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Administration Of Environmental Impact Requirements For Housing Projects In The Rockaways Area Of New York City

B-118718

Department of Housing and Urban Development

BY THE COMPTROLLER GENERAL OF THE UNITED STATES

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JULY 30, 1973



COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

B-118718

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The Honorable Frank J. Brasco
House of Representatives

Dear Mr. Brasco:

Pursuant to your request of March 23, 1973, we reviewed how the Department of Housing and Urban Development administered its environmental impact requirements for federally assisted housing projects in the Rockaways area of New York City.

We orally presented the results of our work to you on May 9, 1973. As requested, we agreed to furnish you the following summary document used during our presentation.

As you requested, we did not afford the Department an opportunity to review and comment on a draft of this summary. The matters contained in the summary have been discussed with headquarters officials who indicated that the Department's environmental clearance policy could be improved in the areas we comment on. Further, as agreed with you, a copy of this summary will be furnished to the Department for its views, and we will advise you of the actions taken or planned.

Also as agreed with you, copies of this summary are being sent to the Chairmen, House and Senate Committees on Government Operations and on Appropriations, and to the Director, Office of Management and Budget.

We believe that the information in this summary would be useful to the Environmental Protection Agency; however, we do not plan to distribute this summary further unless you agree or publicly announce its contents.

Sincerely yours,

James B. Axtell
Comptroller General
of the United States

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ABBREVIATIONS

CPC	City Planning Commission
DWR	Department of Water Resources
EPA	Environmental Protection Agency
HUD	Department of Housing and Urban Development

REVIEW OF THE ADMINISTRATION OF
ENVIRONMENTAL IMPACT REQUIREMENTS FOR FEDERALLY ASSISTED
HOUSING PROJECTS IN THE ROCKAWAYS AREA OF NEW YORK CITY
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

OBJECTIVES

Pursuant to Congressman Brasco's request of March 23, 1973, (see app. I) we were to

- obtain an inventory of all projects in the Rockaways area, Borough of Queens in New York City for which Federal assistance has been approved by the Department of Housing and Urban Development (HUD);
- evaluate the adequacy of HUD's environmental reviews, especially the coverage given noise and sewers; and
- determine whether HUD projects conformed to the development strategies set forth in the city's development plans for the Rockaways area.

BACKGROUND

The projects included in our review were assisted under sections 232 and 236 of the National Housing Act, as amended (12 U.S.C. 1715w and 1715z-1).

Section 236, which was added to the National Housing Act by section 201 of the Housing and Urban Development Act of 1968 (82 Stat. 476, 498), authorized HUD to insure privately financed mortgage loans for constructing or rehabilitating multifamily housing projects and to pay, on behalf of the mortgagors, the mortgage insurance premiums and the interest on the mortgage loans exceeding 1 percent. Because HUD makes these payments (interest reduction payments), the basic monthly rent for each housing unit is lower than it would be if the project received no Federal assistance.

HUD also makes interest reduction payments on a rental or cooperative housing project if it is financed

under a State or local program providing direct loans, loan insurance, or tax abatement.

Section 232 authorized HUD to insure mortgage loans for constructing and rehabilitating facilities accommodating 20 or more patients requiring skilled nursing care and related medical services or needing minimum but continuous care of trained or licensed nursing and medical personnel. Before HUD can insure a nursing home or intermediate care facility mortgage, the appropriate State agency must certify that the facility is needed and that minimum licensing and operating standards are being applied.

The New York State and local agencies receiving Federal assistance under section 236 are the New York State Urban Development Corporation, the New York State Division of Housing and Community Renewal, and the New York City Housing and Development Administration.

Although HUD does not become involved in planning, designing, or selecting sites for State and locally financed projects, State and local projects qualifying for Federal assistance are subject to HUD's environmental reviews.

