

David A. Paterson
Governor



Deborah VanAmerongen
Chairperson

New York State Division of Housing and Community Renewal

Hampton Plaza
38-40 State Street
Albany, NY 12207

December 24, 2009

SENT VIA ELECTRONIC & U.S. MAIL

Mr. Joseph Bowes, Senior Real Estate Developer
Pathstone Development Corp.
7 Prince Street
Rochester, NY 14607

Re: SHARS Number: 20096029
Mildred Johnson Estates II
20 Scattered sites in the 14621 Neighborhood
Monroe County

Dear Mr. Bowes:

On April 9 and 12, 2009, the New York State Division of Housing and Community Renewal (DHCR), published a "Combined Notice of Finding of No Significant Impact and Intent to Request Release of Funds". DHCR is the designated tax credit agency for the disbursement of funds in connection with the federal Tax Credit Assistance Program authorized under the "American Recovery and Reinvestment Act". DHCR prepared the combined FONSI after compiling its "TCAP Programmatic Environmental Review Record" dated April 9, 2009. On June 17, 2009, DHCR received a notice of Authority to Use Grant Funds, which certifies that the requirements under 24 CFR Part 58 of HUD environmental review regulations had been satisfied.

DHCR has determined that the Environmental Review Record, dated December 21, 2009, for the above referenced project complies with the requirements of 24 CFR Part 58 of HUD Environmental Review regulations. This letter constitutes clearance of the environmental review of this project and removal of the limitation on commitment of HUD TCAP assistance per [24 CFR 58.22(b)].

DHCR, in compliance the New York State Environmental Quality Review Act (SEQRA), accepts the Type II determination of The New York State Housing Trust Fund Corporation (HTFC), dated December 21, 2009.

If you have any questions or concerns regarding this environmental clearance letter, please contact me at (518) 402-3392 or bwigzell@nysdhcr.gov.

Sincerely,

Barbara H. Wigzell, R.A.
Certifying Officer
SEQR Officer

Cc: Cathy Frangella, TCAP Program Manager
Kristen Slaiman, HTFC Project Manager
Wayne Petterson, DHCR Program Management

Environmental Assessment
Site Specific Review

Responsible Entity: NYS Division of Housing and Community Renewal (DHCR)

Certifying Officer: Barbara H. Wigzell, RA, DHCR

Program Name: The Tax Credit Assistance Program (TCAP)
American Recovery and Reinvestment Act (ARRA) of 2009

Federal Agency: U.S. Department of Housing and Urban Development (HUD)

Project #: 20096029

Project Sponsor: **Pathstone Development Corp.**

Project Name: **Mildred Johnson Estates II**

Project Site Address: 20 Scattered sites within the 14621 Neighborhood
See attached address list
City of Rochester

Project County: Monroe County

Estimated project costs: \$ 5,940,966

Total TCAP Award: \$ 5,426,960

Project Sponsor Address: 7 Prince Street
Rochester, NY 14607

Primary Contact's Name: Ms. Anne Babcock-Stiner

E-Mail address: ababcock@pathstone.org

Telephone Number: 585-3403361

Program Classification: 58.36 - Environmental Assessment

ENVIRONMENTAL FINDING: [58.40(g)]

- Finding of No Significant Impact** - The project will not result in a significant impact on the quality of the human environment.
- Finding of Significant Impact** - The project may significantly affect the quality of the human environment.

The undersigned hereby certifies that DHCR has conducted an environmental review of the project identified above and prepared the attached environmental review record in compliance with all applicable provisions of the National Environmental Policy Act of 1969, as amended, (42 USC sec. 4321 et seq.) and its implementing regulations at 24 CFR Part 58.

Preparer Signature:

NAME: Mary Binder
Title/Agency: Environmental Analyst 2
DHCR

Date: December 21, 2009

Project Name: Mildred Johnson Estates II
Project #: 20096029

Environmental Assessment Site Specific Review

Project Description:

Pathstone Development Corp. proposes new construction of single-family homes for families, with 20 residential units, on scattered, vacant sites within 14621 Neighborhood in the City of Rochester, Monroe County. Currently there are 26 City-owned lots that will be combined to create 20 lots. A community building will be constructed on an additional lot to contain a conference room, two offices and maintenance storage area. Each home will have a washer and dryer, one car garage, fenced backyard and full basement. The 21 lots are vacant and currently owned by the City of Rochester. The design and construction of the project will follow the NYS Division of Housing and Community Renewal's guidelines for the "Green and Energy Efficiency Building Initiative." Public water and sewer are available at the site. Site work will include clearing, grading and excavation, construction of driveways, parking areas and sidewalks, finish grading and landscaping. See attached site list for addresses.

