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February 22, 2024

VIA E-MAIL TRANSMISSION

Cody Campbell
Texas Department of Housing and Community Affairs
221 East 11th Street
Austin, Texas 78711-3941

RE: Undesirable Site Feature – Palms at Morris (the "**Development**")
TDHCA No. 24124

Greetings:

We represent TG 110 Palms at Morris, LP (the "**Applicant**"), which is applying for Housing Tax Credits¹ for the Development. The Development Site is located between 1.25 and 1.85 miles from three refineries in Corpus Christi, operated by Magellan, Flint Hills Resources, and CITGO. See the maps attached as Exhibit A. Thus, in accordance with Section 11.101(a)(2)(e)(ix) of the 2024 QAP, the purpose of this letter is to disclose the proximity of the Development Site to an undesirable site feature and to provide mitigation sufficient for TDHCA to determine that the Development Site should be eligible for a Housing Tax Credit award.

The Applicant asks TDHCA to consider the following:

HUD Acceptable Separation Distances. While the Phase I Environmental Site Assessment Report remains in progress, the environmental engineer has calculated acceptable site distances for the nearest above-ground storage tanks, in accordance with HUD standards. See Exhibit B. The engineer concludes:

The Palms at Morris site is calculated to be beyond the Acceptable Separation Distance from the four (4) identified refinery tanks located within two miles of the site as calculated using the Acceptable Separation Distance Electronic Assessment algorithm. As a result, no further actions nor mitigation appears required.

¹ Capitalized terms used but not defined in this letter shall have the meanings given them in the 2021 Qualified Allocation Plan.

City Statement. The City of Corpus Christi stands in support of this Development and has provided a letter, attached as Exhibit C, emphasizing that construction of the Development with the proximity to the refineries is expressly permitted by the City.

Urban Core. As noted in the letter from the City, there are many prominent areas in Corpus Christi located within two miles of a refinery, including the downtown urban core, major tourist attractions, residential developments, City Hall, and the Nueces County Courthouse. This proximity was addressed in a similar request for the Avanti at South Bluff property (TDHCA No. 19332) in the 2019 application cycle and again for Palms at Blucher Park (TDHCA No. 21186) in the 2021 cycle. In both instances, TDHCA found the sites eligible for a Housing Tax Credit award. With regard to Avanti at South Bluff, staff said:

This Development is considered sufficiently mitigated because of its and Corpus Christi's spatial circumstances — the major employment, civic, and tourist institutions are all located in or near downtown Corpus Christi, and downtown Corpus Christi, being on the bay, is within two miles of oil refineries. Furthermore, staff notes that the Development's Environmental Site Assessment made no mention of any potential migration of hazardous substances and/or petroleum products to the Development's future residents.

See TDHCA Board Book dated April 25, 2019, page 114.

For all these reasons, we request that you find the Palms at Morris Development Site eligible, despite the proximity to an Undesirable Site Feature.

Sincerely,

A handwritten signature in blue ink that reads "Cynthia L. Bast". The signature is enclosed in a dashed rectangular box.