RESULTS OF REVIEW

INVENTORY OF PROJECTS

HUD has approved Federal assistance for 13 projects in the Rockaways area since it introduced environmental clearance requirements in January 1971. HUD insures the mortgages for seven of the projects. The other six projects are State or local housing developments which qualify for Federal interest reduction and rent supplement payments. Construction on four of the six State and local projects in the Rockaways started before HUD approved the Federal assistance.

More information on the 13 projects is shown in the following table.

<u>Type of project</u>	<u>Project name</u>	<u>Beds or dwelling units</u>
Nursing homes:		
Section 232 (mortgage insurance for nursing homes)	Seagirt Health Related Facility	a200
	Haven Manor Nursing Home	a240
	Brookhaven Health Related Facility	a298
	Rockaway Care Center	a320
	Surfside Nursing Home	a59
		<u>1,117</u>
Multifamily housing (apartments):		
Section 236--insured (interest reduction and rent supplement payments)	Oceanview	a147
	Oceanview II	<u>147</u>
		<u>294</u>
Section 236--non-insured State and local (interest reduction and rent supplement payments)	Bay Towers	374
	Ocean Park	a598
	Arverne	1,090
	Roy Reuther	916
	Seagirt (Brookdale)	546
	Arverne Breakthrough	<u>750</u>
	<u>4,274</u>	
Total		<u>5,685</u>

aHUD has issued an environmental clearance for each of these projects.

HUD has not yet approved Federal assistance for another project--Mott Apartments, a 24-unit garden apartment development. HUD intends to insure the mortgage for this project under section 221(d)(4) of the act (12 U.S.C. 1715 1), a program that helps provide rental housing primarily for people displaced by governmental actions.

Further details on each of the projects approved for Federal assistance are included in appendix II.

HUD'S ENVIRONMENTAL REVIEWS

Before HUD approves Federal assistance for projects, it must review the environmental impact of all HUD-assisted housing except individual homes. The depth of the review depends on the size of the project and its potential for causing an adverse environmental impact. Each project must at least be reviewed to determine that it does not adversely affect the environment and that it conforms to all HUD guidelines.

HUD's guidelines require that normal environmental clearances shall be established to insure a consideration of alternative locations and suitable environmental conditions for all project approvals, including major changes to an approved project. HUD's guidelines also require special clearances to be prepared for those projects whose acceptability cannot be determined in normal clearances and for projects of larger size or special environmental significance, such as those exceeding HUD's dwelling unit requirements or those exceeding HUD's noise exposure limits.

For projects requiring special environmental clearances, a negative statement or a detailed environmental impact statement shall be prepared. A negative statement is prepared when HUD determines that a proposed project will not significantly result in an adverse impact on the environment. A detailed environmental statement is prepared when a proposed project is likely to have a significant environmental impact.

Preparing clearances

The 13 Rockaways projects required special clearances because they either exceeded HUD's dwelling unit requirements or were in high-noise exposure areas.

As of April 30, 1973, 7 of the 13 approved projects had been cleared. All of the clearance reviews resulted in negative statements. The following projects had not been cleared, although HUD had approved Federal assistance for them.

Oceanview Apartments

This HUD insured project was approved August 18, 1971, 8 months after HUD issued its environmental policy. Officials in HUD's New York area office stated that the project was approved without a clearance because of a delay in implementing the environmental clearance procedures. HUD regional officials believed, however, that the area office had enough time to comply with the policy.

Bay Towers, Arverne, Roy Reuther, Seagirt (Brookdale), and Arverne Breakthrough

Contrary to central office policy, the New York area office issued fund reservations to these non-insured projects before environmental clearances were prepared. Regional officials indicated that the area office's procedures are being tightened to curtail future deviations from established policy.

HUD entered into a contract to provide assistance to the New York State Roy Reuther project without an environmental clearance. HUD area and regional officials agreed that this action violated policy.

Clearances on noninsured projects have been delayed because the area office is waiting for the State and local sponsoring agencies to submit the necessary material and information.

