



**U.S. Department of Housing and Urban  
Development**

451 Seventh Street, SW  
Washington, DC 20410  
www.hud.gov

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## **Environmental Assessment Determinations and Compliance Findings for HUD-assisted Projects 24 CFR Part 58**

**This is a suggested format that may be used by Responsible Entities to document completion of an  
Environmental Assessment.**

### **Project Information**

**Project Name:** Canon Court

**Responsible Entity:** Kentucky Department for Local Government

**Grant Recipient** (if different than Responsible Entity): Wabuck Development Company

**State/Local Identifier:**

**Preparer:** Jennifer Peters

**Certifying Officer Name and Title:** Matt Sawyers, Commissioner

**Grant Recipient** (if different than Responsible Entity):

**Consultant** (if applicable): Suzanne Arnzen, CMec

**Direct Comments to:** Jennifer Peters; [Jennifer.Peters@ky.gov](mailto:Jennifer.Peters@ky.gov)

**Project Location:** 13500 Nortonville Road Dawson Springs, Hopkins County, Kentucky  
37.17683761753262, -87.6779255456856

**Description of the Proposed Project** [24 CFR 50.12 & 58.32; 40 CFR 1508.25]:

Wabuck Development Co. has applied for federal funding for the new construction of an affordable housing complex containing 16 one-bedroom units, 20 two-bedroom units and 4 three-bedroom units to be located at the approximate address of 13500 Nortonville Road, Dawson Springs, Hopkins County, Kentucky 42408 (approximately 37.17683761753262, -87.6779255456856) to include installation of infrastructure that connects the project to existing resources such as utilities, sidewalks, parking lots, and roadways intended to serve the low-to-moderate income population. The site has never been developed. There are no current structures at the site. Previous farm-related structures were present and demolished sometime between 1967 and 1983. The site is currently grass with a few trees on the southern border of the property adjacent to Nortonville Road. All work will be completed in one phase and plans are in development. Ground disturbance will occur for utilities, foundations, etc. This is a rural project located within the city limits of Dawson Springs, Kentucky. The site is currently owned by the Hopkins County Industrial Development Authority and will require acquisition. There is an existing overhead power transmission line that is not within the Engineered Fall Zone.

**Statement of Purpose and Need for the Proposal** [40 CFR 1508.9(b)]:

There is currently a great and unmet need for safe, decent, and affordable housing in Hopkins County, Kentucky and the surrounding areas. This development will be a family-oriented 40-unit apartment complex consisting of 16 one-bedroom units, 20 two-bedroom units, and 4 three-bedroom units located in Dawson Springs, Hopkins County, Kentucky which was extensively damaged by tornados on December 10, 2021. Following the natural disaster, the need for safe, decent, and affordable hazard was exacerbated. This property competes with other family-oriented Section 8 or rental demonstration (RD) properties located in the primary market area (PMA) that feature rental assistance. Based on information from KHC and HUD, there are several affordable housing complexes located in Hopkins County and the PMA, but one is a family oriented LIHTC property without project-based rental assistance. Many of the apartments damaged in Dawson Springs were rental units with a high percentage of those being Public Housing and HUD rental assisted units. Per the market study completed by Valbridge Property Advisors dated March 2024, based on discussions with the Dawson Springs Housing Authority, of the 150 public housing managed units, 50 were completely lost due to the tornado with many other heavily damaged. Fourteen units are currently completing renovation and expected to be back online in the near term, although it has been reported some issues have occurred with funding and it was apparent some units have yet to be completed. The remaining 50 units are planned to be rebuilt, but no timeline was provided, as there is a reported gap of approximately \$8,000,000 to build the project. The displaced residents have reportedly moved throughout the region into other project-based rental assisted projects or are using vouchers at LIHTC or market rate properties. Given the pent-up demand in the marketplace, along with the number of tenants holding housing vouchers that cannot find housing due to many multifamily units being destroyed by the tornado, we project the subject's units will be absorbed within three months of completion of construction, or 13.33 units per month. Based on the market study, there is very good demand in the PMA for the subject's units under the scenario with rental assistance. The subject will be a 40-unit new construction project that will be in excellent condition upon completion of construction. The subject offers a good selection of one-, two-, and three-bedroom floor plans. Based on the 10.4% KHC capture rate and high occupancy levels of competing properties, there is very good demand for the subject's units. There appears to be pent up demand for affordable units based on the waiting list at the three affordable properties located in Dawson Springs and the number of prospective tenants that have housing vouchers but can't find housing. This is not surprising given the extensive damage done to the housing stock in the market area by the 2021 tornado. Due to the slightly declining population in the market area, the demand

is not from net growth, but from substandard housing, rent overburdened, and existing households. However, due to the very high demand for affordable housing and current waiting lists, no adverse impact on overall occupancy levels of competitive LIHTC properties is anticipated. In summary, there is very high demand for the subject development and construction of these 40 affordable multi-family housing units will help meet the great need for affordable housing in Hopkins County following the tornado.

