



# CITY OF HOUSTON

Housing & Community Development Department

Sylvester Turner

Mayor

Tom McCasland  
Director  
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December 8, 2020

TO ALL INTERESTED PARTIES:

As required by federal regulation 24 CFR Part 58, attached is a copy of a public notice entitled Finding of No Significant Impact/Notice of Intent to Request Release of Funds (FONSI-NOIRROF) for your review, which is running in the Houston Chronicle today, Tuesday, December 8, 2020.

The notice addresses the Standard Jensen project, a proposed acquisition and multifamily apartment new construction in Houston's East End, on behalf of the Houston Housing Authority (HHA). The Housing & Community Development Department (HCDD) is seeking permission to use the proceeds from the Clayton Homes sale – Section 18 funding – for this project through the U.S. Department of Housing and Urban Development (HUD). This Notice shall satisfy two separate but related procedural notification requirements for activities to be undertaken by HCDD: 1) the activities proposed for this project must meet National Environmental Policy Act (NEPA) requirements as required by HUD regulations found at 24 CFR Part 58, and 2) HCDD will be formally requesting the release of Section 18 funds for this project from HUD.

An initial 30-day public comment period for the FONSI/NOIRROF commenced from March 25, 2020 through April 27, 2020. Due to the public interest in this project, the City is commencing a second public comment period of 15 days for the FONSI/NOIRROF notices. This allows the public an opportunity to view the amended Environmental Assessment and provides another opportunity to express any additional concerns regarding the project. This Notice shall satisfy two separate but related procedural notification requirements for activities to be undertaken by HCDD: 1) the activities proposed for this project must meet National Environmental Policy Act (NEPA) requirements as required by HUD regulations found at 24 CFR Part 58, and 2) HCDD will be formally requesting the approval of expenditure of Section 18 funds for this HHA project from HUD. The project has been reviewed environmentally by HCDD. Please find attached to this letter the FONSI/NOIRROF public notice for this project. Please forward any comments not already forwarded to:

Tom McCasland, Director  
ATTN: Pirooz Farhoomand  
Department of Housing and Community Development  
2100 Travis, 9<sup>th</sup> Floor  
Houston, Texas 77002  
[hcdenvironmental@houstontx.gov](mailto:hcdenvironmental@houstontx.gov)

If any additional information is needed, please contact the HCDD Environmental Team at 832.394.6183 or 832.394.6018, or by e-mail listed above.

Sincerely,

*Pirooz Farhoomand*  
Pirooz Farhoomand,  
Division Manager  
Real Estate Compliance Division

# COMBINED NOTICE OF FINDING OF NO SIGNIFICANT IMPACT AND INTENT TO REQUEST RELEASE OF FUNDS

**December 8, 2020**

City of Houston  
Housing and Community Development Department (HCDD)  
2100 Travis, 9<sup>th</sup> Floor  
Houston, TX 77002  
(832) 394-6183/(832) 394-6018  
[hcdenvironmental@houstontx.gov](mailto:hcdenvironmental@houstontx.gov)

**This Notice shall satisfy the above-cited two separate but related procedural notification requirements.**

## **REQUEST FOR RELEASE OF FUNDS**

On or about **Monday, December 28, 2020** City of Houston's Housing and Community Development Department (HUD), on behalf of the Houston Housing Authority (HHA), will submit a request to the U.S. Department of Housing and Urban Development for the release of the following funds:

**Proceeds of Sale from the Clayton Homes project, a disposition of a former HUD-assisted housing facility authorized by Section 18 of the U.S. Housing Act of 1937, to undertake a project known as:**

**Project Title: Standard Jensen Phase I and II**

**Location: Approximately 11.43 acre property at the SW corner of Jensen Drive and Bryan Street, Houston, Harris County, Texas 77020**

**Purpose of Project:** Acquisition for the purpose of development of the Standard Jensen Phase I and II apartments by the HHA for use as mixed-income housing. The Phase I development will consist of approximately 375-units (301,000 net rentable square feet) in a 5-story building encompassing resident amenities, surrounding a structured parking garage. The Phase II development will consist of approximately 225-units (160,000 net rentable square feet) in a 4-story building encompassing resident amenities, surrounding a structured parking garage.