We believe that issuing reservations before environmental clearances are prepared has reduced pressure on State and local agencies to respond promptly to Federal environmental requirements.

In April 1973, the HUD New York Regional Office instructed the New York area office to issue commitments only on those projects for which environmental clearance reviews have been performed.

Adequacy of HUD's environmental clearance

HUD determined that none of the seven projects for which environmental clearances were prepared imposed a significant adverse impact on the Rockaways area or on its facilities. We found, however, that the documentation supporting the clearances did not provide enough information to justify them.

--Some potential environmental issues were not discussed.

--The comments on certain problems were not sufficient to disclose fully the projected impact on the community and possible solutions were often not cited.

--Where a potential environmental problem existed, HUD's clearances did not indicate whether possible alternatives to the projects were considered.

The local HUD official making the environmental impact review and preparing the clearance determined the potential environmental issues to be discussed. Except for exterior noise, no other environmental issue was consistently discussed in the clearance documents. For example, the adequacy of the existing sanitary sewer facilities and the projects' impact on these facilities were not discussed in the clearance documents for any of the seven projects; however, both the storm drainage situation and the adequacy of local hospital facilities were mentioned in four clearances. Clearance documents did not indicate why these concerns were not discussed in each case.

The environmental clearances prepared by the New York area office cited the potential environmental problems in general terms but often did not fully discuss the problems' anticipated impact nor how the problems might be satisfactorily resolved. For example, several clearances prepared for nursing homes mentioned that those facilities might "generate a significant increase in the demand for local hospital facilities" but did not indicate the extent of the potential impact or the possible solutions for the increased demand. Moreover, HUD's clearances did not discuss alternatives to the proposed projects--such as locating the projects in areas where there are adequate hospital facilities.

Noninsured State and local projects receiving Federal assistance (rent reductions) normally were cleared after construction had started. HUD cleared only one of six State and local projects for which it approved Federal financial assistance. Because the cleared project (Ocean Park Apartments) was in advanced stages of construction, HUD considered in its environmental impact review only the social environmental effects of lowering project rent levels.

Problems

Noise

In August 1971, HUD issued noise abatement and control guidelines for evaluating the acceptability of housing projects. Projects to be located in questionable noise exposure areas require additional environmental study and corrective action.

Corrective action usually means taking noise attenuation measures, but HUD has not defined acceptable noise attenuation measures. HUD area and regional officials stated that they require air conditioners as the noise attenuation measure for projects in the New York City area. Regional personnel of the Environmental Protection Agency (EPA) informed us that air conditioning by itself is not an effective noise attenuation measure but is an alternative to costly redesign. EPA has not established noise attenuation criteria for housing projects, but this fall EPA plans to review HUD's implementation of the noise policy and will address this issue.

Three of the seven cleared projects were in areas classified by HUD as "discretionary - normally unacceptable" noise zones. According to HUD's noise policy, such projects can be approved only if detailed environmental impact statements are prepared and noise attenuation features are incorporated in the projects' design.

In April 1972, HUD's central office waived the environmental impact statement requirement for normally unacceptable projects in all boroughs of New York City except Staten Island because

--ambient noise levels in New York City were higher than in most other areas,

--land in the city was scarce, and

--the city had a critical housing need.

However, the central office required noise attenuation measures before it would approve projects.

HUD required air conditioning in each of the three projects. Some project sponsors also took other measures, particularly installing double glazed and sealed windows. HUD officials believed that these actions constituted acceptable noise attenuation measures and approved the projects.

Two federally assisted State and local projects (Bay Towers and Arverne), which HUD had not yet cleared, were also located in the "discretionary - normally unacceptable" noise zone. HUD's enforcement of the noise attenuation requirement for these projects has been impaired because the projects were approved, contrary to policy, before clearances were prepared. HUD central office officials advised their New York area office that the sponsors of both projects could be encouraged to take corrective action but could not be required to do so. The sponsoring agencies, the Urban Development Corporation and the New York City Housing and Development Administration, informed us that air conditioning "sleeves" are included in the projects but that the occupants must supply their own air conditioning units.