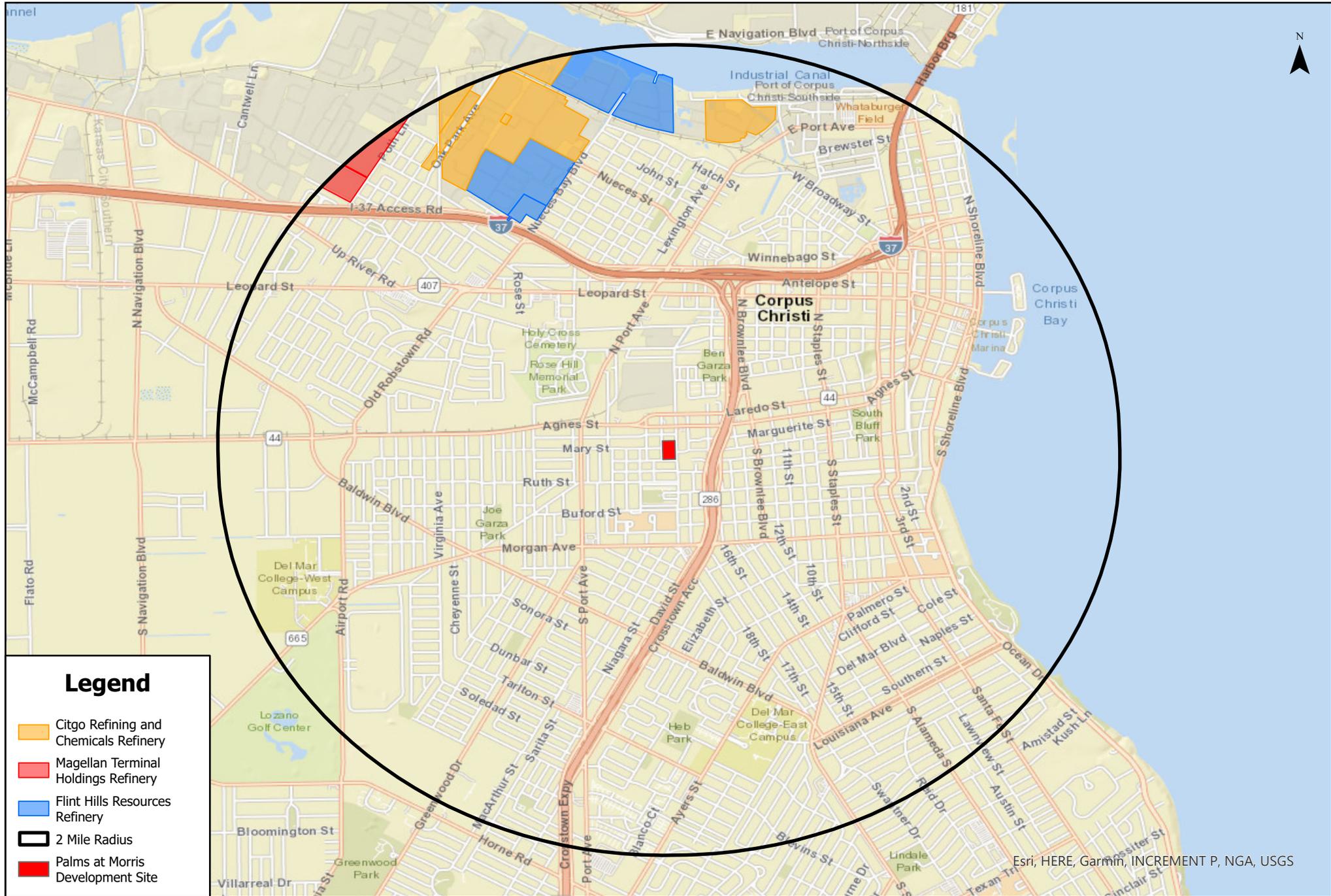
Cynthia L. Bast

cc: **via e-mail**
Brad McMurray
Jacque Woodring

Exhibit A

Maps

2-Mile Radius of the Palms at Morris Development Site



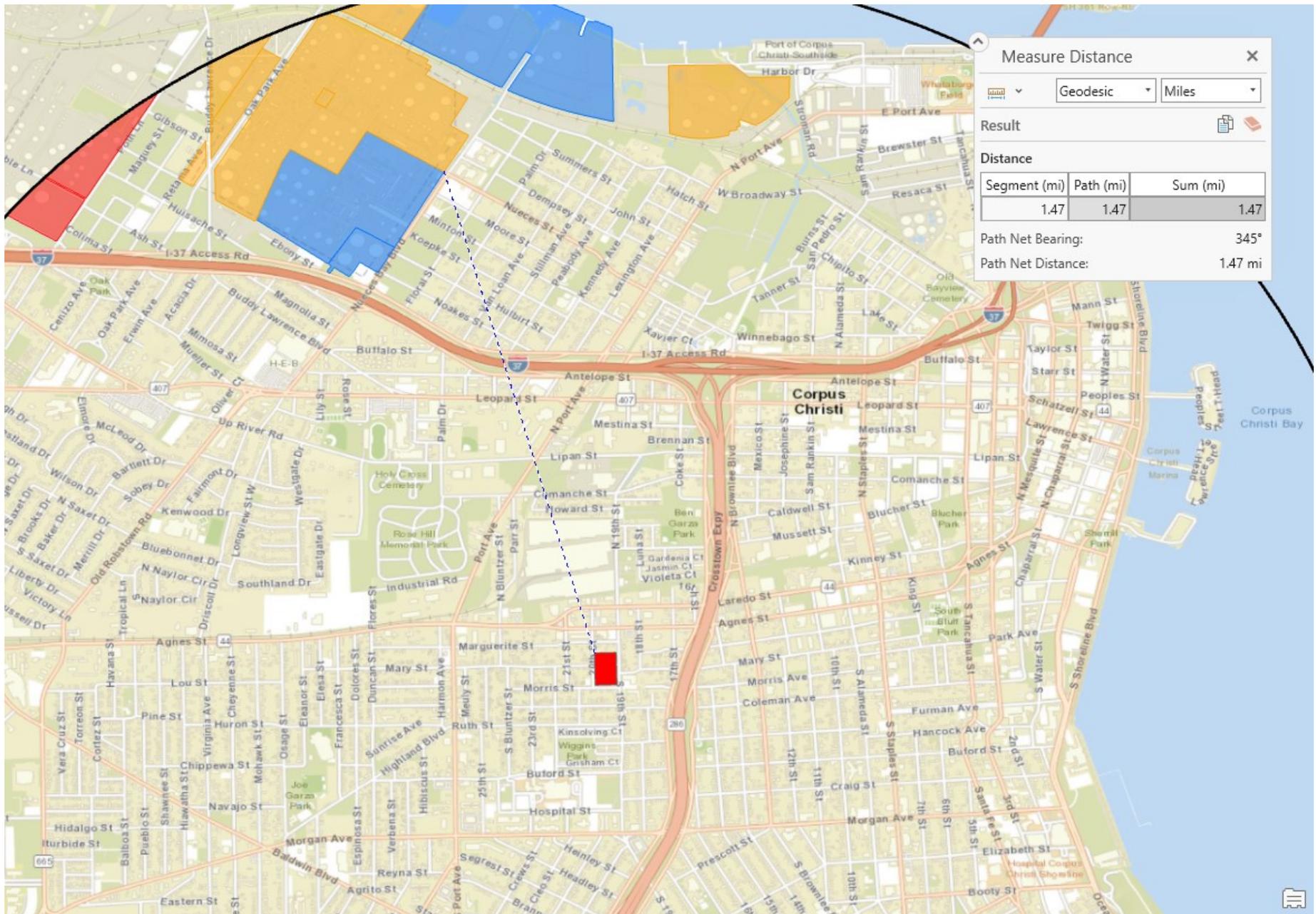
Legend

-  Citgo Refining and Chemicals Refinery
-  Magellan Terminal Holdings Refinery
-  Flint Hills Resources Refinery
-  2 Mile Radius
-  Palms at Morris Development Site

