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Seahawk BESS Violates HUD Safety Standards, Threatening Tenant Displacement

PUBLIC COMMENT OBJECTING TO THE SEAHAWK BATTERY ENERGY STORAGE SYSTEM (DOCKET 26-OPT-02) – Failure to Meet Federal HUD Safety Standards, Incomplete Fire Access, and Precedent for Tenant Displacement

To the Members of the California Energy Commission,
I am writing to formally log my objection to the Application for Opt-In Certification filed by Sequoia Energy Storage 1, LLC for the proposed 200 MW / 800 MWh Seahawk Battery Energy Storage System at 90 Minto Road (Docket 26-OPT-02). The application is legally deficient and creates an unmitigated safety crisis for the neighboring HUD-assisted affordable housing complex, Schapiro Knolls at 33 Minto Road, housing 187 low-income tenants.

The CEC cannot legally approve this industrial project because it violates mandatory state fire codes and actively forces the adjacent residential property out of compliance with strict federal housing laws.

1. Incomplete Fire Protection Analysis Due to Speculative Secondary Access
The application documents filed May 27, 2026 – TN 270250, TN 270248, and TN 270249 – state that secondary emergency access relies on unexecuted, speculative agreements with adjacent landowners. Relying on plans to "enter into an agreement" without recorded, binding easements renders the application incomplete under California Fire Code (Title 24, Part 9) Chapter 5 and Appendix D. Without legally secured secondary access, the Hazard Mitigation Analysis is incomplete. The project cannot guarantee fire apparatus entry, turning capability, or civilian evacuation during a catastrophic failure.

2. Failure to Meet Federal HUD "Hazardous Facilities" Separation Laws
Because Schapiro Knolls relies on federal HUD funding, the property must adhere to strict environmental safety zones. Under federal law, the proposed BESS directly clashes with HUD requirements:

HUD Acceptable Separation Distance (ASD) (24 CFR Part 51, Subpart C): Federal law prohibits HUD-funded housing from being located within the explosive or thermal blast radius of hazardous operations involving flammables or explosives. Siting a massive 200 MW industrial lithium-ion BESS next door creates a clear violation of HUD's official safety formulas.

National Standards for Housing & Toxic Hazards (24 CFR Â§ 5.703): HUD mandates

that assisted housing must be entirely free of toxic chemicals, hazardous contamination, and severe air pollution. A BESS thermal runaway event releases lethal off-gassing (such as hydrogen fluoride). Placing this facility feet away from a dense residential zone permanently violates these mandatory health standards.

3. Clear Precedent for HUD Funding Termination and Tenant Displacement

HUD maintains zero tolerance for unmitigated environmental threats near its assets. HUD recently terminated its entire funding contract with the Olive Park Village complex due to unresolved safety hazards, displacing low-income families. Furthermore, HUD's Office of Inspector General actively freezes funding for developments near unmitigated toxic conditions, as seen in the Houston Housing Authority's Middle Street project investigation.

If a thermal runaway event occurs at 90 Minto Road, or if the permanent threat of an industrial explosion invalidates the housing authority's NEPA environmental review record under 24 CFR Part 58, HUD will be legally forced to withdraw its project-based vouchers. The loss of federal subsidies will collapse the financial viability of Schapiro Knolls, causing the mass displacement of 187 vulnerable tenants into Santa Cruz County's unaffordable housing market.

Conclusion and Request for Action

Applicant Sequoia Energy Storage 1, LLC has failed to provide a locked-in layout, failed to secure legal access rights, and failed to account for the catastrophic violation of federal HUD housing laws. The state cannot approve an infrastructure project that eliminates safe, federally protected low-income housing.

I strongly urge the Commission to declare this application incomplete, issue a Notice of Data Inadequacy, and ultimately deny the certification for this location.

Sincerely,
Jessica Ayala