**Existing Conditions and Trends [24 CFR 58.40(a)]:**

The property is currently vacant and undeveloped land consisting of one parcel. The property is generally rectangular in shape and is approximately 5.53-acres with three trees near the southeastern road frontage. The subject property is owned by West Hopkins Industries, Inc., the community's industrial development foundation. The northern adjoining property includes a distribution warehouse/undeveloped land; the eastern adjoining property includes undeveloped land and US-62; the southern adjacent property across Nortonville Road includes undeveloped land; and the western adjoining property includes undeveloped land and KY-109. The subject property is accessed from a gravel road on the south side of the property off Nortonville Road. The property is situated within a generally rural area in Dawson Springs, Kentucky that is agricultural land, residential land, and land for commercial uses. The United States Census Bureau "Quick Facts" the estimated population for Hopkins County, Kentucky is 44,929. The portion of the population with an education attainment (bachelor's degree or higher) for Hopkins County is 15.5%, which is less than Kentucky's level of 26.5%. The majority of the population is white (89.4%), 6.8% are Black, and 2.7 are Hispanic. Hopkins County median household income is \$54,466 which is below the state of Kentucky median household income (\$60,183). 19.3% of people in Hopkins County are living in poverty compared to 16.5% for the state of Kentucky. This project will provide safe, decent, and affordable housing in Hopkins County - in the absence of this project, this site will likely remain undeveloped, and the housing need this project provides remain unmet.

**Funding Information**

Grant Number	HUD Program	Funding Amount
tbd	Community and Development (CPD) – Community Development Block Grants (Disaster Recovery)	\$5,000,000

**Estimated Total HUD Funded Amount:**  
\$10,000,000

**Estimated Total Project Cost (HUD and non-HUD funds) [24 CFR 58.32(d)]:**  
\$10,724,919

**Compliance with 24 CFR 50.4, 58.5, and 58.6 Laws and Authorities**

Record below the compliance or conformance determinations for each statute, executive order, or regulation. Provide credible, traceable, and supportive source documentation for each authority. Where applicable, complete the necessary reviews or consultations and obtain or note applicable permits of approvals. Clearly note citations, dates/names/titles of contacts, and page references. Attach additional documentation as appropriate.

<b>Compliance Factors:</b> Statutes, Executive Orders, and Regulations listed at 24 CFR §58.5 and §58.6	Are formal compliance steps or mitigation required?	Compliance determinations
<b>STATUTES, EXECUTIVE ORDERS, AND REGULATIONS LISTED AT 24 CFR 50.4 and 58.6</b>		
<b>Airport Hazards</b>  24 CFR Part 51 Subpart D	Yes    No <input type="checkbox"/> <input checked="" type="checkbox"/>	<p>The project is not within 15,000 feet of a military airport but is within 2,500 of a civilian airport. The site is approximately 2,200 feet from the nearest border of the Tradewater Airport (8M7). The airport is a publicly owned airport with a turf runway that is marked on the edges by white painted tires averaging 25 aircraft operations per week. The project site is not within the Runway Protection Zone/Clear Zone. The letter from the airport owner which is the City of Dawson Springs, KY, is attached including information from their engineer indicating "...the clear zone does not extend far enough west to cross the CSX railroad; therefore, the housing development location is NOT within the Clear Zone or Runway protection Zone (RPZ) of the airport.". Military airports in Kentucky and/or surrounding the project site include Louisville International airport (over 120 miles from the site); Fort Knox (over 100 miles from the site); and Fort Campbell (over 35 from the site). The project is in compliance with Airport Hazards requirements.</p> <p><a href="#">See Enclosure A</a></p>
<b>Coastal Barrier Resources</b>  Coastal Barrier Resources Act, as amended by the Coastal Barrier Improvement Act of 1990 [16 USC 3501]	Yes    No <input type="checkbox"/> <input checked="" type="checkbox"/>	<p>This project is located in a state that does not contain CBRS units. Therefore, this project is in compliance with the Coastal Barrier Resources Act.</p> <p><a href="#">See Enclosure B</a></p>
<b>Flood Insurance</b>  Flood Disaster Protection Act of 1973 and National Flood Insurance Reform Act of 1994 [42 USC 4001-4128 and 42 USC 5154a]	Yes    No <input type="checkbox"/> <input checked="" type="checkbox"/>	<p>The structure or insurable property is not located in a FEMA-designated Special Flood Hazard Area. While flood insurance may not be mandatory in this instance, HUD recommends that all insurable structures maintain flood insurance under the National Flood Insurance</p>