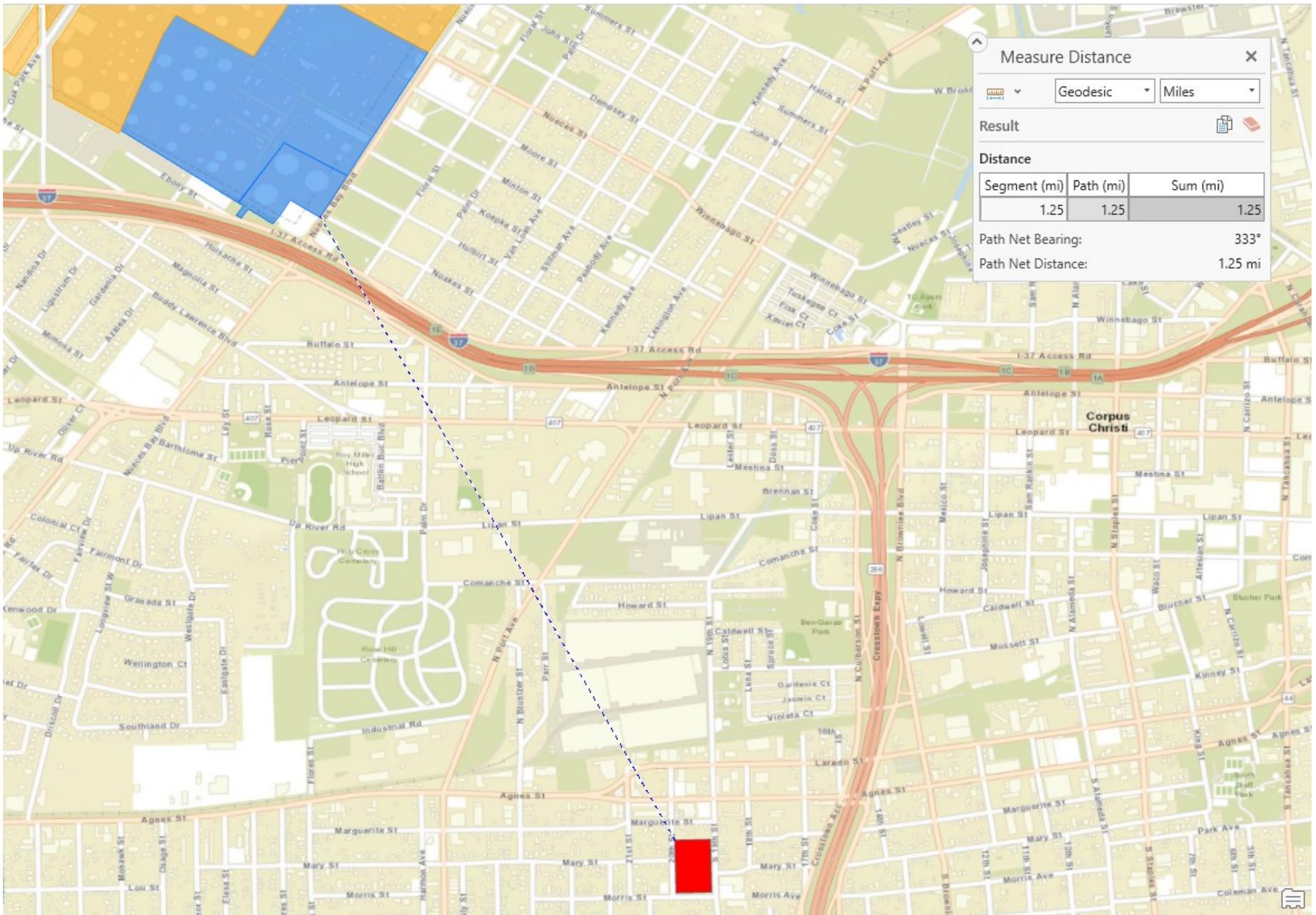
0 0.5 1 2 Miles

Esri, HERE, Garmin, INCREMENT P, NGA, USGS

Distance from CITGO Refining and Chemicals Refinery (1.47 miles)



Distance from Flint Hills Resources Refinery (1.25 miles)



Distance from Magellan Terminal Holdings Refinery (1.85 miles)

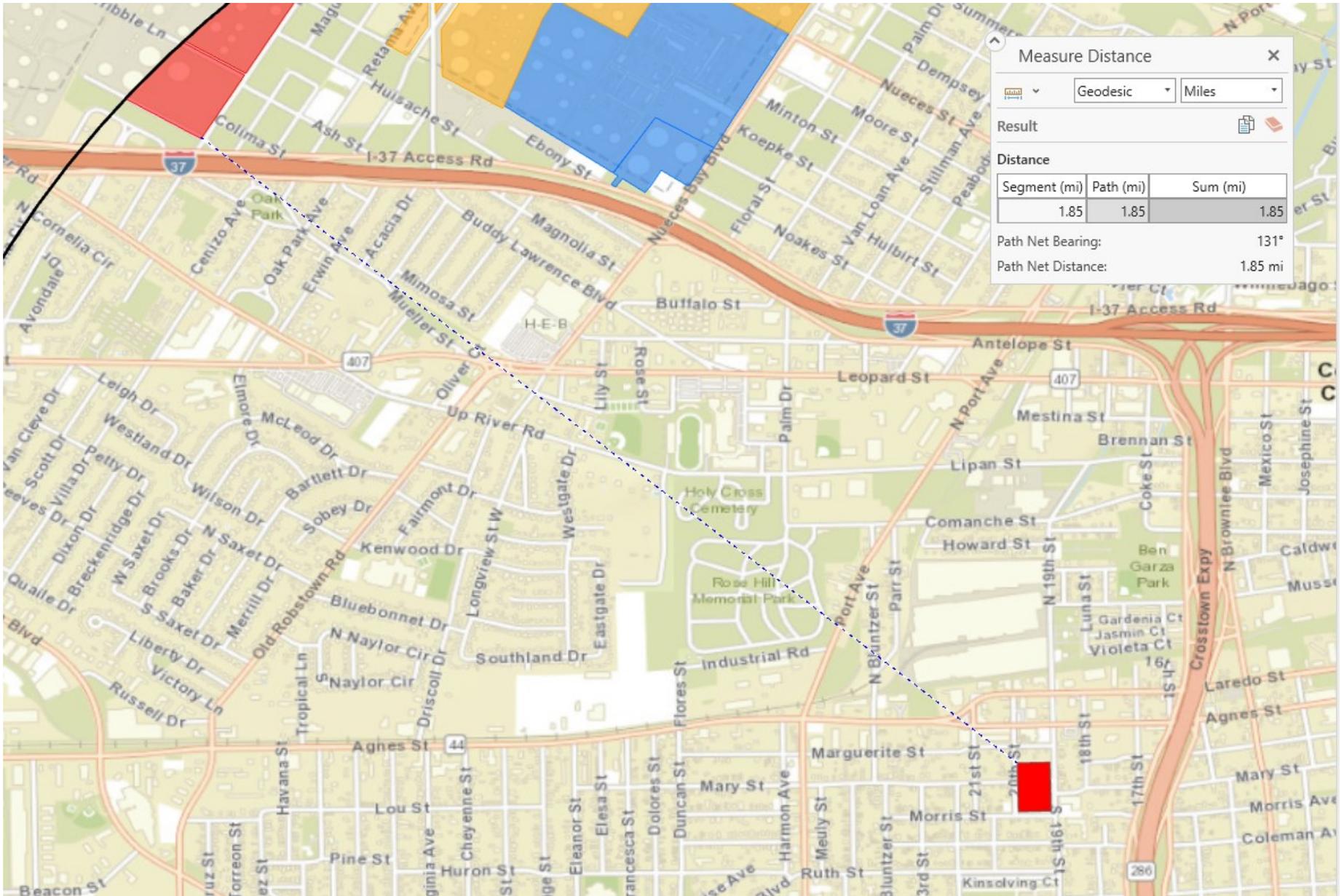


Exhibit B

Engineer's Statement



Astex Environmental Services
 139 Braniff · San Antonio, TX 78216
 Phone: (210) 828-9800 · Fax: (210) 829-4927
www.astexinc.com astex@astexinc.com

February 16, 2024

TG 110 Palms at Morris, LP
 Attn: Brad McMurray
 3419 Nacogdoches Road
 San Antonio, Texas 78217

**Re: *Limited Review of 2-Mile Refinery Rule
 Palms at Morris Apartments
 2212 Morris Street
 Corpus Christi, Nueces County, Texas 78405
 Astex Project Number: CB-24-2074***

Mr. McMurray,

Reference is made to a Phase I Environmental Site Assessment (ESA) Report currently being prepared for TG 110 Palms at Morris, LP, 3419 Nacogdoches Road, San Antonio, Texas 78217. During the preparation of this ESA, aerial surveillance of the area revealed a CITGO Refinery, a Flint Hills Resources Refinery, and the Magellan Terminal Holdings Refinery within two miles of the border of the Palms at Morris site. In accordance with 24 CFR Part 51 Subpart C, "Siting of HUD-Assisted Projects Near Hazardous Operations Handling Conventional Fuels or Chemicals of an Explosive Nature," Acceptable Separation Distances (ASDs) were calculated for the nearest above ground storage tank from each refinery.