Approximately 49% (294 units) will be market rate and 51% (306 units) will be affordable housing for households with incomes at or below 80% of the Area Median Income (the Affordable Units). A total of 85 of the Affordable Units (based on Area Median Income) will be assisted with Section 8 Project-Based Vouchers (PBVs) provided by HHA that will target households with incomes at or below 30% of Area Median Income. An admissions preference will be established in the Development for relocated residents of Clayton Homes.

The City of Houston has classified Standard Jensen as an Environmental Assessment (24 CFR 58.36, subpart E) subject to laws and authorities at 24 CFR 58.5, 24 CFR 58.6,

National Environmental Policy Act (NEPA) analysis, and the additional EA Factors discussed by HUD. **Please note that all of the activities described above must take place only after the Authority to Use Grant Funds (AUGF) is issued by HUD, subject to any and all applicable conditions of said AUGF.**

### **Funding Information**

| <b>Grant Number</b> | <b>HUD Program</b> | <b>Funding Amount</b> |
|---------------------|--------------------|-----------------------|
| TX005000004         | Housing            | \$15,000,000.00       |

### **Budget Breakdown**

#### **Phase I (To be Requested)**

| <b>Funding Source</b> | <b>Funding Use</b> | <b>Amount</b>   |
|-----------------------|--------------------|-----------------|
| Federal (TX005000004) | Acquisition        | \$12,000,000.00 |
| Construction Loan     | Construction       | \$42,000,000.00 |
| Market Rate Equity    | Construction       | \$8,500,000.00  |

#### **Phase II (To be Determined)**

| <b>Funding Source</b> | <b>Funding Use</b> | <b>Amount</b>   |
|-----------------------|--------------------|-----------------|
| Federal (TX005000004) | Acquisition        | \$3,000,000.00  |
| Construction Loan     | Construction       | \$28,000,000.00 |
| Market Rate Equity    | Construction       | \$6,500,000.00  |

#### **Estimated Total HUD Funded Amount:**

**\$15,000,000.00 - \$12,000,000.00 for Phase I requested, \$3,000,000.00 TBD for Phase II**

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

**\$100,000,000.00**

### **PUBLIC COMMENT PERIOD**

An initial 30-day public comment period for the Finding of No Significant Impact/Notice of Intent to Request a Release of Funds (FONSI/NOIRROF) was conducted from March 25, 2020 through April 27, 2020. Due to the public interest in this project, the City is commencing a second public comment period of 15 days for the FONSI/NOIRROF notices. This allows the public an opportunity to view the amended Environmental Assessment and provides another opportunity to express any additional concerns regarding the project. The RROF is anticipated to be sent to HUD following the close of the second public comment period, after evaluation of any new public comments that may be received.

## MITIGATION

**All mitigation requirements below must be followed as described below in order to meet HUD requirements for federal funding of this project.**

### Noise

The subject property was determined to have noise levels above the HUD “Normally Unacceptable” range, with a maximum sound level measured at 74.7 decibels (dB). Noise mitigation will be required during the construction phase of this project to achieve an indoor noise level of 45 dB or less and an outdoor noise level of 65dB per HUD’s guidelines. Since the Day-Night Average Sound Level (DNLs) of the west, north, and south facades and the Phase II east facade exceed 65 DNL, the building exterior will be designed to meet the interior DNL of 45 dBA. It has been confirmed that no outside gathering areas have noise levels exceeding 65 DNL.

Due to expansion of the freeway, in order to confirm that adequate noise mitigation will take place that ensures interior noise levels under 45 dB inside and under 75 on site (under 65 in noise sensitive areas) HHA has confirmed that a sound barrier/wall will be a feature of the project so that the site is adequately shielded from noise before the freeway is expanded and in use. Any and all future noise levels at or over 75 dB that would be expected after the development and opening of the freeway to traffic (in the absence of a sound barrier) will be prevented and avoided by development of the barrier wall, and hence any and all Environmental Impact Statement (EIS) requirements have been waived.

