project is anticipated to benefit employment and income patterns.*
Community Facilities and Services		
Educational Facilities	*1*	*Because the proposed project does not involve the addition of residences, adverse impacts to educational facilities are not anticipated.*
Commercial Facilities	*1*	*Because the proposed project does not involve the addition of residences, no impact to commercial facilities is anticipated.*
Health Care	*1*	*Because the proposed project does not involve the addition of residences, impacts to regional health care are not anticipated.*
Social Services	*1*	*Because the proposed project does not involve the addition of residences, impacts to social services are not anticipated.*

Solid Waste Disposal/Recycling	*1*	*Trash and recycling services are provided by the Borough of Sea Bright's Public Works Department. The proposed project would result in the generation of construction waste, which is expected to be within the capacity of the current service providers. Because the proposed project involves operation of a new restaurant and sports bar structure on a parcel currently occupied by the Mad Hatter restaurant and sports bar, the proposed project would have a minimal impact on the demand for solid waste disposal/recycling services.*
Waste Water/Sanitary Sewers	*1*	*Because the proposed project involves operation of a new restaurant and sports bar structure on a parcel currently occupied by the Mad Hatter restaurant and sports bar, the proposed project would have a minimal impact on the demand for wastewater/sanitary sewer systems. All publicly owned and operated waste water and sanitary sewer systems in the project area are in operation and are assumed to have sufficient capacity for a development of this size.*
Water Supply	*1*	*Water services are provided through New Jersey American Water. Because the proposed project involves operation of a new restaurant and sports bar structure on a property that is currently occupied by the Mad Hatter restaurant and sports bar, the proposed project would have a minimal impact on the demand for water supply. All publicly owned and operated drinking water supplies in the project area are in operation and are assumed to have sufficient capacity for a development of this size.*
Public Safety: • Police • Fire • Emergency Medical	*1*	*The Borough of Sea Bright's Police Department headquarters and Fire Department are located at 1099 East Ocean Avenue, approximately 0.04 miles from the project location. Because the proposed project involves the construction and operation of a new restaurant and sports bar structure on a property that is currently occupied by the Mad Hatter restaurant and sports bar, it is expected to have a minimal impact on the demand for police protection, fire protection, and emergency medical services.*
Parks, Open Space & Recreation: • Open Space • Recreation	*1*	*The Borough of Sea Bright has seven free public beach access ways along Ocean Avenue which are clearly identified by signage. One of these beach access ways is located off of Wayne Avenue, to the southeast of the project site. Because the proposed project involves the construction and operation of a restaurant and sports bar, it would have no impact on open space but a potentially beneficial impact on recreation as the proposed facility, which will include a street-level outdoor area with bike parking for patrons while dining or enjoying the beach, would encourage recreation within the surrounding neighborhood and beach areas.*
Cultural Facilities	*1*	*Because the proposed project involves the construction of a restaurant and sports bar, it would have no impact on cultural facilities.*

Transportation & Accessibility	*2*	*The proposed project would have a minor and temporary increase in construction traffic during the demolition and reconstruction of the current restaurant and sports bar. While users of the restaurant and sports bar, as well as local residents, users of neighboring commercial establishments and visitors, may impact transportation through the use of public transportation and personal vehicles, those impacts are expected to be minor because the proposed project involves construction of a new restaurant and sports bar structure on a parcel currently occupied by the storm-damaged Mad Hatter restaurant and sports bar. The new restaurant and sports bar structure will be elevated by pilings/columns to allow for parking for seven automobiles beneath the building; something that does not exist currently. Therefore, the provision of off-street parking for patrons traveling to the establishment by automobile is potentially beneficial with respect to accessibility.*
Natural Features		
Water Resources	*1*	*The proposed project would not pose a significant threat to groundwater or other water resources. The project is consistent with the applicable regulations for Wetlands Protection, Coastal Zone Management, Floodplain Management and Sole Source Aquifers, which are protection of water resources of the State (see above findings).*
Surface Water	*1*	*The proposed project would not pose a significant threat to surface water. The project does not include any work in surface waters and there will be no discharges to surface water.*
Unique Natural Features & Agricultural Lands	*1*	*The proposed project would have no effect on unique natural features or agricultural land. None of the proposed activities would occur on agricultural land. No sites listed on the National Registry of Natural Landmarks are present in the vicinity of the proposed project.*