Refinery properties to the northwest of the target property were marked based on ownership information for individual parcels taken from the Nueces County Appraisal District website. The closest tanks from each refinery were identified and distances were measured from the center of each of the four storage tanks to the closest point on the perimeter of the Palms at Morris site. All tanks are diked. The distances and approximate dimensions of the dike for each tank are listed below in Table 1.

Table 1

Tank location	Distance between target property and tank (feet)	Dike Length (feet)	Dike Width (feet)	Area of the dike (sq ft)
CITGO Refinery (1)	8,294	389	323	125,647
Flint Hills Resources Refinery (2)	6,820	368	175	64,400
CITGO Refinery (3)	8,458	247	238	58,786
Magellan Terminal Holdings Refinery (4)	9,890	430	157	67,510

**Limited Review of 2-Mile Refinery Rule
Palms at Morris Apartments
2212 Morris Street
Corpus Christi, Nueces County, Texas 78405**

The ASD for Thermal Radiation for People and the ASD for Thermal Radiation for Buildings was calculated for each refinery. The ASD values are listed below in Table 2.

Table 2

Tank location	Distance between target property and tank (feet)	ASD for Thermal Radiation for People (ASDPNPD)	ASD for Thermal Radiation for Buildings (ASDBNPD)
CITGO Refinery (1)	8,294	1167	247
Flint Hills Resources Refinery (2)	6,820	882	182
CITGO Refinery (3)	8,458	849	174
Magellan Terminal Holdings Refinery (4)	9,890	900	186

The distance between each tank and the target property is greater than the distance between the tank and the target property than is required for the ASD. The ASD calculated for each of the 4 identified tanks is determined to be acceptable for the proposed referenced site.

Conclusions

The Palms at Morris site is calculated to be beyond the Acceptable Separation Distance from the four (4) identified refinery tanks located within two miles of the site as calculated using the Acceptable Separation Distance Electronic Assessment algorithm. As a result, no further actions nor mitigation appear required.

If we can be of further service, please contact us at 210-828-9800.

Sincerely,



Jeff Zunker
President
Astex Environmental Services



Elizabeth Combs
Environmental Professional
Astex Environmental Services



Palms at Morris

Acceptable Separation Distance

Distance to Refineries Two or Less Miles Away

Yellow highlighted parcels are CITGO Refinery properties

Blue highlighted parcels are Flint Hills Resources Refinery properties

Red highlighted parcels are Magellan Terminal Holdings Refinery properties

Limited Review of 2-Mile Refinery Rule
Palms at Morris Apartments
2212 Morris Street
Corpus Christi, Nueces County, Texas 78405

ACCEPTABLE SEPARATION DISTANCE CALCULATIONS

Home (/) > Programs (/programs/) > Environmental Review (/programs/environmental-review/) > ASD Calculator

CITGO Refinery 1

Acceptable Separation Distance (ASD) Electronic Assessment Tool

The Environmental Planning Division (EPD) has developed an electronic-based assessment tool that calculates the Acceptable Separation Distance (ASD) from stationary hazards. The ASD is the distance from above ground stationary containerized hazards of an explosive or fire prone nature, to where a HUD assisted project can be located. The ASD is consistent with the Department's standards of blast overpressure (0.5 psi-buildings) and thermal radiation (450 BTU/ft² - hr - people and 10,000 BTU/ft² - hr - buildings). Calculation of the ASD is the first step to assess site suitability for proposed HUD-assisted projects near stationary hazards. Additional guidance on ASDs is available in the Department's guidebook "Siting of HUD- Assisted Projects Near Hazardous Facilities" and the regulation 24 CFR Part 51, Subpart C, Siting of HUD-Assisted Projects Near Hazardous Operations Handling Conventional Fuels or Chemicals of an Explosive or Flammable Nature.

Note: Tool tips, containing field specific information, have been added in this tool and may be accessed by hovering over the ASD result fields with the mouse.

Acceptable Separation Distance Assessment Tool

Is the container above ground?	Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>
Is the container under pressure?	Yes: <input type="checkbox"/> No: <input checked="" type="checkbox"/>
Does the container hold a cryogenic liquified gas?	Yes: <input type="checkbox"/> No: <input type="checkbox"/>
Is the container diked?	Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>
What is the volume (gal) of the container?	<input type="text"/>
What is the Diked Area Length (ft)?	<input type="text" value="389"/>
What is the Diked Area Width (ft)?	<input type="text" value="323"/>
<input type="button" value="Calculate Acceptable Separation Distance"/>	
Diked Area (sqft)	<input type="text" value="125647"/>
ASD for Blast Over Pressure (ASDRBP)	<input type="text"/>

ASD for Blast Over Pressure (ASDBOP)	
ASD for Thermal Radiation for People (ASDPPU)	
ASD for Thermal Radiation for Buildings (ASDBPU)	
ASD for Thermal Radiation for People (ASDPNPD)	1166.66
ASD for Thermal Radiation for Buildings (ASDBNPD)	247.39

For mitigation options, please click on the following link: [Mitigation Options \(/resource/3846/acceptable-separation-distance-asd-hazard-mitigation-options/\)](/resource/3846/acceptable-separation-distance-asd-hazard-mitigation-options/)

Providing Feedback & Corrections

After using the ASD Assessment Tool following the directions in this User Guide, users are encouraged to provide feedback on how the ASD Assessment Tool may be improved. Users are also encouraged to send comments or corrections for the improvement of the tool.

Please send comments or other input using the **Contact Us** (<https://www.hudexchange.info/contact-us/>) form.