		<p>Program (NFIP). The project is in compliance with flood insurance requirements.</p> <p><a href="#">See Enclosure C</a></p>
<p><b>STATUTES, EXECUTIVE ORDERS, AND REGULATIONS LISTED AT 24 CFR 50.4 &amp; 58.5</b></p>		
<p><b>Clean Air</b></p> <p>Clean Air Act, as amended, particularly section 176(c) &amp; (d); 40 CFR Parts 6, 51, 93</p>	<p>Yes    No</p> <p><input type="checkbox"/>    <input checked="" type="checkbox"/></p>	<p>The project's county or air quality management district is in attainment status for all criteria pollutants. The project is in compliance with the Clean Air Act. Hopkins County is in attainment status for all criteria pollutants.</p> <p><a href="https://www3.epa.gov/airquality/greenbook/anc.html#KY">https://www3.epa.gov/airquality/greenbook/anc.html#KY</a></p> <p><a href="#">See Enclosure D</a></p>
<p><b>Coastal Zone Management</b></p> <p>Coastal Zone Management Act, sections 307(c) &amp; (d)</p>	<p>Yes    No</p> <p><input type="checkbox"/>    <input checked="" type="checkbox"/></p>	<p>This project is located in a state that does not participate in the Coastal Zone Management Program. Therefore, this project is in compliance with the Coastal Zone Management Act.</p> <p><a href="#">See Enclosure E</a></p>
<p><b>Contamination and Toxic Substances</b></p> <p>24 CFR Part 50.3(i) &amp; 58.5(i)(2)</p>	<p>Yes    No</p> <p><input type="checkbox"/>    <input checked="" type="checkbox"/></p>	<p>Site contamination was evaluated as follows: ASTM Phase I ESA, ASTM Vapor Encroachment Screening. On-site or nearby toxic, hazardous, or radioactive substances that could affect the health and safety of project occupants or conflict with the intended use of the property were not found. Per the University of Kentucky Geologically Based Indoor Radon Potential map, a science-based data source cited by HUD in the February 27, 2024, "HUD's Departmentwide Radon Policy Notice" webinar, the project site is in an area where the indoor radon potential is between 0.0-2.7pCi/L, well below the EPA suggested radon action level of 4.0 pCi/L. Therefore, radon testing is not required for this project site under CPD Notice 23-103 section III(A)(ii)(3).</p> <p><a href="#">See Enclosure F</a></p>
<p><b>Endangered Species</b></p> <p>Endangered Species Act of 1973, particularly section 7; 50 CFR Part 402</p>	<p>Yes    No</p> <p><input type="checkbox"/>    <input checked="" type="checkbox"/></p>	<p>This project May Affect, but is Not Likely to Adversely Affect, listed species, and informal consultation was conducted. See attached email dated September 27, 2024 from Karah Jaffe with the Kentucky Field Office for the US Fish and Wildlife Service stating "I have reviewed the submitted IPaC Determination Keys (DKeys) for the above-referenced project. You have made</p>

		<p>"no effect" or "may affect, not likely to adversely affect" determinations for all species and designated critical habitats listed in the official species list. The letters generated by the DKeys serve as documentation that the project proponent's obligations to evaluate the effects on listed species and designated critical habitat have been met for the proposed project. The project proponent should retain the DKey letter, along with any supporting documentation, for their records." Additionally, on 10/30/2024 the Kentucky Department for Local Government (DLG) communicated with Karah Jaffe that DLG would be adopting the Kentucky Housing Corporation's (KHC) environmental review for this project. The Kentucky Field Office for the US Fish and Wildlife Service responded indicating "Thanks for the additional clarification, Jen. Since HUD is technically the Federal agency we're consulting with under Section 7 (even though they pass this responsibility on to you all), there's no need to come back to us unless that changes. It is ultimately HUD's responsibility to ensure that they've consulted with us under Section 7 of the ESA for the project. So I don't think there's any reason on the Service side why you need to inform us if another agency acting under HUD is working on the project and using our concurrence, but if it's something you all need to do on your end then feel free to send us the notifications." Correspondence attached. This project is in compliance with the Endangered Species Act.</p> <p><a href="#">See Enclosure G</a></p>
<p><b>Explosive and Flammable Hazards</b></p> <p>24 CFR Part 51 Subpart C</p>	<p>Yes    No</p> <p><input type="checkbox"/>    <input checked="" type="checkbox"/></p>	<p>There is a current or planned stationary aboveground storage container of concern within 1-mile of the project site. The Separation Distance from the project is acceptable. The project is in compliance with explosive and flammable hazard requirements. A search of ArcGIS and Google Earth Pro aerial maps indicated various water tanks and grain bins within a 1-mile radius of the site. Flammable liquids located within the 1-mile radius of the site include the following: a tank located at Pennyryle Propane. There is one 2000-gallon propane tank at the site located at 165Cs-2038</p>

		<p>Dawson Springs, KY. The Acceptable Separation Distance Assessment Tool was used for the tank to determine the ASD for people which is 369.16 feet. The tank is located over 1,000 feet from the site and are outside the acceptable separation distance parameters. The Phase I ESA did not indicate any pipelines within the ASTM search distance of the site.</p> <p><a href="#">See Enclosure H</a></p>
<p><b>Farmlands Protection</b></p> <p>Farmland Protection Policy Act of 1981, particularly sections 1504(b) and 1541; 7 CFR Part 658</p>	<p>Yes    No</p> <p><input type="checkbox"/>    <input checked="" type="checkbox"/></p>	<p>The site was previously converted to urban use per a letter from the USDA dated February 27, 2025 noting "This letter is in response to your request for comment on the Canon Court project in Dawson Springs, KY. According to the letter that you provided, email conversations that we had and the maps you provided, it is determined that this project is entirely within the city limits of Dawson Springs and in an industrial park and that no agricultural land is being impacted by the construction. Being located within city limits with utilities already in place, the land is considered "previously converted" to urban use. Since this is already converted ground, the Farmland Protection Policy Act (FPPA) will not apply to this project." This project is in compliance with the Farmland Protection Policy Act.</p> <p><a href="#">See Enclosure I</a></p>
<p><b>Floodplain Management</b></p> <p>Executive Order 11988, particularly section 2(a); 24 CFR Part 55</p>	<p>Yes    No</p> <p><input type="checkbox"/>    <input checked="" type="checkbox"/></p>	<p>This project does not occur in the FFRMS floodplain. The federal flood standard support tool (beta) available at the time of this review was utilized to determine if the site was within the FFRMS floodplain. The report attached report from the federal flood standard support tool indicates that it utilized the FFRMS Freeboard Value Approach and "based on the user-defined location and non-critical designation, the proposed action IS NOT in the FFRMS floodplain." The project is in compliance with Executive Orders 11988 and 13690.</p> <p><a href="#">See Enclosure J</a></p>
<p><b>Historic Preservation</b></p> <p>National Historic Preservation Act of 1966, particularly sections 106 and 110; 36 CFR Part 800</p>	<p>Yes    No</p> <p><input type="checkbox"/>    <input checked="" type="checkbox"/></p>	<p>Based on Section 106 consultation there are No Historic Properties Affected because there are no historic properties present. The project is in compliance with Section 106. A Section 106</p>