Vegetation and Wildlife	*1*	*The activities associated with the proposed project are not expected to generate long-term adverse impacts on vegetation or wildlife.* *No threatened or endangered species (piping plover, red knot and bats), state-listed endangered species, or federally listed endangered species were identified on the project site based on a review of the NJDEP's HUD Environmental Review Tool (see SBL619239_EndangeredSpeciesMap). As a result, coordination with the NJDEP ENSP was not required.* *Consultation with the NJDEP NHP determined, in the Table 1: On Site Data Request Search Results under the Rare Plants/Ecological Communities Possibly On Site category, that no rare plant species, ecological communities or rare wildlife species or wildlife habitat are documented on the proposed project site. In Table 2: Vicinity Data Request Search Results, under the Rare Plants/Ecological Communities within the Vicinity category, one rare plant species/ecological community (seabeach amaranth) is documented in the immediate vicinity (one quarter mile) of the proposed project. NHP determined that with regard to wildlife species and habitats, four foraging habitats (black-crowned night-heron, common tern, least tern and osprey), one nesting habitat (osprey), three live individual sightings (fin whale, humpback whale and North Atlantic right whale), and one occupied habitat (Atlantic leatherback) are located within the immediate vicinity (one quarter mile) of the proposed project (see SBL619239_NJDEPNaturalHeritageProgramResponse).* *Because the proposed project involves construction and operation of a new restaurant and sports bar on a previously developed property, any impacts to vegetation and wildlife are expected to be minimal.*

PART III: 58.6 CHECKLIST [24 CFR 50.4, 24 CFR 58.6]

1. AIRPORT RUNWAY CLEAR ZONES AND CLEAR ZONES NOTIFICATION [24 CFR Part 51.303(a)(3)]
Does the project involve the sale or acquisition of property located within a Civil Airport Runway Clear Zone or a Military Airfield Clear Zone?

☒ **No.** Cite or attach Source Documentation: [Project complies with 24 CFR 51.303(a)(3)]

The proposed project is not within any runway protection zones (formerly called runway clear zones) at airports subject to 24 CFR 58.6 or clear zones at military airfields subject to 24 CFR 58.6. See attached file SBL619239_AirportHazardsMap.

☐ **Yes.** Notice must be provided to the buyer. The notice must advise the buyer that the property is in a Runway Clear Zone or Clear Zone, what the implications of such a location are, and that there is a possibility that the property may, at a later date, be acquired by the airport operator. The buyer must sign a statement acknowledging receipt of this information, and a copy of the signed notice must be maintained in the ERR.

2. COASTAL BARRIERS RESOURCES ACT [Coastal Barrier Resources Act, as amended by the Coastal Barrier Improvement Act of 1990 (16 USC 3501)]

Is the project located in a coastal barrier resource area?

☒ **No.** Cite or attach Source Documentation: [Proceed with project]

There are nine designated units of the Coastal Barrier Resources System in New Jersey, all of which area uninhabited. The 12 "otherwise protected areas" associated with the Coastal Barrier Resources System in New Jersey are also uninhabited. The proposed project activities will not occur on designated coastal barriers or in "otherwise protected areas," and the proposed project would have no impact on coastal barrier resources. See attached SBL619239_USFWSCoastalBarrierResourcesMap.

☐ **Yes.** Federal assistance may not be used in such an area.

3. FLOOD DISASTER PROTECTION ACT [Flood Disaster Protection Act of 1973 and National Flood Insurance Reform Act of 1994 (42 USC 4001-4128 and 42 USC 5154a)]

Does the project involve acquisition, construction, or rehabilitation of structures located in a FEMA-identified Special Flood Hazard Area (SFHA)?

☐ **No.** Cite or attach Source Documentation: [Proceed with Project]

☒ **Yes.** Cite or attach Source Documentation:

The presence of a Special Flood Hazard Area (100-year floodplain, zones A or V) was determined by using NJDEP's HUD Environmental Review Tool. It has been determined that a portion of the proposed action (western portion of the parcel) is located in a 100-year floodplain, i.e., zone AE, with the FEMA Preliminary FIRMs layer applied. The remainder of the proposed action (eastern portion of the parcel) is not located within a Special Flood Hazard Area. The FEMA Preliminary FIRMs layer is the first "best available information". See attached SBL619239_FloodplainManagementMap.