Related Information

- [ASD User Guide \(/resource/3839/acceptable-separation-distance-asd-assessment-tool-user-guide/\)](/resource/3839/acceptable-separation-distance-asd-assessment-tool-user-guide/)
- [ASD Flow Chart \(/resource/3840/acceptable-separation-distance-asd-flowchart/\)](/resource/3840/acceptable-separation-distance-asd-flowchart/)

[Home \(/\)](#) > [Programs \(/programs/\)](#) > [Environmental Review \(/programs/environmental-review/\)](#) > ASD Calculator

Flint Hills Resources Refinery (2)

Acceptable Separation Distance (ASD) Electronic Assessment Tool

The Environmental Planning Division (EPD) has developed an electronic-based assessment tool that calculates the Acceptable Separation Distance (ASD) from stationary hazards. The ASD is the distance from above ground stationary containerized hazards of an explosive or fire prone nature, to where a HUD assisted project can be located. The ASD is consistent with the Department's standards of blast overpressure (0.5 psi-buildings) and thermal radiation (450 BTU/ft² - hr - people and 10,000 BTU/ft² - hr - buildings). Calculation of the ASD is the first step to assess site suitability for proposed HUD-assisted projects near stationary hazards. Additional guidance on ASDs is available in the Department's guidebook "Siting of HUD- Assisted Projects Near Hazardous Facilities" and the regulation 24 CFR Part 51, Subpart C, Siting of HUD-Assisted Projects Near Hazardous Operations Handling Conventional Fuels or Chemicals of an Explosive or Flammable Nature.

Note: Tool tips, containing field specific information, have been added in this tool and may be accessed by hovering over the ASD result fields with the mouse.

Acceptable Separation Distance Assessment Tool

Is the container above ground?	Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>
Is the container under pressure?	Yes: <input type="checkbox"/> No: <input checked="" type="checkbox"/>
Does the container hold a cryogenic liquified gas?	Yes: <input type="checkbox"/> No: <input type="checkbox"/>
Is the container diked?	Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>
What is the volume (gal) of the container?	<input type="text"/>
What is the Diked Area Length (ft)?	<input type="text" value="368"/>
What is the Diked Area Width (ft)?	<input type="text" value="175"/>
<input type="button" value="Calculate Acceptable Separation Distance"/>	
Diked Area (sqft)	<input type="text" value="64400"/>
ASD for Blast Over Pressure (ASDRBP)	<input type="text"/>

ASD for Blast Over Pressure (ASDBOP)	
ASD for Thermal Radiation for People (ASDPPU)	
ASD for Thermal Radiation for Buildings (ASDBPU)	
ASD for Thermal Radiation for People (ASDPNPD)	882.30
ASD for Thermal Radiation for Buildings (ASDBNPD)	181.70

For mitigation options, please click on the following link: [Mitigation Options \(/resource/3846/acceptable-separation-distance-asd-hazard-mitigation-options/\)](/resource/3846/acceptable-separation-distance-asd-hazard-mitigation-options/)

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- [ASD Flow Chart \(/resource/3840/acceptable-separation-distance-asd-flowchart/\)](/resource/3840/acceptable-separation-distance-asd-flowchart/)

[Home \(/\)](#) > [Programs \(/programs/\)](#) > [Environmental Review \(/programs/environmental-review/\)](#) > ASD Calculator

CITGO Refinery (3)

Acceptable Separation Distance (ASD) Electronic Assessment Tool

The Environmental Planning Division (EPD) has developed an electronic-based assessment tool that calculates the Acceptable Separation Distance (ASD) from stationary hazards. The ASD is the distance from above ground stationary containerized hazards of an explosive or fire prone nature, to where a HUD assisted project can be located. The ASD is consistent with the Department's standards of blast overpressure (0.5 psi-buildings) and thermal radiation (450 BTU/ft² - hr - people and 10,000 BTU/ft² - hr - buildings). Calculation of the ASD is the first step to assess site suitability for proposed HUD-assisted projects near stationary hazards. Additional guidance on ASDs is available in the Department's guidebook "Siting of HUD- Assisted Projects Near Hazardous Facilities" and the regulation 24 CFR Part 51, Subpart C, Siting of HUD-Assisted Projects Near Hazardous Operations Handling Conventional Fuels or Chemicals of an Explosive or Flammable Nature.

Note: Tool tips, containing field specific information, have been added in this tool and may be accessed by hovering over the ASD result fields with the mouse.

Acceptable Separation Distance Assessment Tool

Is the container above ground?	Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>
Is the container under pressure?	Yes: <input type="checkbox"/> No: <input checked="" type="checkbox"/>
Does the container hold a cryogenic liquified gas?	Yes: <input type="checkbox"/> No: <input type="checkbox"/>
Is the container diked?	Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>
What is the volume (gal) of the container?	<input type="text"/>
What is the Diked Area Length (ft)?	<input type="text" value="247"/>
What is the Diked Area Width (ft)?	<input type="text" value="238"/>
<input type="button" value="Calculate Acceptable Separation Distance"/>	
Diked Area (sqft)	<input type="text" value="58786"/>
ASD for Blast Over Pressure (ASDRBP)	<input type="text"/>

ASD for Blast Over Pressure (ASDBOP)	
ASD for Thermal Radiation for People (ASDPPU)	
ASD for Thermal Radiation for Buildings (ASDBPU)	
ASD for Thermal Radiation for People (ASDPNPD)	849.29
ASD for Thermal Radiation for Buildings (ASDBNPD)	174.21

For mitigation options, please click on the following link: [Mitigation Options \(/resource/3846/acceptable-separation-distance-asd-hazard-mitigation-options/\)](/resource/3846/acceptable-separation-distance-asd-hazard-mitigation-options/)

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[Home \(/\)](#) > [Programs \(/programs/\)](#) > [Environmental Review \(/programs/environmental-review/\)](#) > ASD Calculator

Magellan Terminal Holdings Refinery (4)

Acceptable Separation Distance (ASD) Electronic Assessment Tool

The Environmental Planning Division (EPD) has developed an electronic-based assessment tool that calculates the Acceptable Separation Distance (ASD) from stationary hazards. The ASD is the distance from above ground stationary containerized hazards of an explosive or fire prone nature, to where a HUD assisted project can be located. The ASD is consistent with the Department's standards of blast overpressure (0.5 psi-buildings) and thermal radiation (450 BTU/ft² - hr - people and 10,000 BTU/ft² - hr - buildings). Calculation of the ASD is the first step to assess site suitability for proposed HUD-assisted projects near stationary hazards. Additional guidance on ASDs is available in the Department's guidebook "Siting of HUD- Assisted Projects Near Hazardous Facilities" and the regulation 24 CFR Part 51, Subpart C, Siting of HUD-Assisted Projects Near Hazardous Operations Handling Conventional Fuels or Chemicals of an Explosive or Flammable Nature.

Note: Tool tips, containing field specific information, have been added in this tool and may be accessed by hovering over the ASD result fields with the mouse.