		<p>consultation package request was submitted to the Kentucky Heritage Council. The Kentucky Heritage Council responded requesting an archeological survey and the "Abbreviated Archaeology Report for the Phase I Survey of the Wabuck Development Company Canon Court Apartments Project in Hopkins County, Kentucky" by Archaeology and Environment was prepared. On July 30, 2024 the Kentucky Heritage Council responded indicating "Our office would concur with a finding of No Historic Properties Affected for this undertaking and accept this report without revisions." Correspondence attached. Additionally, tribes indicated within Hopkins County on HUD's T DAT report were sent a request to be a consulting party for the project. This request was sent on 8/23/2024 to the Cherokee Nation; Eastern Band of Cherokee Indians; Osage Nation; Eastern Shawnee Tribe of OK; and Quapaw Nation. The Cherokee Nation responded on 9/19/24 stating that "the Nation does not foresee this project imparting impacts to Cherokee cultural resources at this time.". As of 10/22/2024 no other tribes had responded, and the response period had elapsed.</p> <p><a href="#">See Enclosure K</a></p>
<p><b>Noise Abatement and Control</b></p> <p>Noise Control Act of 1972, as amended by the Quiet Communities Act of 1978; 24 CFR Part 51 Subpart B</p>	<p>Yes    No</p> <p><input type="checkbox"/>    <input checked="" type="checkbox"/></p>	<p>Noise sources present include airport (Tradewater airport), road, and railway. There are two roadways within the threshold distance. Both of these roadways have AADT data available from the Kentucky Transportation Cabinet. The diagrams included within the attached report show the distance to the site, the AADT (from 2021, which is the most recent AADT data). The standard assumption of night volume of 15% was used. The road grade was included at 1% for both roads within the threshold distance of the site. The HUD DNL calculator was used to calculate noise, railway and road DNL at the two identified Noise Assessment Locations (NALs). Railway - there is one railroad within the threshold distance. The nearest crossing data was utilized (backup within the appendices of the attached report). Airport - there are no military airports located within 15 miles of the project site. The nearest</p>



		<p>airport, Tradewater airport (a small grass runway civil airport, is within 1000 feet of the site. The site is not within the clear zone. The HUD Airport Noise Worksheet for the airport revealed that noise is not expected to be generated beyond the airport boundaries. The individual sources DNL calculation was included in the combined total DNL calculation for all noise sources of 57dB. A Noise Assessment report with applicable backup documentation is attached. The noise level was acceptable: 57.0 db. See noise analysis. The project is in compliance with HUD's Noise regulation.</p> <p><a href="#">See Enclosure L</a></p>
<p><b>Sole Source Aquifers</b></p> <p>Safe Drinking Water Act of 1974, as amended, particularly section 1424(e); 40 CFR Part 149</p>	<p>Yes    No</p> <p><input type="checkbox"/>    <input checked="" type="checkbox"/></p>	<p>The project is not located on a sole source aquifer area. The project is in compliance with Sole Source Aquifer requirements. There are no sole source aquifers located in Kentucky. The map attached shows the nearest sole source aquifer to the project.</p> <p><a href="#">See Enclosure M</a></p>
<p><b>Wetlands Protection</b></p> <p>Executive Order 11990, particularly sections 2 and 5</p>	<p>Yes    No</p> <p><input type="checkbox"/>    <input checked="" type="checkbox"/></p>	<p>The project will not impact on- or off-site wetlands. Attached is the National Wetlands Inventory map. Additionally, on August 5, 2024 CETCO conducted an onsite wetlands assessment and in their letter date September 1, 2024 attached CETCO notes "It is our opinion that the site does not contain wetland areas. The site is relatively flat with no obvious wetlands hydrology. The site is an open, grassy field that is regularly mowed and contains no obvious wetlands vegetation. Lastly, the soils sampled were mostly light brown lean clay soils that appear to be "disturbed" or have been "re-graded" over time due to the site previous development or associated past nearby mining activity." The project is in compliance with Executive Order 11990. The USFWS National Wetlands Inventory map attached shows there are no wetlands on, adjacent, or near the project site.</p> <p><a href="#">See Enclosure N</a></p>
<p><b>Wild and Scenic Rivers</b></p>	<p>Yes    No</p> <p><input type="checkbox"/>    <input checked="" type="checkbox"/></p>	<p>This project is not within proximity of a NWSRS river. Per ESRI GIS the project site is not within the proximity of the portion of the Red River</p>