Sewers

Concern has been generated in the Rockaways community about the impact of development on the Rockaways' sewer facilities. HUD's clearance documents did not discuss the seven cleared projects' impact on the sanitary sewer system. Area office officials indicated that this issue was not discussed because (1) they believed local review and approval procedures were adequate to insure sufficient consideration of such impact and (2) they were aware of city plans to improve the existing system.

The sanitary sewer system has three parts: feeder lines running along each street connecting to main (interceptor) lines which empty into the treatment plant at Beach 108 Street. A pump at Beach 17 Street moves waste from low-lying sectors.

The system has two problems. First, the feeder lines are old, small, and generally of poor quality; many were installed before New York City was incorporated in

1898. Many of the original 8-inch lines are obstructed by sand deposits and tree roots which have interfered with the free flow of waste.

Secondly, there is a general lack of storm sewers serving the Rockaways area. When rain falls, sanitary sewers are surcharged by storm waters. Also, much of the sewer system is below water table levels, which helps ground water to infiltrate defective lines. Storm water runoff may also tax the interceptor.

Flooding problems have increased as the area has developed. The Far Rockaway area previously consisted of summer bungalows, and there was a lot of exposed ground to absorb rainwater. As more year-round residences developed, exposed ground decreased, and storm water infiltrating sanitary lines increased. The Far Rockaway terrain also contributes to flooding. Western Far Rockaway has elevations as high as 25 feet; moving east, elevations drop to 5 feet. Therefore, storm waters flow east, infiltrate sanitary sewers, and cause floods in low-lying sectors. Low areas near the shore are also exposed to tidal inundation.

City officials are aware of the critical sewer problem and have adopted a citywide program of storm and sanitary sewer construction and sanitary sewer rehabilitation. The 10-year comprehensive accelerated sewer program, announced in February 1973, will commit the city to estimated capital budget expenditures of \$1.5 billion. The program essentially is to accelerate short- and long-range sewer projects.

Construction effort in the Rockaways area will be focused on sewers. The Department of Water Resources (DWR) will inspect sanitary feeder lines for blockage and breakage by running a television camera through the lines to view actual physical conditions. Defective feeder lines will be replaced, in connection with storm sewer construction, with larger 10-inch lines having more effective couplers. Currently, 19 city sewer projects in the Rockaways area, estimated to cost about \$43 million, are in construction or planning stages.

Project type	Under construction		Under design		To be designed		Total	
	Number	Estimated cost (millions)	Number	Estimated cost (millions)	Number	Estimated cost (millions)	Number	Estimated cost (millions)
Storm	3	\$5.59	6	\$18.47	4	\$12.26	13	\$36.32
Sanitary	-	-	5	3.69	1	3.07	6	6.76
Total	<u>3</u>	<u>\$5.59</u>	<u>11</u>	<u>\$22.16</u>	<u>5</u>	<u>\$15.33</u>	<u>19</u>	<u>\$43.08</u>

Planned projects should be under construction by 1977.

According to city officials, storm sewers should alleviate the Rockaways' adverse sanitary sewer and flooding conditions in two ways. First, storm waters will drain into storm sewers, not into sanitary sewers. Secondly, the volume of storm water absorbed into the ground will decrease. This will result in a lower water table and will reduce the volume of ground water infiltrating sanitary sewers.

Officials of the City Planning Commission (CPC) feel that adverse sewer conditions are not a result of development but are due to the current systems' inadequacies, specifically the feeder lines. They also stated that the interceptor is adequate and can accept further demands; that existing sewer conditions will not be aggravated by further development if sponsors replace feeder lines; and that adverse conditions should be greatly mitigated once storm sewers have been installed.