### Contamination and Toxic Substances

Due to prior industrial activities at and in the vicinity of the site, multiple environmental site assessments (including, but not limited to, subsurface testing) have been performed at the site and adjoining properties. Soil, groundwater, surface water, and sediments have been assessed under the direction of the Texas Commission on Environmental Quality’s (TCEQ) Industrial and Hazardous Waste (IHW) Corrective Action Program to determine the extent of releases, if any, at the site. Soil samples were analyzed for volatile organic compounds (VOCs), total petroleum hydrocarbons (TPHs), and heavy metals, while groundwater was analyzed for VOCs and heavy metals. Sampling indicated elevated levels of chlorinated solvents in groundwater, however soil samples met TCEQ residential standards. TCEQ Municipal Settings Designation (MSDs) have been issued for the impacted groundwater on the project site. Surface water and sediment sampling did not indicate that any constituents exceeded applicable standards, as reviewed and approved by the TCEQ. An MSD is an official state designation given to property within a municipality that certifies that designated groundwater at the property is not used as potable water, and is prohibited from future use as potable water because the groundwater is contaminated in excess of the applicable potable-water protective concentration levels. This prohibition is in the form of a city ordinance that is enforceable by the city and has been filed in the property records.

A Phase II Environmental Site Assessment (ESA) was also performed on the portion of the site with a former rail line, to test for any possible contaminants not specifically addressed by the

TCEQ MSDs. Phase I and Phase II testing confirmed the subject property is suitable for residential use, subject to all applicable TCEQ conditions, specifically the groundwater use prohibitions outlined in the MSDs.

As a best management practice (BMP), consideration for the management of soils will be made prior to commencement of excavation or construction activities that would require export from the Site. As part of site development, if soil removal/export is required, a soil management plan will be developed. All soil management measures needed during the development of this project will adhere to all applicable federal, state, and local requirements.

If any unexpected or unforeseen signs of contaminants or other environmental conditions are discovered before or during the course of work, work will need to cease in the affected area until proper mitigation is performed and the issue addressed properly per all applicable federal, state, and local requirements.

A Passive Soil Vapor Mitigation (PSVM) system will be incorporated into the construction phase of the project because of the contaminated groundwater beneath the property. The system will include the following three (3) major components:

- *Vapor Collection System: After the subsurface utilities (i.e., plumbing) are installed, a series of slotted pipes or other collection media are installed within a permeable layer (i.e., sand, gravel) located directly above the compacted subgrade. These manifolded pipes/media enable capture of vapors emanating from the subsurface which are then piped to exhaust points well above the occupied spaces.*

- *Barrier: A sealed vapor barrier (i.e., 15 millimeter thick synthetic liner) is then installed over the collection media/permeable layer. All barrier joints are overlapped and sealed with appropriate barrier tape. Similarly, all penetrations through the barrier (i.e., plumbing, electrical, etc.) are sealed with tape or specialized mastic during installation of the barrier. The sealed synthetic sheet prevents vapors from entering the occupied space.*

- *Vents: Vent pipes are spaced throughout the PSVM footprint and are connected to the subsurface slotted pipes/collection media. The vent pipes consist of two to four inch diameter solid pipe routed from the subsurface to the roof level through a concealed wall cavity.*

- *All needed measures to ensure the efficacy of the PSVM and the safety of the property and its occupants will be undertaken as needed. Please note that the PSVM measures are precautionary and do not reflect a documented vapor concern.*

*All future structures constructed at the Site will incorporate appropriate design features that would intercept and appropriately vent vapors emanating from the environmental media at the Site.*

If there is evidence that the expansion of the freeway can potentially lead to excess amounts of air pollution and possible adverse effects at the site cannot be ruled out, measures will need to be taken in order to appropriately shield residents from the freeway, as well as to ensure adequate building ventilation, and air monitoring where appropriate once freeway has been constructed.