Wild and Scenic Rivers Act of 1968, particularly section 7(b) and (c)		designated as Wild and Scenic. The Red River is the only Wild and Scenic River in Kentucky. See the attached. There are no study rivers in Kentucky. <a href="https://www.rivers.gov/study.php">https://www.rivers.gov/study.php</a> . The project is in compliance with the Wild and Scenic Rivers Act. <a href="#">See Enclosure O</a>
<b>ENVIRONMENTAL JUSTICE</b>		
<b>Environmental Justice</b>  Executive Order 12898	Yes    No <input type="checkbox"/> <input checked="" type="checkbox"/>	No adverse environmental impacts were identified in the project's total environmental review. The project will be the best use of land for affordable, safe, and resilient housing that would otherwise be vacant.  <a href="#">See Enclosure P</a>

**Environmental Assessment Factors** [24 CFR 58.40; Ref. 40 CFR 1508.8 &1508.27] Recorded below is the qualitative and quantitative significance of the effects of the proposal on the character, features and resources of the project area. Each factor has been evaluated and documented, as appropriate and in proportion to its relevance to the proposed action. Verifiable source documentation has been provided and described in support of each determination, as appropriate. Credible, traceable and supportive source documentation for each authority has been provided. Where applicable, the necessary reviews or consultations have been completed and applicable permits of approvals have been obtained or noted. Citations, dates/names/titles of contacts, and page references are clear. Additional documentation is attached, as appropriate. **All conditions, attenuation or mitigation measures have been clearly identified.**

**Backup Documentation for all Environmental Assessment Factors is included in Enclosure Q**

**Impact Codes:** Use an impact code from the following list to make the determination of impact for each factor.

- (1) Minor beneficial impact
- (2) No impact anticipated
- (3) Minor Adverse Impact – May require mitigation
- (4) Significant or potentially significant impact requiring avoidance or modification which may require an Environmental Impact Statement

Environmental Assessment Factor	Impact Code	Impact Evaluation
<b>LAND DEVELOPMENT</b>		
Conformance with Plans / Compatible Land Use and Zoning / Scale and Urban Design	2	Comprehensive planning and zoning regulations are available for Dawson Springs. The Dawson Springs Zoning Ordinance is related to the Comprehensive Plan which has been prepared for the County of Hopkins and the city of Dawson Springs, Kentucky. The Comprehensive Plan includes estimates of population growth, land use surveys, a land use plan, plans for major thoroughfares, other transportation facilities, community facilities, and a public works program. The regulations are intended to preserve and protect existing property uses and values against adverse or inharmonious uses. Dawson Springs land use regulations divide the area into a number of zoning districts. Per the Market Study prepared by Valbridge Property Advisors dated March 13, 2024 the zoning jurisdiction is the Dawson Springs Zoning Department and is currently classified as "Residential 3 Multifamily". Single family, two-family, and multi-family uses are permitted. The project will be beneficial in that it is improving the urban design of Hopkins County and meeting affordable housing needs.
Soil Suitability/ Slope/ Erosion/ Drainage/ Storm Water Runoff	2	The project site is primarily Zanesville silt loam, with the exception of 0.2%, which consists of borrows or pits in the ground. Of the Zanesville silt loam, 53% is slopes and 47% is severely eroded. The slopes portion is prime farmland, but the severely eroded portion is not. While most of the site is prime farmland, having the area mixed with land that cannot be used for farming makes this site undesirable for such uses. Therefore, using the area for residential use is preferable. Both soils on the site are moderately well-drained with medium runoff. The proposed project will not create or contribute runoff water that would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff. Due to the changes to the soil and land composition and the potential water runoff impact on the environment, the project has implemented an erosion control plan.
Hazards and Nuisances including Site Safety and Noise	2	This project involves new construction, therefore, there is no opportunity for lead-based paint or asbestos to be encountered. There are no aboveground storage tanks within the vicinity of the project that are within the Acceptable Separation Distance threshold requirement, and there are no EPA-monitored facilities within a 3,000-foot radius of the project site that could be sources of pollution. The National Transportation Noise Map for the project site shows that it is below the 60 dB threshold. Efforts will be made to reduce noise exposure as much as possible during construction.

