## Hurricane Harvey Community Development Block Grant – Disaster Recovery Build It Forward Houston - Small Rental Program

## Early Notice and Public Review of a Proposed Activity in the 100-Year Floodplain and Wetlands

May 20, 2019 City of Houston Housing and Community Development Department (HCDD) 2100 Travis Street, 9<sup>th</sup> Floor Houston, Texas 77002

## To: All Interested Agencies, Groups, and Individuals:

This gives public notice that the City of Houston (City) is proposing to undertake activities within the 100-year floodplain (1.0% annual chance of flooding) and wetlands with funds provided through the United States (US) Department of Housing and Urban Development's (HUD) Community Development Block Grant-Disaster Recovery (CDBG-DR) program. In response to Hurricane Harvey and the presidentially declared disaster, the US Congress has appropriated more than \$5 billion to date in CDBG-DR funds to the State of Texas for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from Hurricane Harvey. This notice is required by Section 2(a)(4) of Executive Order (EO) 11988 for Floodplain Management and Section 2(b) of EO 11990 for Protection of Wetlands and is implemented under HUD regulations found at 24 CFR 55.20(b) for HUD funded actions that occur within and/or affect the floodplain and wetland resources. The Texas General Land Office (GLO) is administering these funds, allocating \$1,275,878,041 for the City to distribute among its long-term housing recovery activities as described in the GLO's HUD-approved *State of Texas Action Plan for Disaster Recovery: Hurricane Harvey* with approval of Amendment 3 anticipated in May 2019.

There are three primary purposes for this notice. First, people who may be affected by activities in floodplains and wetlands as well as those who have an interest in the protection of the natural environment should be given an opportunity to express their concerns and provide information about these areas. Second, an adequate public notice program can be an important public educational tool. The dissemination of information about floodplains and wetlands can facilitate and enhance Federal efforts to reduce the risks associated with the occupancy and modification of these special areas. Third, as a matter of fairness, when the Federal government determines it will participate in actions taking place in floodplains and wetlands, it must inform those who may be put at greater or continued risk. The 8-Step Decision-Making Process required for federally funded actions in the floodplain and wetlands includes public notices and the examination of practicable alternatives to the activities proposed in these sensitive resource areas.

Following post-Harvey consultation with residents and other stakeholders, the City's Housing and Community Development Department (HCDD) analyzed available data to develop its Local Action Plan (Plan) establishing its method for distribution of CDBG-DR funding across eight programs through the Build It Forward Houston (BIFH) initiative. BIFH targets at least 70 percent of all allocated funds to serve the City's low to moderate-income persons. Its programs are designed to address the unmet housing needs of residents most impacted and distressed by Hurricane Harvey with a comprehensive and phased long-term housing recovery approach to also address vulnerabilities highlighted by the storm's severity.

Notification is hereby given to the public that HCDD proposes to help rebuild the City's affordable housing stock of small rental properties with one to seven residential units per building through its BIFH **Harvey Recovery Small Rental Program (HRSR)**. Program activities will be scattered throughout the City, which has 151.68 square miles (97,075.72 acres) within the FEMA-designated Special Flood Hazard Zones A, AE, and AO (100-year floodplain), and 76.25 square miles (48,802.05 acres) within the FEMA-designated X-zone (500-year floodplain with a 0.2-percent annual chance of flooding). The City has no areas within the FEMA-designated V zone floodplain. HRSR rehabilitation and reconstruction activities will take place

on properties damaged by Hurricane Harvey located within the 100-year floodplain, outside of the floodway. New construction of small rental residential buildings (1 to 7 units) will occur on properties located outside the 100-year floodplain and the Coastal Management Zone.

HRSR is being allocated \$66,686,282 to provide financial assistance, through forgivable loans to eligible applicants serving the low- to moderate-income rental housing market. HRSR will accept applications from a) Not-for-profit developers/ borrowers, b) For-profit developers/ borrowers, c) Public housing authorities, d) Units of local government, e) Owner-occupied CDBG-DR eligible applicants with rental units in the same property. Properties to be developed with the new construction of small rental housing units must have been subject to a Phase I Environmental Site Assessment per E-ASTM 1527-13 within one year prior to HRSR application to verify suitability. Applicants must be prepared to meet the HRSR eligibility criteria described in the HRSR Program Guidelines available for review on HCDD's Hurricane Harvey Disaster Recovery website <a href="https://recovery.houstontx.gov/programs/">https://recovery.houstontx.gov/programs/</a>.