Acceptable Separation Distance Assessment Tool

Is the container above ground?	Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>
Is the container under pressure?	Yes: <input type="checkbox"/> No: <input checked="" type="checkbox"/>
Does the container hold a cryogenic liquified gas?	Yes: <input type="checkbox"/> No: <input type="checkbox"/>
Is the container diked?	Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/>
What is the volume (gal) of the container?	<input type="text"/>
What is the Diked Area Length (ft)?	<input type="text" value="430"/>
What is the Diked Area Width (ft)?	<input type="text" value="157"/>
<input type="button" value="Calculate Acceptable Separation Distance"/>	
Diked Area (sqft)	<input type="text" value="67510"/>
ASD for Blast Over Pressure (ASDRBP)	<input type="text"/>

ASD for Blast Over Pressure (ASDBOP)	
ASD for Thermal Radiation for People (ASDPPU)	
ASD for Thermal Radiation for Buildings (ASDBPU)	
ASD for Thermal Radiation for People (ASDPNPD)	899.86
ASD for Thermal Radiation for Buildings (ASDBNPD)	185.70

For mitigation options, please click on the following link: [Mitigation Options \(/resource/3846/acceptable-separation-distance-asd-hazard-mitigation-options/\)](/resource/3846/acceptable-separation-distance-asd-hazard-mitigation-options/)

Providing Feedback & Corrections

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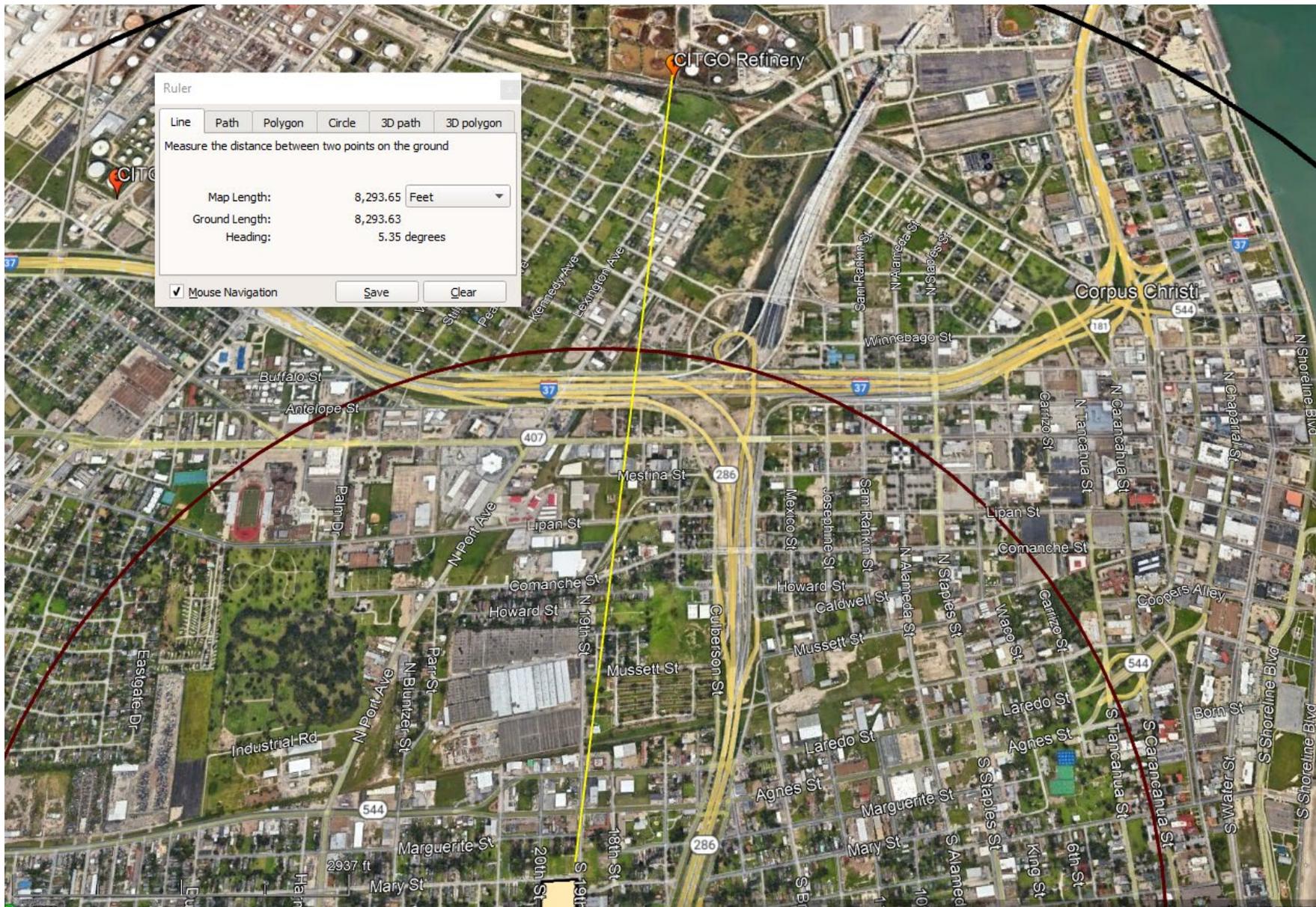
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Related Information

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Limited Review of 2-Mile Refinery Rule
Palms at Morris Apartments
2212 Morris Street
Corpus Christi, Nueces County, Texas 78405