Environmental Assessment Factor	Impact Code	Impact Evaluation
<b>SOCIOECONOMIC</b>		
Employment and Income Patterns	2	<p>The major employment industries in Dawson Springs are Transportation / Material Moving with 23.5% and Production at 14.9%. The top employers are Baptist Health Madisonville, Alliance Resource Partners, and Hopkins County Schools, employing 2,240, 1,224, and 1,172 people, respectively. The majority of households in the area have an income &lt; \$15,000 per year, much lower than the state average. This shows that the addition of 40 affordable multi-family housing units should have a positive effect on Hopkins County since affordable housing is needed. Additionally, the tornados in 2021 forced many Dawson Springs residents to relocate outside of the city limits due to limited housing availability. It will allow residents to remain and/or return to the community and reside in new affordable safe housing. Additionally, the construction of these homes will provide job opportunities to Dawson Springs and Hopkins County residents.</p>
Demographic Character Changes, Displacement	2	<p>The population of Dawson Springs has been decreasing, with large decreases between 2000 and 2010 due to the recession causing two large employers to close, and between 2010-2023 due to the Covid-19 pandemic causing high levels of unemployment and the tornadoes causing destruction in 2020/2021. However, the population is only expected to decrease 0.5% over the next five years. The other demographics data for the area is unreliable because it has not been updated since the tornadoes hit. The Market Study, completed on March 13, 2024, states that about 75% of the housing units in the city were destroyed to some degree by the tornadoes, but data was not collected after the event, and most likely will not be until another Census year. The new construction of 40 affordable multi-family housing units in Hopkins County will have a positive impact on Dawson Springs and Hopkins County as the land is currently vacant, and there is a need for affordable housing in Dawson Springs and Hopkins County which was exacerbated by the 2021 tornados that forced some residents to relocate due to housing shortages. The project will have a positive effect on Dawson Springs and Hopkins County's demographic character by allowing residents to return and preventing the permanent displacement/relocation of households to other regions that was necessary following the tornados and high levels of unemployment during the Covid-19 pandemic. This project will allow residents that want to return to have affordable, safe, and new, energy-efficient housing options.</p>

Environmental Justice	2	No adverse environmental impacts were identified in the project's total environmental review. The project is in compliance with Executive Order 12898. The project will be the highest and best use of land as it utilizes a tract of land for affordable, safe, and resilient housing that would otherwise be vacant. The Phase I Environmental Site Assessment prepared by Linebach Funkhouser completed on July 22, 2023 revealed no evidence of environmental conditions (REC), Historic RECs (HREC), or Controlled (CREC) identified for the site during their assessment.
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Environmental Assessment Factor	Impact Code	Impact Evaluation
<b>COMMUNITY FACILITIES AND SERVICES</b>		
Educational and Cultural Facilities	2	The project site is located within the Dawson Springs Independent School District including Dawson Springs Elementary School and Dawson Springs Jr/Sr High School. The elementary school is approximately 1.0 miles from the project site and the Jr/Sr high school is approximately 1.3 miles from the project site. Additionally, Dawson Springs Head Start is located 0.44 miles from the project site and is a preschool. The project scope is contained and small in nature and will not negatively impact educational facilities. Additionally, Dawson Springs, Kentucky boasts a rich heritage as the "health resort of the upper south" in former days and offering a treasure trove of heritage tourism and recreation today. Located in the heart of the Pennyrile Region at the gateway of the Western Water Land Region of Kentucky, the city is bordered to the south by one of the largest state forests in Kentucky, the Pennyrile State Forest. Dawson springs has a variety of community facilities and services including horseback riding trails and an extensive equine trails system through the Pennyrile State Forest. Bike riding trails, including mountain biking, in the Pennyrile region includes hundreds of miles of good pavement on sparsely traveled and scenic roads. Fishing, boating and canoeing encompasses Tradewater River Access points and Lake Beshear, and hiking includes the Dawson Springs trailhead in the northern portion of the Pennyrile Nature Trail. The Dawson Springs Museum and Art Center was established in 1986. The museum was established to store the history of the city and the surrounding areas from the 1900s relating to their medicinal waters. Today, all of that history can be found at the museum. This project will not negatively impact the educational or cultural facilities of Hopkins County.
Commercial Facilities	2	This project site is located in Hopkins County adjacent to the Pennyrile Forest. The closest grocery store, Food Giant, is 0.60 miles from the property. Shopping amenities located in Dawson Springs include various home good stores, gas station/mini

		<p>marts, Dollar General, and various restaurants including Dairy Queen and Subway. The development of this 40-unit multifamily housing project will provide affordable and reliable housing resources for the community which will ultimately help sustain the demand for commercial facilities.</p>
Health Care and Social Services	2	<p>Medical services in Dawson Springs includes Baptist Health Medical Group (primary and urgent care) located at 225 Industrial Park Road in Dawson Springs, which is 0.3 miles from the project site. There is also Wic Clinic, a family physician, two health and rehabilitation centers, and a counseling center less than 1.5 miles from the complex. Medical and social services are also located in Princeton, KY (approx. 12 miles from Dawson Springs), Madisonville, KY (approx. 18 miles from Dawson Springs), Hopkinsville, KY (approx. 26 miles from Dawson Springs), Greenville, KY (approx. 32 miles from Dawson Springs), and Cadiz, KY (approx. 26 miles from Dawson Springs). The development of this 40-unit multifamily housing project will provide affordable and reliable housing resources for the community which will ultimately help sustain the demand for existing medical and social services in Hopkins County.</p>
Solid Waste Disposal / Recycling	2	<p>The project is located within a semi-rural area with access to adequate solid waste services provided by the Dawson Springs Public Works Department. The Street Department is part of City Services and collects trash once per week. The size and scope of the project will not negatively impact or overwhelm the Public Works Department. This project will provide housing needs that were previously available but were eliminated by the tornado in 2021.</p>
Waste Water / Sanitary Sewers	2	<p>The proposed project will not create or contribute runoff water that would exceed the capacity of existing or planned storm water drainage system or provide substantial additional sources of polluted runoff. The project will connect to existing wastewater/sanitary sewer connections provided by the Dawson Springs Public Works Department. The City Water and Sewer Department is part of City Services maintains and installs lines and operates the water and wastewater treatment plants.</p>
Water Supply	2	<p>The project is located within a semi-rural area with access to adequate municipal water supply supplied by the Dawson Springs Public Works Department. The City Water and Sewer Department is part of City Services maintains and installs lines and operates the water and wastewater treatment plants. If an existing water server is to be utilized for new water tap-ons (rehabilitations, new constructions), ascertain the capacity and operating condition of the originating water treatment plant and of the server (if different) in comparison to the water needs of the proposed housing. DOW cannot permit connections to water servers under tap-on bans, Agreed Orders, or Court Orders. DOW</p>

