



North Carolina Department of Public Safety

Office of Recovery and Resiliency

Roy Cooper, Governor
Eddie M. Buffaloe, Jr., Secretary

Laura H. Hogshead, Director

PUBLIC NOTICE

COMBINED NOTICE OF FINDING OF NO SIGNIFICANT IMPACT (FONSI), NOTICE OF INTENT TO REQUEST RELEASE OF FUNDS (NOI-RROF), AND FINAL NOTICE AND PUBLIC EXPLANATION OF A PROPOSED ACTIVITY IN A 100-YEAR FLOODPLAIN AND WETLAND

**ELIJAH'S LANDING APARTMENTS
3200 BRIDGES STREET, MOREHEAD CITY, CARTERET COUNTY, NC 28557**

August 16, 2023

To: All interested Agencies, Groups and Individuals

Name of Responsible Entity and Recipient: North Carolina Office of Recovery and Resiliency (NCORR), P.O. Box 110465, Durham, NC 27709. Contact: Director Laura Hogshead (984) 833-5350.

Pursuant to 24 CFR Section 58.43, this combined Notice of Finding of No Significant Impact (FONSI), Notice of Intent to Request Release of Funds (NOI-RROF), and Final Notice and Public Explanation of a Proposed Activity in a Floodplain and Wetland satisfies three separate procedural requirements for project activities proposed to be undertaken by NCORR.

Project Description: NCORR is responsible for the direct administration of the United States Department of Housing and Urban Development (HUD) Community Development Block Grant – Disaster Recovery (CDBG-DR) program in North Carolina. NCORR proposes to provide CDBG-DR funding from the Affordable Housing Development Fund Program of \$8,300,000.00 for the Elijah's Landing Apartments Project ("Proposed Activity") located at 3200 Bridges Street, Morehead City, Carteret County, NC 28557 on an approximately 11.64-acre site. The Proposed Activity is anticipated to have a total cost of \$36,521,198.00 and entails new construction of a 168-unit multifamily affordable housing complex with seven 24-unit, three-story residential buildings, a clubhouse, gazebo, covered picnic area, boardwalk, playground, tot lot, dog park, green open spaces, paved parking areas, landscaped areas, three storm water retention ponds, and associated infrastructure.

The Proposed Activity is needed to address an affordable housing inventory shortage, which was

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exacerbated by the impacts of Hurricanes Matthew (October 8, 2016) and Florence (September 14, 2018) when hundreds of homes were damaged or destroyed. Elijah's Landing Apartments will provide a multifamily residential development for low- and middle-income households. The Proposed Activity will assist Morehead City and Carteret County in providing affordable housing options to the local community.

PUBLIC EXPLANATION OF A PROPOSED ACTIVITY IN A 100-YEAR FLOODPLAIN AND WETLAND

NCORR has conducted an evaluation as required by Executive Orders (EO) 11988 and 11990, in accordance with HUD regulations at 24 CFR 55 Subpart C Procedures for Making Determinations on Floodplain Management and Wetlands Protection. The Proposed Activity will result in temporary impacts to 0 acres of a 100-year floodplain and 0 acres of National Wetlands Inventory (NWI) mapped and U.S. Army Corps of Engineers (USACE) verified delineated wetlands. The Proposed Activity will result in permanent impacts to 0.310 acre of the 100-year floodplain (Zone AE) and 0.349 acre of NWI-mapped wetlands and USACE verified delineated wetlands (PSS1A – Freshwater Palustrine Forested/Scrub-Shrub Wetland). Permanent impacts to the 100-year floodplain and Wetland impact area #5 (0.083 acre) include fill material needed for Building #500's foundation, sanitary sewer and water line placement and connection, grading, and construction of paved parking, drive aisle access, retaining wall (wetland only), landscaping, lighting, and stormwater pond #2 per NC Department of Environmental Quality (NCDEQ). Permanent impacts to Wetland impact areas #1 and #2 (0.176 acre) include fill material, sanitary sewer and water line placement, grading, and construction of paved parking, drive aisle access, retaining walls, landscaping, lighting, and stormwater pond #1 per NCDEQ. A 6-foot wide boardwalk is also proposed over a small portion of Wetland impact areas #1, 2 and 3. Permanent impacts to Wetland impact areas #3 and #4 (0.09 acre) include fill material, sanitary sewer and water line placement, grading, and construction of paved parking, drive aisle access, retaining wall, landscaping, lighting, and Building #500. The site contains approximately 1.47 acres of wetland and 0.389 acre of 100-year floodplain with Calico Creek located north of the site.

