



**STAFF REPORT
HOLLISTER CITY COUNCIL
MEETING DATE: January 20, 2026
REPORT # Community Development-2026-04**

AGENDA ITEM: AUTHORIZATION TO RELEASE A REQUEST FOR PROPOSALS FOR THE PREPARATION OF AN ENVIRONMENTAL DOCUMENT PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT FOR THE 851 SUNNYSLOPE ROAD PROJECT (S&A 2025-5 AND TM 2025-4)

DEPARTMENT: Community Development

DEPARTMENT HEAD: Rod Powell, Assistant City Manager

STAFF CONTACT: Erica Fraser, AICP, Consulting Senior Planner

RECOMMENDED ACTION: Approve authorization to release a request for proposals for environmental consulting services.

DISCUSSION: In 2023, the City of Hollister received a pre-application for a 174-unit multi-family residential development at 851 Sunnyslope Road. However, previously unbeknownst to the City, the Applicant chose to abandon the original application and, on November 19, 2024, instead submitted a new application for a Builder's Remedy/SB 330 (SB 330 2024-2) project.

On May 7, 2025, the Applicant further acted on the November 2024 application and filed for a Site and Architectural Review and Tentative Map under the State 'Builder's Remedy' for a new single-family residential development with 49 single-family detached dwelling units and 13 affordable, attached Accessory Dwelling Units on an 8.28-acre parcel located in the Neighborhood Mixed Use Zoning District.

In seeking to promote affordable housing through increased construction of residential housing, California's 'Builder's Remedy' provides developers with an option to pursue and build residential projects which do not meet or conform to local regulations in jurisdictions that do not have a certified 2023-2031 6th Cycle Housing Element at the time an application is submitted. At present, the City of Hollister does not currently have a certified 6th Cycle Housing Element, but continues to engage with the State and anticipates achieving full, compliant certification in July 2026.

Currently, the City's Zoning Ordinance requires projects located within the Neighborhood Mixed Use Zoning District to have a density of 25-40 units per acre and requires multi-family residential dwellings. For this site, which is 8.28 acres, the site is required to provide between 207-332 multi-family units. Conversely, the proposed Builder's Remedy project seeks to construct a development with a much lower density of 5.9 units per acre, resulting in 49 single-family units. It should be noted that ADUs are not included in the computation of density.

Following a City-initiated technical assistance review of the project with the State Department of Housing and Community Development, the City provided comments to the Applicant. In response, the Applicant has requested that the City move forward with this

project and the review of the project under the California Environmental Quality Act (CEQA).

Under CEQA, an Initial Study/Mitigated Negative Declaration and associated technical studies are required to evaluate the project for environmental impacts. The Applicant has further indicated to Staff that they may want the project to be studied with an Environmental Impact Report (EIR). An Initial Study/Mitigated Negative Declaration/Environmental Impact Report, studies, preparation of responses to comments, and attendance at public hearings will be conducted by an environmental consultant selected by the City as the scope of these actions are outside the current expertise and capacity of staff.

The City does not currently have an on-call contract for environmental services for the preparation of CEQA documents. For this reason, the project located at 851 Sunnyslope Road requires the release of a Request for Proposals (RFP) to solicit proposals from qualified firms for the preparation of the required environmental analysis. Staff has worded this RFP to request two cost proposals: one for an IS/MND and one for an EIR (as requested by the Applicant). After release of the RFP, proposals received will be reviewed by staff and a proposal will be selected by the City, with input from the Applicant. Once a consultant has been selected and the Applicant has chosen a review type (EIR or MND), staff will bring a professional services agreement forward to the City Council for final authorization prior to the start of work.

FISCAL IMPACT: All costs associated with the preparation of CEQA documentation would be paid for by the Applicant and would include the City's adopted Project management overhead cost for staff time.

PREVIOUS COUNCIL OR COMMISSION ACTION: None.

CEQA: As discussed above, the proposed residential development is subject to review under CEQA (Section 15060). The authorization to issue an RFP to solicit proposals for the environmental work is not considered a project and, therefore, is not subject to CEQA.

ATTACHMENTS:

1. RFP for 851 Sunnyslope
2. Exhibit A – Professional Service Agreement
3. Exhibit B – Proper Identification
4. Exhibit C – Ex Parte Communications