Per the FEMA National Flood Insurance Program FIRM Map for Monmouth County, New Jersey (All Jurisdictions), Panel 201 of 457, Map Number 34025C0201F, dated September 25, 2009, the entire proposed project area, approximately 0.1435 acres, is located within the 100-year floodplain (AE zone) (see SBL619239_FIRM34025C0201F).

Is the community participating in the National Insurance Program (or has less than one year passed since FEMA notification of Special Flood Hazards)?

☒ **Yes. Flood Insurance under the National Flood Insurance Program must be obtained.** If HUD assistance is provided as a grant, insurance must be maintained for the economic life of the project and in the amount of the total project cost (or up to the maximum allowable coverage, whichever is less). If HUD assistance is provided as a loan, insurance must be maintained for the term of the loan and in the amount of the loan (or up to the maximum allowable coverage, whichever is less). A copy of the flood insurance policy declaration must be kept on file in the ERR.

☐ **No. Federal assistance may not be used in the Special Flood Hazard Area.**

Summary of Findings and Conclusions

Additional Studies Performed: (List the reports, studies, or analyses performed for this assessment, and attach studies or summaries.)

No additional studies were performed; however, ACM and LBP surveys will be completed prior to the initiation of demolition activities at the project site.

Field Inspection (Date and completed by):

Field inspection conducted on March 10, 2015, by Beth Williams, Tetra Tech (see SBL619239_FieldInspectionReport and SBL619239_Photolog).

List of Sources, Agencies, and Persons Consulted [40 CFR 1508.9(b)]: (List sources, agencies, and persons consulted for this assessment.)

ESRI. New Jersey Department of Environmental Protection (NJDEP) Housing and Urban Development (HUD) Environmental Review Tool 2.1. Accessed March and April 2015: http://bit.ly/1dREWkD.

Harvey S. Woskowitz, PP, PA, Community Planning and Development Consultants. Sea Bright Master Plan. April 1989.

John H. Chafee Coastal Barrier Resources System, New Jersey map. Accessed March 2015: http://www.fws.gov/CBRA/Maps/Locator/NJ.pdf

National Park Service, National Registry of Natural Landmarks. Access March 2015: http://www.natura.nps.gov.nnl/docs/NNLRegistry.pdf

New Jersey Department of Community Affairs (NJDCA), Areawide Compliance Process, Executive Order 11988 – Floodplain Management, Atlantic, Bergen, Cape May, Essex, Hudson, Middlesex, Monmouth, Ocean and Union

Counties, New Jersey.

NJDCA, Community Development Block Grant Disaster Recovery Action Plan, March 2013. Accessed March 2015: http://www.nj.gov/dca/announcements/pdf/CDBG-DisasterRecoveryActionPlan.pdf

New Jersey Department of Environmental Protection (NJDEP), Natural and Historic Resources, Historic Preservation Office. Daniel D. Saunders, letter correspondence, March 23, 2015.

NJDEP, New Jersey Natural Heritage Program, Office of Natural Lands Management. Robert J. Cartica, letter correspondence, March 19, 2015.

NJDEP, Division of Land Use Regulation, DLUR – Coastal Zone Jurisdictional Determination. Ryan J. Anderson, letter correspondence, March 26, 2015.

NJDEP, New Jersey Geological and Water Survey, Digital Geodata Series, DGS98-6 Sole-Source Aquifers of New Jersey. Accessed March 2015: http://www.njgeology.org/geodata/dgs98-6.htm

NJDEP. NJ-GeoWeb Environmental Mapping Tool. Accessed March and April 2015: http://www.state.nj.us/dep/gis/geowebsplash.htm

Programmatic Agreement Among the Federal Emergency Management Agency, the New Jersey State Historic Preservation Officer, the New Jersey State Office of Emergency Management, the Advisory Council on Historic Preservation, the Absentee Shawnee Tribe of Indians of Oklahoma, the Delaware Nation, the Delaware Tribe of Indians, the Shawnee Tribe of Oklahoma, and the Stockbridge Munsee Band of Mohicans as a Result of Hurricane Sandy.