Summary of Findings and Conclusions

Alternatives and Project Modifications Considered [24 CFR 58.40(e), Ref. 40 CFR 1508.9]

No Action: If no action were taken, the existing sites would remain unused and vacant and the benefits to low and moderate income households who need safe and decent affordable housing, would be lost. Through inaction, New York State will lose an opportunity to preserve an affordable housing project and provide construction and related jobs in a time of economic uncertainty.

Action: Refer to project description above.

The scattered site new construction will not cause any significant, adverse environmental impacts.

Mitigation Measures Recommended [24 CFR 58.40(d), 40 CFR 1508.20]

TOXIC OR HAZARDOUS SUBSTANCES

A Phase I Environmental Assessment (ESA), prepared by Passero Associates for each of the sites is dated January 30, 2009 and reported the following REC's:

- the single family homes at 37 Alphonse street and 187 Wilkins street have been demolished by the City of Rochester. There was a concern for Asbestos Containing Materials (ACM) and Lead Based Paint (LBP). A letter from the City dated December 4, 2009 states that the buildings were demolished in accordance with all local, state and federal regulations that pertain to ACM and LBP. A 55 gallon drum (contents unknown) has also been removed from 37 Alphonse St. by an unknown party. The City has documented in an e-mail dated December 7, 2009 that there was no 55 gallon drum located on the site at the time of demoltion. The Phase I noted that there did not appear to be any staining in that area.
- 88 and 92 Thomas Streets were used as a junkyard in the 1950s'. A limited Phase II was conducted by Passero Associates on August 27, 2009. Mercury was discovered in background levels. No further action is required for the former use as a junkyard. Various C & D waste was encountered during excavation. Care must be taken during excavation to remove and properly dispose of all C & D waste.
- Tires were discarded at 88 Thomas. A letter from Youngblood Disposal Service dated December 11, 2009 states that the tires were disposed at their facility.
- Household debris, an oil can and auto parts are located on the 87-92 Maria parcel. On August 18, 2009 Passero inspected the site and determined that the debris had been removed and say no evidence of soil impairment was discovered.

The project site is located in an area with the potential for radon levels to exceed the U.S. Environmental Protection Agency (EPA) action level. A "passive" soil depressurization system has been incorporated into each building design in accordance with EPA "Model Standards and Techniques for Control of Radon in New Residential Buildings", EPA 402-R-94-009, March 1994. Radon testing will be conducted when the buildings are complete, prior to occupancy, with test results forwarded to HTFC. A third-party air-monitoring contractor must complete the

Environmental Assessment

Site Specific Review

Page 2 of 2

final testing/clearance with certified results by an authorized testing laboratory. The third party must submit a report summarizing the final testing/clearance for the entire project. If radon testing indicates that the radon level (in any buildings) exceeds the EPA action level of 4 pCi/L, an active fan, complete with alarm system, will be installed and re-tested (in the building) prior to occupancy to determine that radon levels are being maintained below recommended limits.

THE FOLLOWING DOCUMENTS ARE AVAILABLE FOR REVIEW BY REQUEST TO THE DHCR CERTIFYING OFFICER at bwigzell@nysdhcr.gov or (518) 402-3392.

List of Additional Studies Performed, Attachments, Sources, Agencies and Persons Consulted [40 CFR 1508.9(b):

EPA Map of Radon Zones for New York State

NYS Office of Parks, Recreation and Historic Preservation

NYS DEC Coastal Erosion Hazard Map

USFWS Coastal Barrier Resources System

A Phase I Environmental Site Assessment prepared by Passero Associates, January 30, 2009

Above Ground Storage Tank Survey by Passero Associates on December 14, 2009

Limited Phase II by Passero Associates on August 27, 2009

APPENDIX A
Statutory Checklist

Site Specific
[24CFR §58.5 and 58.6]

Project #: **20096029**
 Project Name: **Mildred Johnson Estates II**
 Project Address: 20 Scattered sites within the 14621 Neighborhood
 City of Rochester
 Monroe County
 Date: December , 2009

For each listed statute, executive order or regulation, record the determinations made. Note reviews, consultations or mitigation measures required:

A - Not Applicable to this project OR B - Consultation, Permit and/or Mitigation Required

Then, make a determination of compliance or consistency in the Section provided.