SUPPORTING DOCUMENTATION

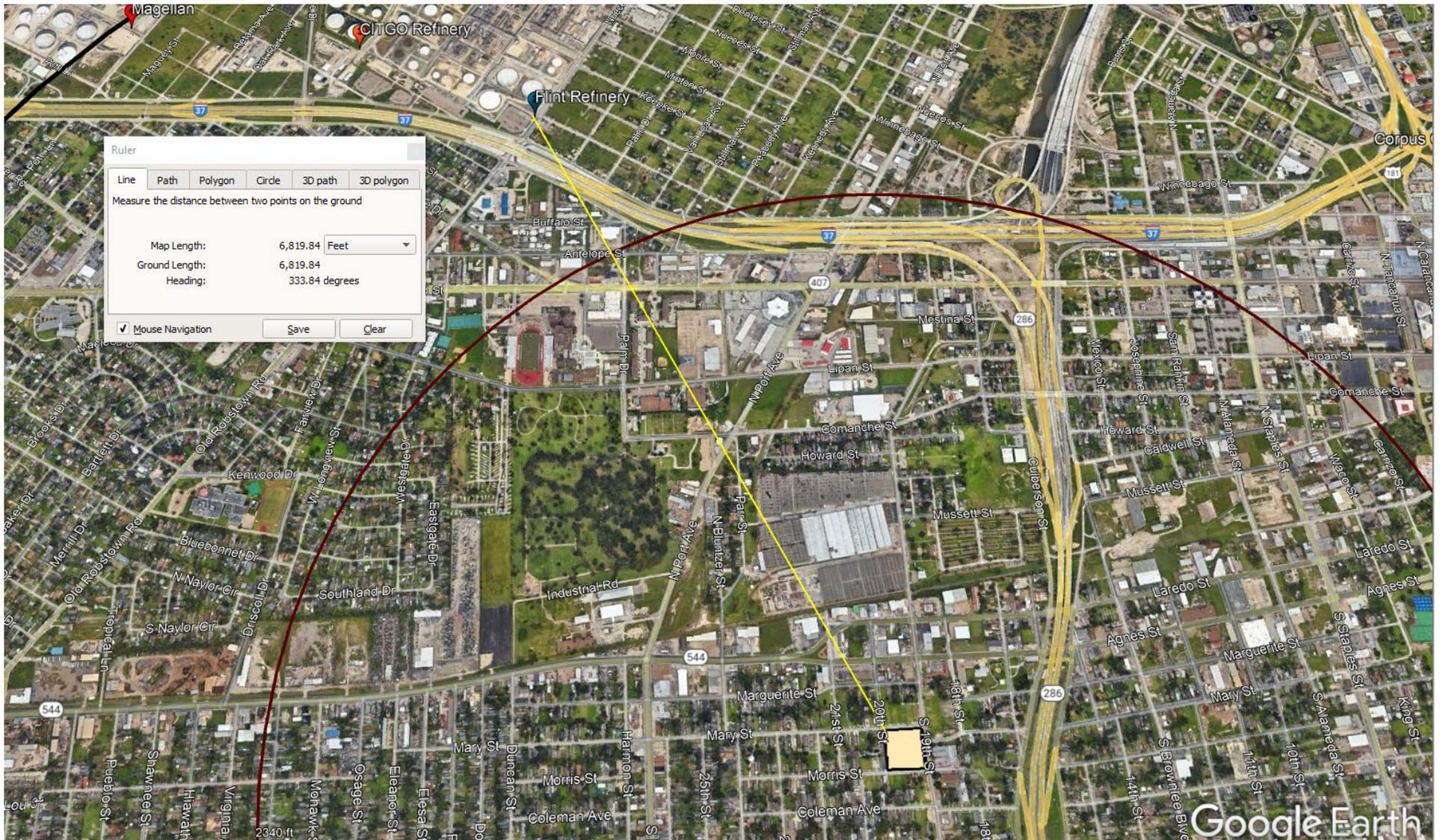


Distance to CITGO Refinery from Palms at Morris Site

8,294 feet



Area of dike around tank at CITGO Refinery (1) from Palms at Morris Site
Dike is approximately 389 feet long and 323 feet wide, area is 125,647 square feet



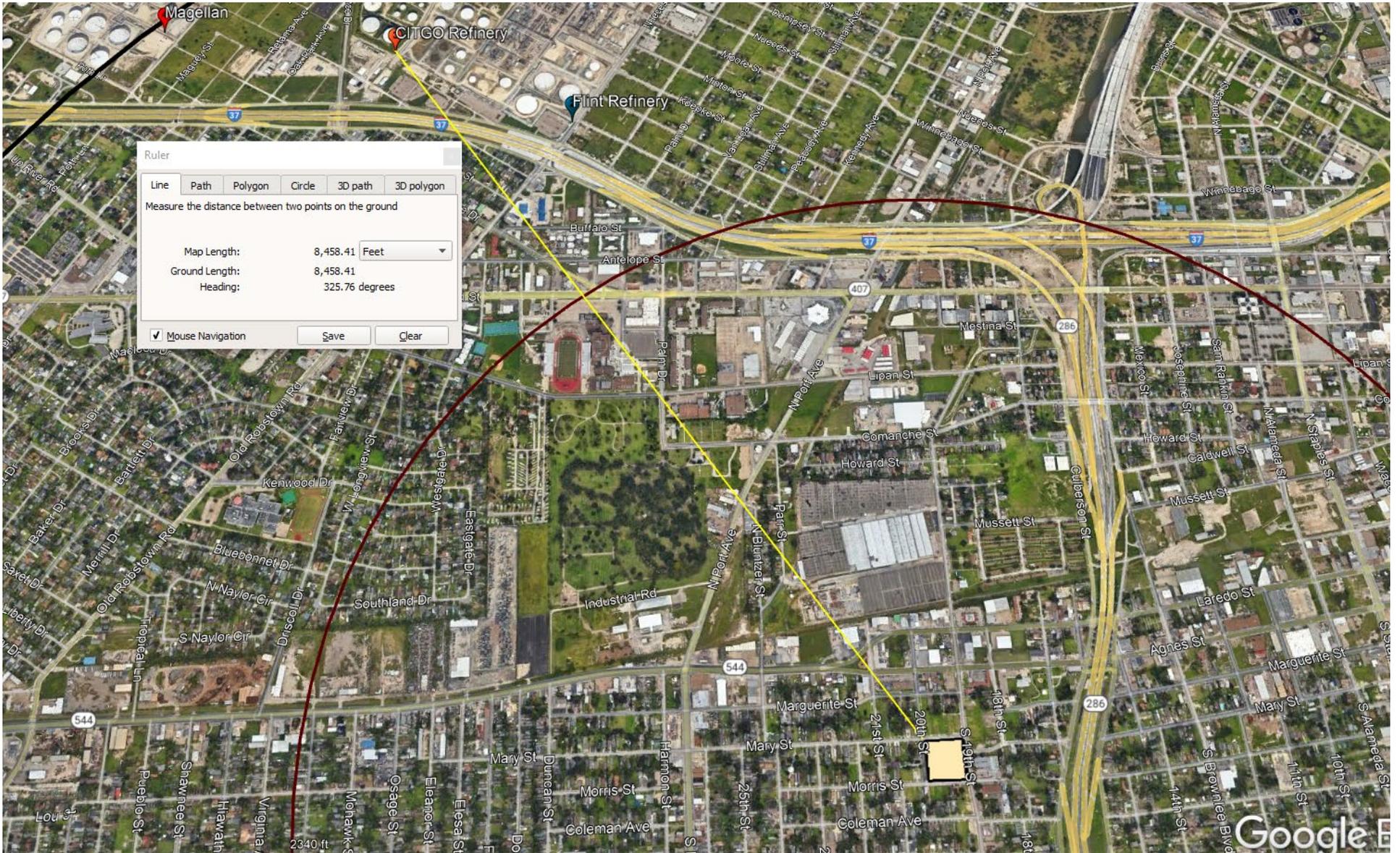
Distance to Flint Resources (2) from Palms at Morris Site