Tetra Tech. Chris Borstel, email correspondence, March 18, 2015.

United States Department of Agriculture (USDA) Natural Resources Conservation Service, Web Soil Survey. Accessed March and April 2015: http://websoilsurvey.sc.egov.usda.gov/App/HomePage.htm

United States Census Bureau American Fact Finder. Retrieved April 2015. http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml

United States Census Bureau American Community Survey. Retrieved April 2015. http://www.census.gov/acs/www/

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USEPA, Green Book. Counties Designated "Nonattainment" or "Maintenance" for Clean Air Act's National Ambient Air Quality Standards (NAAQS). Accessed March 2015: http://www.epa.gov/oaqps001/greenbk/mapnmpoll.html

USEPA, Environmental Justice. EJView. Accessed March 2015: http://epamap14.epa.gov/ejmap/entry.html

United States Fish and Wildlife Service (USFWS), National Wild and Scenic Rivers System Interactive Map. Accessed

March 2015: www.rivers.gov/maps/conus.php

USFWS, Information, Planning, and Conservation System (IPaC). Accessed March 27, 2015: http://ecos.fws.gov/ipac/

USFWS, Official Coastal Barrier Resources System Maps. Accessed March 2015: http://www.fws.gov/CBRA/Maps/

Lists of Permits Required:

Local Construction Permits
Road access/opening – local/county road
Soil Conservation Soil Erosion and Sediment Control Plan
Site Plan Approval

Public Outreach [24 CFR 50.23 & 58.43]:

No public outreach was conducted during EA preparation.

Cumulative Impact Analysis [24 CFR 58.32]:

The proposed project, a commercial use within the Commercial Business District of Sea Bright, involves the demolition of the current Mad Hatter restaurant and sports bar and construction of a new, four-story restaurant and sports bar and is consistent with goals and objectives for the redevelopment of the Central Business District of Sea Bright as referenced within the 1989 Sea Bright Master Plan. The project may have a cumulative temporary impact on air quality, noise, and traffic during demolition and construction activities, but will have a net long-term benefit to the Central Business District and surrounding community. No other cumulative effects are anticipated.

Project Alternatives Considered [24 CFR 58.40(e), 40 CFR 1508.9]: (As appropriate, identify other reasonable courses of action that were considered and not selected, such as other sites, design modifications, or other uses of the subject site. Describe the benefits and adverse impacts to the human environment for each alternative and the reasons for rejecting it.)

This project was identified as a result of the S. Kelly Corporation / Kelly Management Group Inc. submitting a funding request application through the SBL Program for the demolition of the current Mad Hatter restaurant and sports bar and construction of a new four-story restaurant and sports bar at 10 East Ocean Avenue in Sea Bright, New Jersey. No other alternatives were considered.

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

A No Action Alternative would involve no development of the parcel and continuation of the existing environmental conditions.

Summary Statement of Findings and Conclusions:

The proposed project complies with environmental requirements for funding. The proposed project will have a net benefit on the community. The following mitigation measures are recommended to minimize any potential adverse environmental impacts and to ensure compliance is maintained.

Required Mitigation and Project Modification Measures: [24 CFR 58.40(d), 40 CFR 1505.2(c), 40 CFR 1508.20]

(Recommend feasible ways in which the proposal or its external factors should be modified in order to minimize adverse environmental impacts and restore or enhance environmental quality.)

The following mitigation measures are required as conditions for approval of the project:

General

1. Acquire all required federal, state and local permits prior to commencement of construction and comply with all permit conditions.
2. If the scope of work of a proposed activity changes significantly, the application for funding must be revised and resubmitted for reevaluation under the National Environmental Policy Act.

Drainage/Storm Water Runoff

3. Temporary soil disturbances during construction on the project site will require the applicant to implement best management practices to minimize any potential short-term impacts.
4. Applicant must comply will requirements under stormwater discharge permits with oversight by local soil conservation districts to minimize any potential short-term impacts.
5. Best management practices will be used to properly manage operational storm water runoff.