### **Floodplain**

According to the FEMA Flood Map Service Center, the Site is located within an area of FEMA Map ID 48201C0690N. The majority of the Site is located outside of the 500-year and 100-year floodplains; however, the southernmost portion of the property is located within the floodplain (500 and 100 year). This portion of the Site is being donated to the Buffalo Bayou Partnership to be used for a hike and bike trail, and will not be part of the project site.

### **Stormwater Management**

A construction Storm Water Pollution Prevention Plan (SWPPP) will be required for site construction activities. Best management practices and sediments controls will be utilized to prevent erosion and uncontrolled runoff from entering the bayou.

### **FINDING OF NO SIGNIFICANT IMPACT**

The City of Houston has determined that the project will have no significant impact on the human environment. Therefore, an Environmental Impact Statement under the National Environmental Policy Act of 1969 (NEPA) is not required. Additional project information is contained in the Environmental Review Record (ERR). The ERR will be made available to the public for review either electronically or by U.S. mail. Please submit your request by U.S. mail to P.O. Box 1562, Houston, TX 77251-1562 or 2100 Travis St. 9th Floor, Houston, TX 77002 or by email to [hcdenvironmental@houston.tx.gov](mailto:hcdenvironmental@houston.tx.gov). The ERR can be accessed online at the following website <https://www.hudexchange.info/programs/environmental-review/environmental-review-records/>.

### **PUBLIC COMMENTS**

Any individual, group, or agency disagreeing with this determination or wishing to comment on the project may submit written comments to the City of Houston, Housing and Community Development Department, ATTN: Environmental Review Officer, 2100 Travis, 9<sup>th</sup> Floor, Houston, Texas 77002 or by email to [hcdenvironmental@houston.tx.gov](mailto:hcdenvironmental@houston.tx.gov). All comments received by the close of business on **Wednesday, December 23, 2020** will be considered by the City of Houston prior to authorizing submission of a request for release of funds. Commenters should specify which part of this Notice they are addressing. For an opportunity to view the report online visit <https://www.hudexchange.info/programs/environmental-review/environmental-review-records/>

### **RELEASE OF FUNDS**

The City of Houston certifies to HUD that Tom McCasland, in his capacity as Director of the Housing & Community Development Department (HCDD), consents to accept the jurisdiction of the Federal Courts if an action is brought to enforce responsibilities in relation to the environmental review process and that these responsibilities have been satisfied. HUD's approval of the certification satisfies its responsibilities under NEPA and related laws and authorities, and allows HHA to use Program funds.

### **OBJECTIONS TO RELEASE OF FUNDS**

HUD will consider objections to its release of funds and the City of Houston certification received by the close of business on **Tuesday, January 12, 2021** or a period of fifteen days from its receipt of the request (whichever is later) only if they are on one of the following bases: (a) the certification was not executed by the Certifying Officer or other officer of the City of Houston approved by HUD; (b) the City of Houston, as Responsible Entity, has omitted a step or failed to make a decision or finding required by

HUD regulations at 24 CFR Part 58; (c) the grant recipient or other participants in the project have committed funds or incurred costs not authorized by 24 CFR Part 58 before approval of a release of funds by HUD; or (d) another Federal agency acting pursuant to 40 CFR Part 1504 has submitted a written finding that the project is unsatisfactory from the standpoint of environmental quality. Objections must be prepared and submitted in accordance with the required procedures (24 CFR Part 58) and shall be addressed to: U.S. Department of Housing and Urban Development, 1301 Fannin Street, Suite 2200, Houston, Texas 77002 or by email at [houstonenvironmental@hud.gov](mailto:houstonenvironmental@hud.gov). Potential objectors should contact HUD to verify the actual last day of the objection period.

Tom McCasland, Director  
Housing & Community Development Department (HCDD)  
City of Houston