NCORR has considered the alternatives and mitigation measures to be taken to minimize adverse impacts and to restore and preserve natural and beneficial values. This Proposed Activity will be an affordable multifamily housing complex that will provide new, safe housing that is needed in the area. There were three main alternative sites considered for the Proposed Activity. The first site was located on Highway 70 in Newport near the Food Lion. However, this site was not chosen because it did not meet the requirements for NC Housing Finance Agency tax credits and cost over \$3 million for 20 acres. Although this site was positioned next to a multifamily housing development, it would not have been able to sustain itself financially due to the affordable rents. The second site was located in Morehead City off Highway 70 East, Arendell Street 1300 block, Third Street, and Sixth Street. Ultimately, this site was not chosen because of the price and location in an urbanized area with a building that required removal from the site. The third site was located off Highway 70 East near the Walmart Plaza. Although this site was approximately 20 acres and would have scored well, there was a high crane quotation/ radio tower located on the site, which because of this potential fall zone, would not qualify for the NC State affordable housing tax code. Therefore, the Subject Property was determined to be the most suitable location for the Proposed Activity. Further, the Proposed Activity itself was redesigned to remove Building #500 outside of 100-year floodplain and minimize impacts to floodplain and wetlands. The final alternative for the

current Proposed Activity is the “No Action” Alternative. With the “No Action” Alternative, affordable housing would not be provided for low- and middle-income families in the local community. The Town of Morehead City would need to find other options to address the affordable housing inventory shortage exacerbated by the effects of hurricanes that recently damaged and destroyed homes which disproportionately affected older, more affordable housing stock. Thus, the “No Action” Alternative is not feasible in relation to the desired objective of creating affordable housing options in Morehead City. Natural floodplains and wetlands provide flood risk reduction benefits by slowing runoff and storing flood water. In addition, floodplains and wetlands are beneficial by providing diverse wildlife habitat, flood and erosion control, surface water quality maintenance, groundwater recharge, and educational, scientific, cultural, and recreational opportunities. Wetlands have unique natural characteristics that play an integral role in the ecology of the watershed. According to the USACE, the wetland impacted has typical coastal plain floodplain vegetation but does not provide ideal habitat for wildlife diversity. The ground surface is considered severely altered with moderately altered water storage function. Due to land use in the area being mostly impervious surfaces, there is little to no opportunity to improve water quality. The USACE determined a mitigation fee was not required due to the low quality of the impacted wetlands. There are no identifiable educational, scientific, cultural, and recreational values. No additional impacts to floodplain and wetland functions are anticipated. According to the FEMA Flood Insurance Rate Map (FIRM) effective 7/16/2003, the impacted 100-year floodplain is Zone AE and a less restrictive Preliminary FIRM dated 6/30/2016 identifies it as 500-year floodplain along with a small portion on the parcel’s northern edge.

The Proposed Activity will be completed in accordance with all applicable federal, state and local laws, regulations, and permit requirements and conditions including a Floodplain Development Permit, USACE Clean Water Act (CWA) Section 404 Nationwide Permits 18 and 29, NCDEQ CWA Section 401 Water Quality General Certification, NPDES Construction Stormwater Permit, and Morehead City Erosion and Sediment Control Permit which will be obtained prior to starting work. Best Management Practices and design features will minimize impacts to floodplain and wetlands. Side slopes from parking lots and drive aisles shall not exceed 3:1 slope in order to reduce impacts to wetlands. A temporary silt fence around the toe of the slope will prevent sediment from going downstream during a rain event prior to the embankments being stabilized. There is also Class B rip rap installed downstream of the outlet control device to prevent washout of the surrounding material. There are three proposed onsite stormwater retention ponds and five green open spaces, and landscaping will use native plants. The Proposed Activity site is the most suitable location due to market demand and its close proximity to a variety of community amenities and services including public schools, public transportation, shopping, and employment opportunities; the “No Action” alternative would not effectively address the area’s affordable housing needs; and mitigation measures include a project design that minimizes impacts, stormwater and erosion and sedimentation controls, permit conditions, BMPs, green infrastructure, and native plants in landscaping.