Factors	A	B	Determinations and Compliance Documentation
Historic Preservation [36 CFR 800]	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The project has been reviewed in accordance with Section 106 of the National Historic Preservation Act of 1966. A letter from the NYS Office of Parks, Recreation and Historic Preservation, dated December 18, 2008 indicates that the proposed construction will have "No Effect" on cultural or historic resources. All lots have been prior disturbed, therefore a Tribal Historic Preservation review is not required.
Floodplain Management [24 CFR 55, Executive Order 11988]	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None of the project sites are located in a Special Flood Hazard Area, according to FIRM map panel 36055C0211G dated August 28, 2008 and a letter dated December 15, 2008 from the City of Rochester Director of Planning.
Wetlands Protection [Executive Order 11990]	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Urban lots that are prior disturbed are not required to be reviewed for consistency with Executive Order 11990.
Coastal Zone Management Act [Sections 307(c),(d)]	<input checked="" type="checkbox"/>	<input type="checkbox"/>	According to the New York State Coastal Atlas, the sites are not located in a coastal zone.
Sole Source Aquifers [40 CFR 149]	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Urban lots that are prior disturbed are not required to be reviewed for consistency with 40 CFR 149.
Endangered Species Act [50 CFR 402]	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Urban lots that are prior disturbed are not required to be reviewed for consistency with 50 CFR 402.
Wild and Scenic Rivers Act [Sections 7 (b), (c)]	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The project sites are not located near a Wild and Scenic Recreational River.
Air Quality [Clean Air Act, Sections 176 (c) and (d), and 40 CFR 6, 51, 93]	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Monroe County is a nonattainment area for 8-Hr Ozone. Ozone is created by emissions of volatile organic compounds (VOC) and nitrogen oxides (NOx). Both VOCs and NOx are emitted by transportation and industrial sources. The proposed project is a residential use and unlikely to significantly impact air quality from emissions of VOCs and NOx. Since the project is for residential use there will be no significant increase on traffic.
Farmland Protection Policy Act [7 CFR 658]	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The project activities will not cause disturbance Prime, Unique or Statewide Important Farmland, therefore the project is not required to comply with the Farmland Protection Policy Act at 7 CFR Part 658.
Environmental Justice	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Project sites will facilitate the creation of affordable housing units. Measures and

[Executive Order 12898]			recommendations to mitigate negative impacts to neighborhoods characterized as low-income and minority will be implemented in accordance with Executive Order 12898.
Noise Abatement and Control [24 CFR 51 B]	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The sites are within the limiting distance from the Rochester International Airport, but is outside the DNL contour intervals.
Toxic or Hazardous Substances and Radioactive Materials [HUD Notice 79-33]	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p>A Phase I Environmental Assessment (ESA), prepared by Passero Associates for each of the sites is dated January 30, 2009 and reported the following REC's:</p> <ul style="list-style-type: none"> • The single family homes at 37 Alphonse street and 187 Wilkins street have been demolished by the City of Rochester. There was a concern for Asbestos Containing Materials (ACM) and Lead Based Paint (LBP). A letter from the City dated December 4, 2009 states that the buildings were demolished in accordance with all local, state and federal regulations that pertain to ACM and LBP. A 55 gallon drum (contents unknown) has also been removed from 37 Alphonse St. by an unknown party. The City has documented in an e-mail dated December 7, 2009 that there was no 55 gallon drum located on the site at the time of demolition. The Phase I noted that there did not appear to be any staining in that area. • 88 and 92 Thomas Streets were used as a junkyard in the 1950s'. A limited Phase II was conducted by Passero Associates on August 27, 2009. Mercury was discovered in background levels. No further action is required for the former use as a junkyard. Various C & D waste was encountered during excavation. Care must be taken during excavation to remove and properly dispose of all C & D waste. • Tires were discarded at 88 Thomas. A letter from Youngblood Disposal Service dated December 11, 2009 states that the tires were disposed at their facility. • Household debris, an oil can and auto parts are located on the 87-92 Maria parcel. On August 18, 2009 Passero inspected the site and determined that the debris had been removed and say no evidence of soil impairment was discovered. <p>The project site is located in an area with the potential for radon levels to exceed the U.S. Environmental Protection Agency (EPA) action level. A "passive" soil depressurization system has been incorporated into each building design in accordance with EPA "Model Standards and Techniques for Control of Radon in New Residential Buildings", EPA 402-R-94-009, March 1994. Radon testing will be conducted when the buildings are complete, prior to occupancy, with test results forwarded to HTFC. A third-party air-monitoring contractor must complete the final testing/clearance with certified results by an authorized testing laboratory. The third party must submit a report summarizing the final testing/clearance for the entire project. If radon testing indicates that the radon level (in any buildings) exceeds the EPA action level of 4 pCi/L, an active fan, complete with alarm system, will be installed and re-tested (in the building) prior to occupancy to determine that radon levels are being maintained below recommended limits.</p>
Siting of HUD-Assisted Projects near Hazardous Operations [24 CFR 51 C]	<input checked="" type="checkbox"/>	<input type="checkbox"/>	An Above Ground Storage Tank Survey prepared by Passero Associates on December 14 and 18, 2009 documents that there are no above-ground storage tanks within the limiting distances from the project sites.
Airport Clear Zones and Accident Potential Zones [24 CFR 51 D]	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The subject properties are located near the Rochester International Airport, a designated airport, but they are not located in the clear zone.