		<p>may not give approval to connections to water systems operating near, at, or over capacity. If a new water source is to be utilized, ascertain the source's (stream's or well's) low flow ability to serve the proposed housing. Prior approval from DOW is required for water withdrawals of over 10,000 gallons per day and for all public drinking water. Final plans and specifications are subject to review by DOW.</p>
Public Safety - Police, Fire and Emergency Medical	2	<p>The project location has access to adequate municipal policing services, fire services, and emergency services from the Dawson Springs police department and fire department. The fire/police station is located approximately 1-mile from the project site. The two departments are housed together. The nearest emergency room is located 15 miles away, in Princeton, but Dawson Springs does have an ambulance service located 1.02 miles from the subject property. The development of this 40-unit multifamily housing project will provide affordable and reliable housing resources for the community which will ultimately help sustain the demand for existing public safety services in Dawson Springs following the tornado and relocation of people away from this area.</p>
Parks, Open Space and Recreation	2	<p>Dawson Springs Park, located at 255 Parkwood Drive is a city park that includes a fitness walking trail, playground, swimming pool, two tennis courts, an outdoor basketball court, and baseball/softball fields. The city is bordered to the south by one of the largest state forests in Kentucky, the Pennyryle State Forest. Dawson Springs has a variety of community facilities and services including horseback riding trails and an extensive equine trails system through the Pennyryle State Forest. Bike riding trails, including mountain biking, in the Pennyryle region include hundreds of miles of good pavement on sparsely traveled and scenic roads. Fishing, boating and canoeing encompasses Tradewater River Access points and Lake Beshear, and hiking includes the Dawson Springs trailhead in the northern portion of the Pennyryle Nature Trail. Riverside Park offers a third park option for the city. The project will not negatively impact the capacity of these services. Additionally, this site is anticipated to facilitate the return of Dawson City residents that relocated out of the city due to the tornados.</p>
Transportation and Accessibility	2	<p>Dawson Springs is connected to nearby areas by US-62 and I-69, both of which run east and west. To the east, I-69 connects to I-169 and US-41, both of which run north to south. To the west, I-69 connects to US-91 which runs southeast and northwest. The county is serviced by all regional and national freight carriers. Dawson Springs contains a FedEx location, 0.37 miles away from the site, and nearby Princeton has a UPS station, approximately 12 miles away. The Dawson Springs USPS location is about a mile from the proposed site. While there are several county airports</p>

	<p>in the area, the closest regional airports are the Barkley Regional Airport, nearly 70 miles west, and the Clarksville Regional Airport, about 45 miles south. The nearest Greyhound bus station is 18 miles northeast of Dawson Springs. There are also Uber/Lyft services available. This project is small in size and scope and will not negatively impact transportation and accessibility for Dawson Springs/Hopkins County. The project site is a 2-to-3-mile drive to commercial, educational, cultural, medical, and social service amenities available in the City of Dawson Springs, KY.</p>
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Environmental Assessment Factor	Impact Code	Impact Evaluation
<b>NATURAL FEATURES</b>		
Unique Natural Features, Water Resources	2	<p>Unique agricultural lands are not present on the project site. The project will not have an impact on water resources or unique natural features. The proposed project will not create or contribute runoff water that would exceed the capacity of existing or planned storm water drainage system or provide substantial additional sources of polluted runoff. The project will connect to existing wastewater/sanitary sewer connections provided by the Dawson Springs Public Works Department. A geotechnical report is in progress and will include specific construction design methods to ensure that the project does not create or contribute runoff water that would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff. Design of the project and construction methods employed will ensure that the project does not negatively affect slope or erosion of the surrounding neighborhood. The proposed project will not create or contribute runoff water that would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff. The project will have an erosion control plan. Erosion control practices during construction and seeding and stabilizing all areas after grading will protect the watershed.</p>
Vegetation, Wildlife	2	<p>There is no unique vegetation or wildlife on the site, and there were no obvious areas of stressed vegetation or wildlife observed on-site. The current vacant lot is comprised of manicured grass and several trees along property lines. The current landscaping will be disturbed; however, within the design of the new building, new landscaping will be included. The proposed project will not create or contribute runoff water that would exceed the capacity of existing or planned storm water drainage system or provide substantial additional sources of polluted runoff. The project will connect to existing</p>



		wastewater/sanitary sewer connections provided by the Dawson Springs Public Works Department.
Other Factors		