Since the action will include modification of floodplain and new construction in wetland, EOs 11988 and 11990 require that the Proposed Activity not be supported if there are practicable alternatives to floodplain and wetland impacts. NCORR has reevaluated the alternatives to modification of floodplain and new construction in wetland, and has determined that it has no practicable alternative. The 8-step process has been further documented in the EO 11988

Floodplain Management and EO 11990 Protection of Wetlands Determination which is available for viewing and copying as described below in Public Review.

There are three primary purposes for this notice. First, people who may be affected by activities in floodplains and wetlands and those who have an interest in the protection of the natural environment are given an opportunity to express their concerns and provide information about these areas. Second, adequate public notice is an important public education tool. The dissemination of information and request for public comment about floodplains and wetlands can facilitate and enhance federal efforts to reduce the risks and impacts 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.

FINDING OF NO SIGNIFICANT IMPACT

An Environmental Assessment (EA) for the Proposed Activity has been prepared in accordance with the National Environmental Policy Act of 1969 (NEPA) and HUD environmental review regulations at 24 CFR Part 58. The EA and supporting documentation are incorporated by reference into this FONSI. Subject to public comments, no further review of the Proposed Activity is anticipated. NCORR has determined that the EA for the project identified herein complies with the requirements of HUD environmental review regulations at 24 CFR Part 58. NCORR has determined that the Proposed Activity will have no significant impact on the human environment and, therefore, does not require the preparation of an environmental impact statement under NEPA.

Public Review: Public viewing of the EA, environmental review record, and EO 11988 Floodplain Management and EO 11990 Protection of Wetlands Determination is available online at <https://www.rebuild.nc.gov/about/plans-policies-reports/environmental-reviews>. Documents may also be viewed in person by appointment only at: NCORR, 200 Park Offices Drive, Durham, NC 27709. Call (984) 833-5350 to make an appointment.

Further information may be requested by writing to the above address, emailing publiccomments@rebuild.nc.gov or calling (984) 833-5350. This combined notice is being sent to individuals and groups known to be interested in these activities, local news media, appropriate local, state and federal agencies, the regional office of the U.S. Environmental Protection Agency having jurisdiction, and the HUD Field Office, and is being published in a newspaper of general circulation in the affected community.

Public Comments on the Proposed Activity within Floodplain and Wetland, FONSI and/or NOIRROF: Any individual, group or agency may submit written comments on the Proposed Activity. The public is hereby advised to specify in their comments which “notice” their comments address. Comments should be submitted via email, in the proper format, on or before August 31, 2023 at publiccomments@rebuild.nc.gov. Written comments may also be submitted by mail, in the proper format, to be received on or before August 31, 2023, and addressed to: Laura Hogshead, Director, NCORR, ATTN: Elijah’s Landing Apartments Project, P.O. Box 110465, Durham, NC 27709. All comments must be received on or before August 31, 2023 or they will not be considered. If modifications result from public comment, these will be made prior to proceeding with the submission of a request for release of funds.

REQUEST FOR RELEASE OF FUNDS AND CERTIFICATION

On or after September 1, 2023, the NCORR certifying officer will submit a request and certification to HUD for the release of CDBG-DR funds as authorized by related laws and policies for the purpose of undertaking this project under the North Carolina CDBG-DR Affordable Housing Development Fund Program.

NCORR certifies to HUD that Laura Hogshead, in her capacity as Certifying Officer, consents to accept the jurisdiction of the U.S. 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 NCORR to use CDBG-DR program funds.

Objection to Release of Funds: HUD will accept objections to its release of funds and NCORR's certification for a period of fifteen days following the anticipated submission date or its actual receipt of the request (whichever is later). Potential objectors should contact HUD or the NCORR Certifying Officer to verify the actual last day of the objection period.

The only permissible grounds for objections claiming a responsible entity's non-compliance with 24 CFR Part 58 are: (a) certification was not executed by NCORR's Certifying Officer; (b) the 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 development process have committed funds, incurred costs or undertaken activities not authorized by 24 CFR Part 58 before HUD's release of funds and approval of environmental certification; 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 58.76) and shall be addressed to Tennille Smith Parker, Director, Disaster Recovery and Special Issues Division, Office of Block Grant Assistance, U.S. Department of Housing & Urban Development, 451 7th Street SW, Washington, DC 20410, Phone: (202) 402-4649, or emailed to disaster_recovery@hud.gov.

Laura Hogshead
Certifying Officer
August 16, 2023