6,820 feet



Area of dike around tank at Flint Resources (2) from Palms at Morris Site

Dike is approximately 368 feet long and 175 feet wide, area is 64,400 square feet



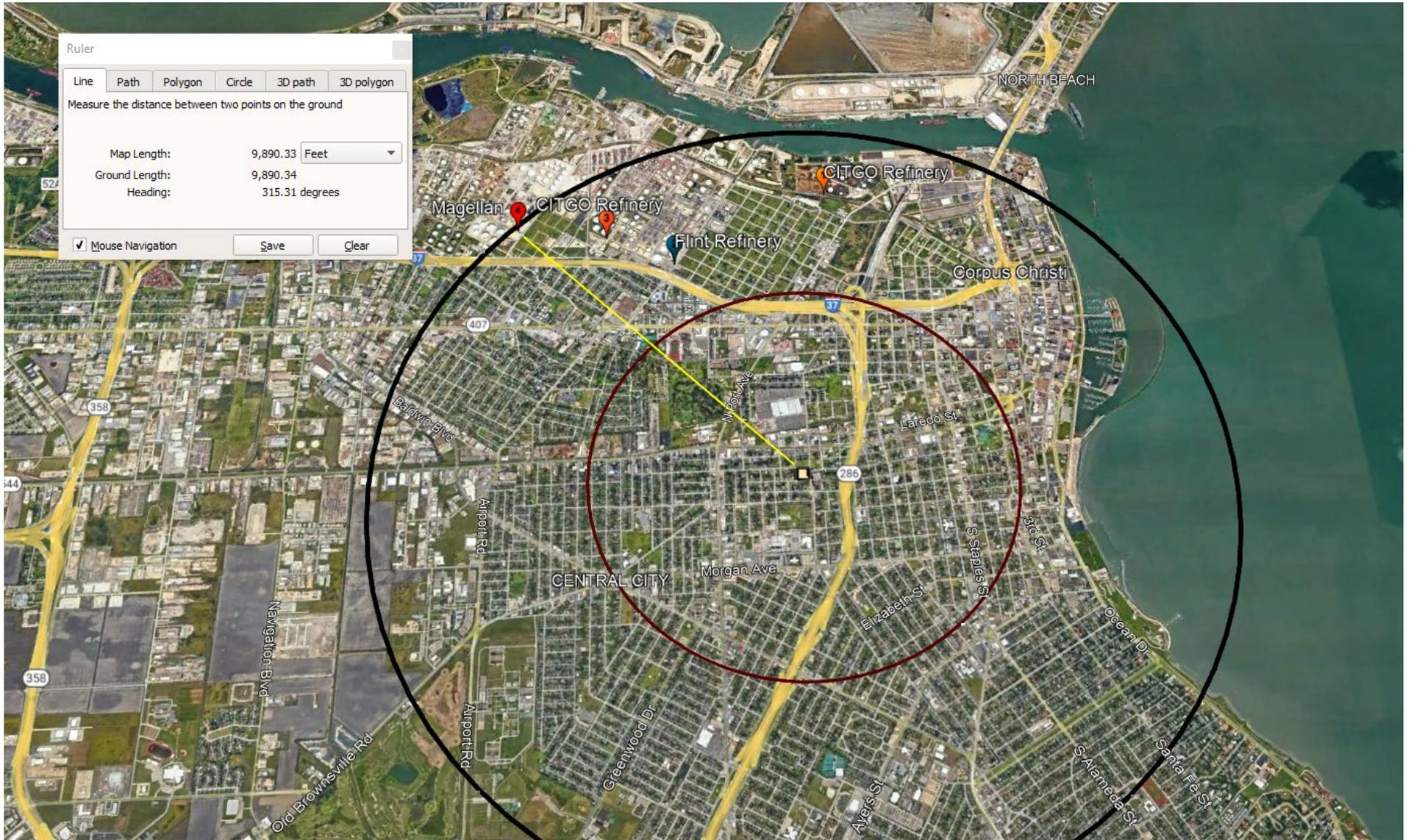
Distance to CITGO (3) from Palms at Morris Site

8,458 feet



Area of dike around tank at CITGO (3) from Palms at Morris Site

Dike is approximately 247 feet long and 238 feet wide, area is 58,786 square feet



Distance to Magellan (4) from Palms at Morris Site

9,890 feet



Area of dike around tank at Magellan (4) from Palms at Morris Site

Dike is approximately 430 feet long and 157 feet wide, area is 67,510 square feet

Exhibit C

City's Statement



**PLANNING &
COMMUNITY
DEVELOPMENT**

PO Box 9277
Corpus Christi
Texas 78469-9277
Phone 361-826-1614
www.ctexas.com

February 20, 2024

Mr. Bobby Wilkinson,
Executive Director
Texas Department of Housing and Community Affairs
Low-Income Housing Tax Credit Program
P.O. Box 13941
Austin, TX 78711-3941

Re: Palms at Morris,
TDHCA #24124
Corpus Christi, TX

Dear Mr. Wilkinson,

Please be advised that the City of Corpus Christi City Council approved the Resolution of Support for the above referenced project at their meeting held on February 13, 2024. The City is aware of TDHCA's rule that a development site that is within 2 miles of a refinery may be considered undesirable and may be ineligible for the receipt of tax credits.

Palms at Morris is located over 1.4 miles but within 2 miles of Refinery Row, which includes facilities owned by Flint Hills Resources, Magellan Terminal Holdings, and CITGO. However, the development of a residential community that is that distance from the refineries is permitted in our City. In fact, the proposed development site will be rezoned for multifamily use and the City does not have any ordinances in place that would restrict the development of the proposed apartment community.

Please note that many prominent areas in Corpus Christi are within two miles of a refinery, including existing residential developments, our downtown urban core, City Hall, and the Nueces County Courthouse, as well as major tourist attractions such as the Bayfront Arts and Science Park, the Corpus Christi Museum of Science and History, the U.S.S. Lexington Museum, and the Texas State Aquarium.

Because our City does not prohibit this Development to be constructed on this site, we respectfully request that you not consider its proximity to the refineries to be an undesirable site feature and that you permit this application to proceed.

Thank you for your consideration.

Regards,

Daniel McGinn
Director, Planning and Community Development Department