

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

*January 20, 2021
City of Houston,
Housing and Community Development Department (HCDD)
2100 Travis St., 9th floor
Houston, TX 77002
(832) 394-6018/(832)394-6183*

These notices shall satisfy two separate but related procedural requirements for activities to be undertaken by the *City of Houston, HCDD.*

REQUEST FOR RELEASE OF FUNDS

On or about February 5, 2021 the City of Houston’s Housing and Community Development Department will submit a request to the Texas General Land Office (GLO), for the release of Community Development Block Grant Disaster Recovery (CDBG-DR) Multifamily Rental Program funds authorized by the Supplemental Appropriations for Disaster Relief Requirements of 2017, Public Law 115-56 and, Additional Supplemental Appropriations for Disaster Relief Requirements Act of 2018, Public Law 115-123 through activities authorized under Title I of the Housing and Community Development Act of 1974 as amended related to disaster relief, long-term recovery, restoration of infrastructure and housing, economic revitalization and mitigation to undertake a project known as Regency Lofts.

Project Location: 1433 Dian St. and 1800 W. 15th St. Houston, TX 77008 (29.797394, -95.414420)

Project description: The proposed project, Dian Street Villas, will include acquisition of thirteen parcels and demolition of the existing structures and new construction of a multifamily complex. Dian Street Villas will be located near Houston Heights, a historic “in-town” neighborhood. Living in a vibrant neighborhood near the heart of the city with a vast assortment of thriving businesses that include retail centers and eateries, future residents will enjoy the benefits of “in-town” living that fosters a lifestyle immersed in access, convenience, and activity. The proposed development site is approximately 2.05 acres, 108 units of Mixed-Income Workforce Housing. The Developer will engage a “best in class” design team to develop architectural and design guidelines for the proposed development to ensure that exterior facades in addition to interior amenities and unit finishes meet and exceed the expectations of local stakeholders, investment partners, and future residents. The unit design includes a mix of studio, one, two, and three-bedroom units that will be affordable to tenants at 30%, 50%, and 60% of area median income (“AMI”). This site is currently a vacant warehouse and storage building with parking lots.

The current plans will include elevating all residential area on an elevated concrete podium above the floodplain. This floodplain mitigation measure will locate the finished floors of the residential units to be 10’ to 12’ above the 500-year base flood elevation.

The Development will utilize limited grading and fill to elevate non-residential finished floor areas above the BFE. Limiting grading and fill will protect the non-residential floor areas from flood hazards and provide floodplain mitigation by ensuring the finished floor areas are located no less than 24” inches above the BFE in accordance with the Houston floodplain regulations. The Net Fill is approximately 1600 CY. The fill has been limited to the amount required to meet the TDHCA requirements for the drives and parking to be no lower than 6” below the 100-year B.F.E.

As a best practice, the fill will be limited to areas outside the 100-year Zone AE floodplain. Grading in the 100-year Zone AE floodplain will be limited to cut or “borrow” which adds additional volume to the floodplain and mitigates the impact on the floodplain.

The Development will provide detention volume in addition to the standard storm water detention required by the City of Houston due to the impervious area. The additional mitigation volume is a best practice design feature and measure that will maintain or increase the floodplain volume thus providing floodplain mitigation in compliance with the Houston floodplain regulations.

CSH Dian Street Villas, Ltd. (“Developer”), comprised of highly experienced Houston based developers, is proposing to secure a commitment for CDBG-DR funding from the City of Houston and an allocation of housing tax credits from TDHCA to acquire the land near the Houston Heights to develop a workforce housing community with upscale apartment homes. The Developer will leverage development experience and industry relationships to plan, finance, and build a workforce housing community utilizing best practices and a commitment to quality based on a sustainable economic model. The result will be an award-worthy development that furthers the goal of creating high-quality affordable housing options for working families and working elderly with convenient access to job centers and points of interest.

Dian Street Villas will consist of 3-stories of wood frame construction over an elevated podium above surface parking. The building will have craftsman style elements to compliment the character of the neighborhood. Units will be equipped with individual HVAC units and residential appliances including refrigerators, stove/oven, and dishwashers. All units will have washer & dryer connections. Common interior amenity areas will include a Leasing Office, Community Room, Learning Center, Fitness Center and Business Center. The development will have an abundance of exterior amenities. The building will be designed to achieve NGBS Green Certification (Bronze) or equivalent.

The project owner is seeking CDBG-DR Harvey funding in the amount of \$11,000,000.00 for the acquisition of the property (\$6,031,000.00), demolition of the existing structures and construction of the new multifamily community.

The City of Houston has classified the project 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.

This project proposes to use the following funding, including:

\$11,000,000.00.....	CDBG DR-17 (City of Houston request)
\$13,948,605.00.....	9% Housing Tax Credit LIHTC (Low Income Housing Tax Credit)
\$522,511.00.....	Deferred Developer Fee
\$3,500,000.00.....	Conventional Loan (Amegy Bank)
\$28,971,116.00.....	TOTAL

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@houstontx.gov.

PUBLIC COMMENTS

Any individual, group, or agency may submit written comments on the ERR to the City of Houston, Housing and Community Development Department, ATTN: Environmental Review Officer, 2100 Travis, 9th Floor, Houston, Texas 77002 or by email to hcdenvironmental@houstontx.gov. All comments received by the close of business on February 4, 2021 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.

ENVIRONMENTAL CERTIFICATION

The City of Houston certifies to GLO, acting in the role of HUD, that Sylvester Turner, in his capacity as Mayor 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. GLO's approval of the certification satisfies its responsibilities under NEPA and related laws and authorities and allows the City of Houston to use Program funds.

OBJECTIONS TO RELEASE OF FUNDS

GLO, acting in the role of HUD, will accept objections to its release of funds and the City of Houston certification for a period of fifteen days following the anticipated submission date or its actual 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 of the City of Houston; (b) the City of Houston 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 development process have committed funds, incurred costs or undertaken activities not authorized by 24 CFR Part 58 before approval of a release of funds by GLO, acting in the role of 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, Sec. 58.76) and shall be addressed to Texas General Land Office, P.O. Box 12873, Austin, Texas 78711-2873. Potential objectors should contact GLO to verify the actual last day of the objection period.

*Sylvester Turner, Mayor
City of Houston*