NOTES:

Mary Binder

Preparer

December 21, 2009

Date

APPENDIX B
Environmental Assessment Checklist
Site Specific

SHARS #: **20096029**
 Project Name: **Mildred Johnson Estates II**
 Project Address: 20 Scattered sites within the 14621 Neighborhood
 City of Rochester
 Monroe County
 Date: December 21, 2009

[Environmental Review Guide HUD CPD 782, 24 CFR 58.40; Ref. 40 CFR 1508.8 & 1508.27]
 Evaluate the significance of the effects of the proposal on the character, features and resources of the project area.

Enter relevant base data and verifiable source documentation to support the finding. Then enter the appropriate impact code from the following list to make a finding of impact. **Impact Codes:** (1) - No impact anticipated; (2) - Potentially beneficial; (3) - Potentially adverse; (4) - Requires mitigation; (5) - Requires project modification. Note names, dates of contact, telephone numbers and page references. Attach additional materials as needed.

Land Development	Code	Source or Documentation
Conformance with Comprehensive Plans and Zoning	1	The site is zoned R-1, single-family residential.
Compatibility and Urban Impact	1	The proposed project is compatible with the scale of development in the existing residential area.
Slope	1	The project sites are vacant lots where existing slopes are flat. The site is located in an MS4 and will comply with the SDPES requirements.
Erosion	1	The site is located in an MS4 and will comply with the SPDES requirements.
Soil Suitability	1	The project sites are located on vacant urban lots that were prior disturbed.
Hazards and Nuisances including Site Safety	4	A Phase I Environmental Assessment (ESA), prepared by Passero Associates for each of the sites is dated January 30, 2009 and reported the following REC's: <ul style="list-style-type: none"> • the single family homes at 37 Alphonse street and 187 Wilkins street have been demolished by the City of Rochester. There was a concern for Asbestos Containing Materials (ACM) and Lead Based Paint (LBP). A letter from the City dated December 4, 2009 states that the buildings were demolished in accordance with all local, state and federal regulations that pertain to ACM and LBP. A 55 gallon drum (contents unknown) has also been removed from 37 Alphonse St. by an unknown party. The City has documented in an e-mail dated December 7, 2009 that there was no 55

		<p>gallon drum located on the site at the time of demolition. The Phase I noted that there did not appear to be any staining in that area.</p> <ul style="list-style-type: none"> • 88 and 92 Thomas Streets were used as a junkyard in the 1950s'. A limited Phase II was conducted by Passero Associates on August 27, 2009. Mercury was discovered in background levels. No further action is required for the former use as a junkyard. Various C & D waste was encountered during excavation. Care must be taken during excavation to remove and properly dispose of all C & D waste. • Tires were discarded at 88 Thomas. A letter from Youngblood Disposal Service dated December 11, 2009 states that the tires were disposed at their facility. • Household debris, an oil can and auto parts are located on the 87-92 Maria parcel. On August 18, 2009 Passero inspected the site and determined that the debris had been removed and say no evidence of soil impairment was discovered. <p>The project site is located in an area with the potential for radon levels to exceed the U.S. Environmental Protection Agency (EPA) action level. A "passive" soil depressurization system has been incorporated into each building design in accordance with EPA "Model Standards and Techniques for Control of Radon in New Residential Buildings", EPA 402-R-94-009, March 1994. Radon testing will be conducted when the buildings are complete, prior to occupancy, with test results forwarded to HTFC. A third-party air-monitoring contractor must complete the final testing/clearance with certified results by an authorized testing laboratory. The third party must submit a report summarizing the final testing/clearance for the entire project. If radon testing indicates that the radon level (in any buildings) exceeds the EPA action level of 4 pCi/L, an active fan, complete with alarm system, will be installed and re-tested (in the building) prior to occupancy to determine that radon levels are being maintained below recommended limits.</p>
Energy Consumption	2	The rehabilitation will comply with NYS Energy Code requirements. The design and construction of the project will follow the NYS Division of Housing and Community Renewal's guidelines for the "Energy Efficiency and Green Building Initiative."
Neighborhood Impacts		
Noise - Contribution to Community Noise Levels	1	The sites are within the limiting distance from the Rochester International Airport, but is outside the DNL contour intervals.
Air Quality - Effects of Ambient Air Quality on Project and Contribution to Community Pollution Levels	1	<p>Monroe County is a nonattainment area for 8-Hr Ozone. Ozone is created by emissions of volatile organic compounds (VOC) and nitrogen oxides (NOx). Both VOCs and NOx are emitted by transportation and industrial sources.</p> <p>The proposed project is a residential use and unlikely to significantly impact air quality from emissions of VOCs and NOx.</p> <p>Since the project is for residential use there will be no significant increase on traffic.</p>
Environmental Design Visual Quality - Coherence, Diversity, Compatible Use and Scale	2	The redevelopment will provide a benefit by improving visual quality, use and scale in the surrounding neighborhood by rehabilitating and reducing the unit count on an outdated and delapidated apartment complex.

