

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

*September 10, 2025  
City of Houston,  
Housing and Community Development Department (HCD)  
2100 Travis St., 9<sup>th</sup> floor  
Houston, TX 77002  
(832) 394-6319*

**These notices shall satisfy two separate but related procedural requirements for activities to be undertaken by the Houston Housing Authority (HHA), on whose behalf HCD is reviewing the project, which will receive HUD Project Based Voucher (PBV) funds.**

**REQUEST FOR RELEASE OF FUNDS**

On or about September 26, 2025, on behalf of HHA, the City of Houston's Housing and Community Development Department will submit a request to the U.S. Department of Housing and Urban Development (HUD), for the release of on behalf of the Houston Housing Authority, will submit a request to the U.S. Department of Housing and Urban Development (HUD) for the release of HUD Project Based Voucher (PBV) funds authorized by the U.S. Housing Act of 1937, in particular section 8(o)(13) of said Act (42 U.S.C. 1437f(o)(13)), regulations at 24 CFR Part 983, to undertake the use of PBV funds by prospective tenants once the new construction multifamily project known as Independence Heights II is complete and the facility is operational.

**Project Location:** Approximately 4.939 acres at 222 Crosstimbers Street (SW Corner of Crosstimbers Street and Main Street), Houston, Harris County, Texas 77022.

**Project description:** Construction of a 221-unit affordable multifamily apartment complex for low to moderate income individuals and families.

Independence Heights II is a proposed 221-unit mixed-income development consisting of one-, two-, and three-bedroom apartments located in Houston's Independence Heights.

Of the total 221 units at Independence Heights II, 131 will have Project Based Vouchers (PBV). Additionally, 81 units will have Low Income Housing Tax Credit (LIHTC) restrictions, and the remaining nine (9) will be unrestricted market rate units.

The project will serve a mix of incomes as follows:

30% Area Median Income (AMI) - 20 units (breakdown: 1 bedroom (BR) – 6 units, 2 BR – 12 units, 3 BR – 2 units). All are PBV.

50% AMI - 20 units (1 BR – 6 units, 2 BR – 12 units, 3 BR – 2 units). All are PBV.

60% AMI – 172 units. 91 are PBV, 81 are LIHTC. (1 BR – 46 units (20 PBV, 26 LIHTC); 2 BR – 102 (57 PBV, 45 LIHTC); 3 BR – 24 (14 PBV, 10 LIHTC)).

Market Rate – Nine (9) Units (7 – 1 BR, 2 – 2 BR).

The project is proposing to use up to \$2,528,400.00 (assuming 20-year term) annually in HUD PBV funds to provide rental assistance for the 131 Project Based Vouchers. Expected total PBV funding over the contract term is estimated at \$50,568,000.00 over the Housing Assistance Payments (HAP) contract term, which will be for rental assistance payments. Total HUD rental assistance will be \$50,568,000.00 HUD Grant No. TX005VO0492.

The amount HHA receives from HUD comes in monthly and is an income line item in the operating budget. It is not used as a source to construct and develop the project. HHA will not receive these funds until after the project is constructed and the units

LIHTC funds annually/over 20-year period are \$24,655,485- this is the amount of tax credit equity HHA receives from the investor in exchange for the tax credits. HHA receives credits in several installments over the course of construction of the project. It should be counted towards the construction costs.

For leasing costs, HHA is budgeting \$725,000 in marketing expenses and lease-up reserves. Acquisition/land transfer costs (ground lease between HHA and Independence Heights II, LP as lessee) are estimated at \$100.

The sources HHA anticipates using for the development the project during the construction period are listed below and add up to the total project cost number. \* Wells Fargo Construction Loan: \$17,700,000 \* HHA Soft Loan: \$11,000,000 \* HHA FEMA Loan: \$9,000,000 \* LIHTC Equity Funds: \$24,665,485 \* Deferred Development Fee: \$683,872 \* Earnings on Bond Interest: \$2,734,397.

Construction costs are estimated at \$42,744,169.00. Other development costs are estimated at \$23,029,584.00, for a total project development cost of \$65,773,753.00.

The total project development is estimated to cost \$65,773,753, not including PBV. With PBV included the total cost of the project is estimated at \$116,341,753.00.

A final floodplain notice is running concurrently with this public notice to inform the public on the location within the FFRMS floodplain (FEMA 500-year floodplain). Floodplain mitigation is included in the project design and includes elevation of the building above the Base Flood Elevation (BFE), construction of a runoff detention area, and all applicable required emergency plans for staff and residents.

This notice and the Final Flood Notice are published on the HCD website at <https://houstontx.gov/housing/public-notices.html> as of September 10, 2025.

## **FINDING OF NO SIGNIFICANT IMPACT**

The City of Houston (HCD) 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](mailto: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](mailto:hcdenvironmental@houstontx.gov). The ERR can be accessed online at the following website <https://cpd.hud.gov/cpd-public/environmental-reviews>. All comments received by the close of business on September 25, 2025, will be considered by the City of Houston prior to authorizing submission of a request for release of funds. Appointments for office visits to view the project description/environmental review in person are recommended to avoid any potential for delays. Commenters should specify which part of this Notice they are addressing.

## **ENVIRONMENTAL CERTIFICATION**

On behalf of grant recipient HHA, the City of Houston (HCD) certifies to HUD that John Whitmire, 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. 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 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 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 U.S. Department of Housing and Urban Development, Office of Community Planning and Development (CPD), 1331 Lamar Street, Suite 550, Houston, Texas 77010 or e-mail at [cpdrofhou@hud.gov](mailto:cpdrofhou@hud.gov). Potential objectors should contact HUD to verify the actual last day of the objection period and may do so by email or calling (713) 718-3199.

*John Whitmire, Mayor*  
*City of Houston*

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