Before approving a proposed sewer connection DWR ascertains the adequacy of the feeder line. The Buildings Department issues building permits after DWR's approval. DWR approved sewer connections for 7 of the 13 projects and action is in process for 5. Six of the 12 projects are using or will use existing feeder lines, and 6 have installed or will install their own feeder lines. DWR had no information on the remaining project.

CITY PLAN FOR THE ROCKAWAYS

Land use

New York City does not have an officially approved master plan for land use. However, in 1969, CPC proposed a plan which included sections on development and land use in the Rockaways area. The land-use strategies in this

plan closely followed the zoning ordinance in effect at that time.

The most current zoning maps (February 1970) allow for substantial residential development in the Rockaways. Sizable tracts, including the Arverne urban renewal area, are zoned for high-medium population densities which permit up to 320 people an acre.

The 13 housing projects in the Rockaways area conformed to zoning regulations at the time HUD approved them. The Bay Towers project obtained a zoning change in 1969 to increase the allowable population from 156 people an acre to 320 people an acre.

Until recently, community facilities such as nursing homes were automatically allowed to exceed the floor area limitations permitted under the area's zoning regulation. In March 1973, the Board of Estimate revoked the automatic exceptions formerly granted to these facilities, and projects exceeding established residential floor areas limitations will have to have special permits from CPC and the board. CPC officials believe that this change will substantially curtail future development.

CPC is considering new land-use policies for the Rockaways area. Officials thought it premature to discuss what policy would evolve but indicated that it would likely emphasize low-rise garden-type developments.

LOCAL REVIEW OF PROJECTS

In addition to zoning controls, local review processes have been established to insure that the impact of proposed housing developments is considered. CPC officials believe that these controls and reviews provide sufficient evaluation.

Most important is the requirement that sponsors of public or publicly assisted housing or other developers who seek full tax abatement submit plans to CPC for review and to the Board of Estimate for approval. Eight of the 13 Rockaways projects have received or will receive tax abatement benefits. The remaining five projects are proprietary nursing homes or health-related facilities not qualifying for tax abatement benefits.

CPC's review of projects in the Rockaways area includes public hearings and studies by its Comprehensive

Planning Section, the Queens Borough Planning Office, and the community planning board. These groups evaluate the environmental, technical, and socioeconomic impact of the proposed projects.

The CPC commissioners consider each group's comments in determining the appropriate recommendation to be made to the Board of Estimate. The board, before deciding on the proposed project, also holds public hearings.

CPC favorably recommended five of the eight Rockaways projects seeking tax abatement benefits, and the Board of Estimate approved such benefits. The status of the three remaining projects follows.

--CPC action is pending for Seagirt (Brookdale).

--Complete plans for Arverne Breakthrough have not yet been submitted.

--CPC does not have to review Arverne because Urban Development Corporation projects receive statutory tax abatement benefits and are not subject to local ordinances or local review processes.

AGENCY COMMENTS

HUD officials in the Office of Community and Environmental Standards agreed that the environmental policy could be improved in the areas we commented on in this report. They stated that HUD was revising its environmental clearance guidelines and expects that the new policy will more clearly define the areas to be considered and discussed by HUD reviewers in preparing clearances.

CONCLUSIONS AND RECOMMENDATION

The basic purpose of HUD's environmental clearance policy is to insure that HUD adequately considers all environmental issues before approving Federal assistance for housing projects and that HUD's environmental reviews disclose problems and potential solutions in time to take corrective or alternative actions.

However, our review disclosed that HUD's environmental procedures did not require the clearance reviews to include documentation supporting the findings or a discussion of all potential environmental issues, such as a proposed project's impact on existing sewer facilities, schools, transportation, and health-related facilities.

Accordingly, we recommend that the Secretary of HUD require that the clearance procedures be revised to provide for adequate documentation which will show that the potential environmental issues have been appropriately considered.