Air Quality

6. Use water or chemical dust suppressant in exposed areas to control dust.
7. Cover the load compartments of trucks hauling dust-generating materials.
8. Reduce vehicle speed on non-paved areas and keep paved areas clean.
9. Retrofit older equipment with pollution controls.
10. Establish and follow specified procedures for managing contaminated materials discovered or generated during construction.
11. Employ spill mitigation measures immediately upon a spill of fuel or other hazardous material.
12. Obtain an air pollution control permit to construct and a certificate to operate for all equipment subject to N.J.A.C. 7:27-8.2(c). Such equipment includes, but is not limited to, the following:
• Any commercial fuel combustion equipment rated with a maximum heat input of 1,000,000 British Thermal Units per hour or greater to the burning chamber (N.J.A.C. 7:27-8.2(c)1);
• Any stationary storage tank for volatile organic compounds with a capacity of 2,000 gallons and a vapor pressure of 0.02 pounds per square inch or greater (N.J.A.C. 7:27-8.2(c)9);
• Any tank, reservoir, container, or bin with capacity in excess of 2,000 cubic feet used for storage of solid particles (N.J.A.C. 7:27-8.2(c)10); and
• Any stationary reciprocating engine with a maximum rated power output of 37 kW or greater, used for generating electricity, not including emergency generators (N.J.A.C. 7:27-8.2(c)21).
13. Minimize idling and ensure that all on-road vehicles and non-road construction equipment operated at or visiting the project site comply with the applicable smoke and "3-minute idling" limits (N.J.A.C. 7:27-14.3, 14.4, 15.3 and 15.8).
14. Ensure that all diesel on-road vehicles and non-road construction equipment used on or visiting the project site use ultra-low sulfur fuel (less than 15 ppm sulfur) in accordance with the federal Non-road Diesel Rule (40 CFR Parts 9, 69, 80, 86, 89, 94, 1039, 1051, 1065, 1068).
15. Operate, if possible, newer on-road diesel vehicles and non-road construction equipment equipped with tier 4

engines, or equipment equipped with an exhaust retrofit device.

Noise

16. Outfit all equipment with operating mufflers
17. Comply with the applicable local noise ordinance

Floodplain Management and Flood Insurance

18. All proposed reconstruction, repair, and mitigation of substantially damaged structures in the 100-year floodplain must adhere to the most recent elevation requirements in accordance with the Flood Hazard Area Control Act rules (N.J.A.C. 7:13).
19. As this project will take place within a tidal floodplain regulated under the Flood Hazard Area Control Act rules at N.J.A.C. 7:13-1.1, reconstruction and elevation projects within the same footprint may qualify for a Flood Hazard Area permit permit-by-rule provided the criteria at N.J.A.C. 7:13-7.2(a)3 is met.
20. All structures funded by the Stronger New Jersey Small Business Loan Program, if in, or partially in, the 100-year floodplain shown on the latest FEMA flood maps, must be covered by flood insurance and the flood insurance must be maintained for the economic life of the structure [24 CFR 58.6(a)(1)].
21. No funding will be provided to any person who previously received federal flood disaster assistance conditioned on obtaining and maintaining flood insurance, but failed to obtain and maintain the insurance [24 CFR 58.6(b)].

Hazardous Materials

22. All activities must comply with applicable federal, state, and local laws and regulations regarding asbestos, including but not limited to the following:
• National Emission Standard for Asbestos, standard for demolition and renovation, 40 CFR 61.145
• National Emission Standard for Asbestos, standard for waste disposal for manufacturing, fabricating, demolition, and spraying operations, 40 CFR 61.150
• NJAC 7:26-2.12—Generator requirements for disposal of asbestos containing waste materials
• New Jersey Asbestos Control and Licensing Act, N.J.S.A. 34:5A-32 et seq.
23. Applicant must comply with all laws and regulations concerning the proper handling, removal and disposal of hazardous materials (e.g. asbestos, lead-based paint) or household waste (e.g. construction and demolition debris, pesticides/herbicides, white goods).
24. All activities must comply with applicable federal, state, and local laws and regulations regarding lead-based paint, including but not limited to HUD's lead-based paint regulations in 24 CFR Part 35 Subparts B, H, and J.

CERTIFICATIONS

Joe Fischl, TetraTech	2015-04-24 16:55:19
Preparer Agency and Name	Completion Date

Charles A. Richman		4/29/15
RE Certifying Officer Name	RE Certifying Officer Signature	RE CO Signature Date