Socioeconomic		
Demographic Character Changes	1	The project will not alter the demographic character of the area. The inhabitants of the proposed projects would have similar demographic characteristics as the population residing in the surrounding neighborhood.
Displacement	1	The sites are currently vacant and there will be no displacement of residences.
Employment and Income Patterns	2	Upon the completion of the project, minor changes to employment and income patterns may result. Short term employment will be created during construction.
Community Facilities and Services		
Educational Facilities	1	The project may slightly increase demand on public schools operated or chartered in the City of Rochester, however the minor increase can be handled by the City school system.
Commercial Facilities	2	Project residents will frequent retail establishments in the neighborhood.
Health Care	1	The project sites may slightly increase the demand on health care facilities.
Social Services	1	The project sites will not place a significant demand on social services.
Solid Waste	1	The project sites may slightly increase the amount of solid waste. The project sites are served by a private waste hauler.
Waste Water	1	The project sites are served by municipal sewer where demand will slightly increase.
Storm Water	1	The project sites are within an MS4 jurisdictions and will be required to comply with the State Pollutant Discharge Elimination System (SPDES) General Permit for Stormwater Discharges from Municipal Separate Storm Water Systems (GP-0-08-002), which includes preparation of a Stormwater Pollution Prevention Plan (SWPPP).
Water Supply	1	The site is served by municipal water, were demand will slightly increase.
Public Safety - Police	1	The project sites will have a slightly increased demand on police services. Local police departments will continue to provide police protection service.
- Fire	1	The project sites will have a slightly increase demand on fire services due and local fire departments will continue to provide police protection service.
- Emergency Medical	1	The project sites will have a slight increase on emergency medical services.
- Open Space	1	The project sites are not expected to place a significant demand on open

		space resources.
- Recreation	1	The projects are not expected to place a significant demand on recreation resources in the area.
- Cultural Facilities	1	The project sites will not result in impacts to cultural facilities. The Rochester area contains many world-class institutions, including museums, galleries, theaters and other facilities which are easily accessible by mass transit.
- Transportation	1	The project sites are not expected to generate significant levels of traffic. The project has easy access to mass transit.
Natural Features		
Water Resources	1	There are stream, lakes, ponds or wetland areas within or contiguous to the project sites.
Surface Water	1	The project sites would not result in a significant effect on surface waters, as there are none located within or contiguous to the project area.
Unique Natural Features and Agricultural Lands	1	There will be no impacts to unique natural features or agricultural lands since the project sites are located on urban, prior developed lots.
Vegetation and Wildlife	1	All areas were prior disturbed. There are no concerns for endangered species on these sites.
Flood Disaster Protection Act [Flood Insurance]	1	None of the project sites are located in a Special Flood Hazard Area, according to FIRM map panel 36055C0211G dated August 28, 2008 and a letter dated December 15, 2008 from the City of Rochester Director of Planning.
Coastal Barrier Resources Act/ Coastal Barrier Improvement Act [§58.6(c)]	1	The project sites are not located within the Coastal Barrier.
Airport Runway Clear Zone or Clear Zone Disclosure [§58.6(d)]	1	The project sites are located near the Rochester International Airport, a designated airport, but they are not located in the clear zone.
Other Factors		The project has been provided a Type II designation in accordance with 6 NYCRR 617.5 (c) (9) by the HTFC SEQR Officer on December 21, 2009.
Other Factors		
Other Factors		

Comments:

Mary Binder

Preparer

December 21, 2009

Date

END OF ENVIRONMENTAL ASSESSMENT CHECKLIST