FRANK J. BRASCO
5TH DISTRICT, NEW YORK

WASHINGTON OFFICE:
ROOM 405
HOUSE OFFICE BUILDING
WASHINGTON, D.C.
TEL: 225-5471

APPENDIX I
COMMITTEES:
BANKING AND CURRENCY
POST OFFICE AND CIVIL SERVICE
SELECT COMMITTEE ON CRIME

Congress of the United States
House of Representatives
Washington, D.C. 20515

23 March 1973

Honorable Elmer B. Staats
Comptroller General
General Accounting Office
441 G Street
Washington, D. C. 20548

Dear General:

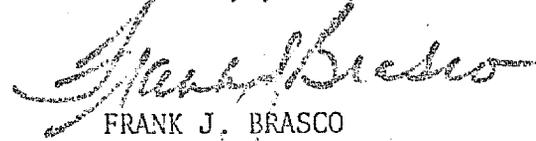
Having recently consulted with counsel from your office, I hereby respectfully request that GAO initiate an investigation into widespread housing development in the Rockaways area of Queens County, New York, in apparent violation of several Federal regulations.

With total disregard for regulations governing sewerage facilities, noise density, schools, roads, and all ancillary services which make an area inhabitable and civilized, construction plans, involving Federal monies, continue to be approved for this area.

Such uncoordinated projects, ignoring possible health hazards from the lack of adequate sanitary facilities, as well as chancing the destruction of once beautiful beaches, are meeting with vigorous opposition from area residents. Many new projects, including a massive housing complex, Seaview Towers, are presently under consideration by the Board of Estimates; and, I am very fearful that unless such development is halted, and some sensible, orderly plan developed, the Rockaways will cease to enjoy the reputation it has long enjoyed of being a clean, pleasant, desirable beachfront area.

Your attention to this problem at the earliest possible date will be deeply appreciated.

Sincerely yours,


FRANK J. BRASCO

cc: Secretary of HUD, James T. Lynn
EPA Administrator, William D. Ruckelshaus

HOUSING PROJECTS APPROVED BY HUD
IN THE ROCKAWAYS AREA OF NEW YORK CITY
FROM JANUARY 1971 THROUGH APRIL 1973

<u>Project name</u>	<u>HUD's commitment or reservation</u>	<u>Start of construction</u>	<u>Status of environmental clearance</u>	<u>Environmental clearance</u>	<u>Reviewed by CPC</u>	<u>Adopted by Board of Estimate</u>	<u>Sewer connections approved by DWR</u>
Nursing homes:							
Seagirt Health Related Facility	May 1972	Sept. 1972	Negative statement	Apr. 1972	Not required	Not required	Yes
Haven Manor Nursing Home	Sept. 1972	Oct. 1972	Negative statement	Apr. 1972	"	"	In process
Rockaway Care Center	Mar. 1973	-	Negative statement	Apr. 1972	"	"	" "
Brookhaven Health Related Facility	June 1972	May 1972	Negative statement	Feb. 1972	"	"	Yes
Surfside Nursing Home	Mar. 1972	May 1972	Negative statement	Feb. 1972	"	"	Yes
Apartments:							
Oceanview	Aug. 1971	Sept. 1971	-	-	Apr. 1971	June 1971	Yes
Oceanview II	Dec. 1972	-	Negative statement	Unknown	Apr. 1973	Apr. 1973	In process
Bay Towers	June 1972	Jan. 1971	-	-	Sept. 1968	July 1969	Yes
Ocean Park	Dec. 1971	Oct. 1969	Negative statement	Sept. 1972	Sept. 1968	Oct. 1968	No information
Arverne	Dec. 1971	Nov. 1971	-	-	Not required	Not required	Yes
Roy Reuther	Dec. 1971	Oct. 1971	-	-	Oct. 1970	Nov. 1970	Yes
Seagirt (Brookdale)	Dec. 1972	^a June 1973	-	-	In process	Awaiting CPC review	In process
Arverne Breakthrough	Dec. 1972	^a June 1973	-	-	Plan not submitted	" "	" "

^aEstimated.

BEST DOCUMENT AVAILABLE