HRSR projects have the potential to be located in the 100 year-floodplain, the 500-year floodplain, as well as within or proximate to wetland resources, which generally include swamps, marshes, bogs, and similar areas such as sloughs, potholes, wet meadows, river overflows, mud flats, and natural ponds. Projects would be completed in accordance with EO 11988 and EO 11990, other federal, state, and local requirements compliance with environmental statutes, related laws and authorities. Activities must comply with the City's applicable permitting requirements, construction codes and standards, including requirements established bv the Citv's 2018 Chapter 19 Floodplain (https://www.houstonpermittingcenter.org/node/127). Where this ordinance requires elevation, homes would be elevated to two feet above the 500-year floodplain Advisory Base Flood Elevation depth specified on the effective Flood Insurance Rate Map or at least three feet above the highest adjacent grade where the depth number is not specified. Ordinance standards for home design, and zero-net fill, among others would also apply to help protect residents, homes, infrastructure, and the floodplain and wetland resources.

- HCDD anticipates that HRSR rehabilitation and reconstruction activities may occur on small rental residential properties with buildings (1 to 7 units) situated in the **100-year floodplain**. Elevation will be required for substantially improved and reconstructed residential buildings located in this flood hazard area in compliance with the City's Chapter 19 Floodplain Ordinance. All applicants seeking assistance for Hurricane Harvey-damaged properties in the 100-year floodplain must obtain proof of flood insurance and agree to maintain it.
- HRSR reconstruction and new construction of small rental residential buildings (1 to 7 units) will also require elevation in the **500-year floodplain** to achieve compliance with the local Floodplain Ordinance. While rehabilitation activities on small rental residential properties with buildings situated in this flood hazard area do not require elevation per the Floodplain Ordinance, HRSR will offer the option to elevate certain feasible building types. The elevation option may also be available in certain feasible cases where buildings located outside the floodplains have been flooded with increasing frequency. All applicants will be advised about the hazards of living in or proximate to the floodplain and the value of participation in the National Flood Insurance Program.
- Sites for new small rental residential housing construction projects would be selected from those available outside the floodway, the 100-year floodplain, and the Coastal Management Zone. Such sites will be strategically selected to help restore damaged neighborhoods in or near low to moderate-income areas and improve others. Any new construction projects located in the 500-year floodplain would protect this resource through small rental building elevation and compliance with other local Floodplain Ordinance design requirements. This option creates opportunities for low-and moderate-income residents to move out of areas most prone to flooding. Applicants will be advised to consider the value of maintaining flood insurance.
- HRSR will not undertake rehabilitation, reconstruction, or new construction activities within functional
  wetland resources. However, these activities may occur on properties located proximate to wetland
  resources with the implementation of reasonable mitigation measures, potentially requiring site-specific

agency consultations. Activities may also occur on previously disturbed and/or potentially filled wetland resources with appropriate mitigation.

In accordance with the National Environmental Policy Act (NEPA) and HUD requirements, a tiered environmental review of proposed HRSR activities has been initiated to broadly evaluate potential environmental impacts, including those considered to be cumulative in nature. HCDD is considering a wide range of effective, cost-reasonable measures to mitigate potential impacts of construction activities, and to help improve the environmental quality and storm resilience of residential neighborhoods damaged by Hurricane Harvey.

All interested persons, groups and agencies are invited to submit written comments regarding the proposed use of federal funds for the described HRSR activities within the floodplain and wetland resources. HCDD is interested in alternatives and public perceptions of possible adverse impacts that could result from the described activities as well as potential mitigation measures. Maps of the City's floodplain and wetland Resources attached to this public notice can be found at the following websites:

https://www.houstontx.gov/housing/public\_legal\_notices.html https://recovery.houstontx.gov/public-notices/

Written comments should be sent to HCDD at 2100 Travis Street, 9th Floor, Houston, Texas 77002, Attention: Tom McCasland, HCDD Director. Comments may also be submitted via email to Matthew.jenkins@houstontx.gov, Pirooz.Farhoomand@houstontx.gov, or Julia.Thorp@houstontx.gov. Telephone inquiries regarding this public comment process will be addressed at (281) 531-3174. The minimum 15 calendar day comment period will begin the day after the publication and end on the 16<sup>th</sup> day after the publication. Such comments should be received by HCDD on or before June 4, 2019.

City of Houston: Sylvester Turner, Mayor

HCDD: Tom McCasland, Director

May 20, 2019