Environmental Assessment Factor	Impact Code	Impact Evaluation
<b>CLIMATE AND ENERGY</b>		
Climate Change Impacts	2	<p>The FEMA National Risk Index Community Report for Hopkins County, KY finds that the Risk Index score of 75.4 is "Relatively Low" when compared to the rest of the US and that they community has a "Relatively Low" Expected Annual Loss Score of 73.8. However, the Community Report also finds that Hopkins County has a Social Vulnerability score of 64.4, which demonstrates "Relatively High susceptibility to the adverse impacts of natural hazards." The Community Report also states that "Communities in Hopkins County, KY have a Relatively Moderate ability to prepare for anticipated natural hazards, adapt to changing conditions, and withstand and recover rapidly from disruptions when compared to the rest of the U.S." with a Community Resilience score of 58.31. The FEMA National Risk Index Community Report for Hopkins County, KY also rates historic loss ratios by hazard type as follows: very low (hurricane, hail, wildfire); relatively low (landslide, drought, lightning, riverine flooding); relatively moderate (earthquake, tornado, heat wave); relatively high (strong wind, winter weather); and very high (ice storm). The report also states that "in Hopkins County, KY, expected loss each year due to natural hazards is Relatively Low when compared to the rest of the US" with an expected annual loss score of 73.75. The Headwaters Institute has developed a county-by-county climate projection tool to estimate changes in heat and precipitation given either higher projected emissions (RCP8.5) or lower projected emissions (RCP4.5). Under the higher emission model, Hopkins County is expected to experience 22 more days about 95 degrees and a 2 degree increase in average annual temperature by 2049. The model also shows that Hopkins County will see only 0.6 more days of heavy precipitation annually and a 1" increase in annual average precipitation by 2049. Given these risk analyses, Hopkins County, KY faces fewer climate risks than most of the nation. The new construction of 40 affordable multi-family housing units in Hopkins County will have a positive impact on Hopkins County and will help minimize the impact of climate risk to the renters. First, the project site has minimal risk. It is a flat site in an area of minimal flood hazard.</p>

		Second, multifamily units will be constructed to meet energy-efficiency standards. They must meet Kentucky Housing Corporation's Minimum Design Standards for New Construction of Multifamily Housing Units, which require that the building envelope meets or exceeds the 2012 IECC requirements, establish energy standards for building components and systems, and require Energy Star appliances, amongst other energy efficiency requirements. KHC will also incorporate resilient building standards, including fortified roofs and flood resistant construction techniques in design guidelines to ensure compliance with HUD's Green and Resilient Building Standard.
Energy Efficiency	2	The state of Kentucky requires developments to meet the KY Residential Building Code and encourages the use of Green Building Techniques and Energy Efficient Design Components. The 2020 Kentucky Housing Corporation Minimum Design Standards for Multifamily Housing Units states that projects must be energy efficient with a design that exceeds the 2012 International Energy Conservation Code.

**Backup Documentation for all Environmental Assessment Factors is included in Enclosure Q**

**Additional Studies Performed:**

Phase I Environmental Site Assessment dated July 22, 2024 prepared by Linebach Funkhouser; Market Study prepared by Valbridge Property Advisors dated March 13, 2024

**Field Inspection (Date and completed by):**

7/5/2024 by Greg Bailey, CMec Senior Project Manager  
Photolog included in **Enclosure R**

**List of Sources, Agencies and Persons Consulted** [40 CFR 1508.9(b)]:

ArcGIS, Kentucky Heritage Council; Cherokee Nation; Eastern Band of Cherokee Indians; Eastern Shawnee Tribe of Oklahoma; Osage Nation; US Fish and Wildlife Service Kentucky Field Office; US Fish and Wildlife Service IPaC; US Fish and Wildlife Service National Wetlands Inventory; FEMA Flood Map Service Center; National Wild and Scenic Rivers System; Nationwide Rivers Inventory; EPA Sole Source Aquifers for Drinking Water Interactive Map; Kentucky Transportation Cabinet; USDA Web Soil Survey; Federal Railroad Administration; Federal Aviation Administration; EPA Greenbook; EPA ECHO Report; EPA Facility Reports; Phase I Environmental Site Assessment; US Census Bureau; FEMA National Risk Index Community Report; Headwaters Institute; Google Earth Pro; and Google Maps

**List of Permits Obtained:**

**See Enclosure S**

**Public Outreach** [24 CFR 50.23 & 58.43]:

The public was notified about the Combined Notice of Finding of No Significant Impact (FONSI) and Notice of Intent to Request Release of Funds (NOI RROF) via publication on <<website>> on <<date>>. Public comment was accepted for 15 days following the publication with the public comment period ending <<date>>. The Environmental Review Record (ERR) for this project was made available for public review during the comment period via a physical copy at the offices of Wabuck Development

Company at 100 Wabuck Drive Leitchfield, Kentucky. The physical copies were made available for public examination and copying, upon request, between the hours of 9 A.M. and 4 P.M. An electronic version will be posted on the HUD Environmental Review Records website at <https://cpd.hud.gov/cpd-public/environmental-reviews> for the duration of the public comment period. << \* >> comments were received during the public comment period

### **Cumulative Impact Analysis [24 CFR 58.32]:**

There are no mitigating environmental factors resulting from the proposed project. The project will benefit Hopkins County by creating 40 new affordable multi-family housing units that will help address the community's need for affordable housing following the 2021 tornado.

### **Alternatives [24 CFR 58.40(e); 40 CFR 1508.9]:**

1. No action - leave the area as it is with no corrective action. It is possible that the property would remain vacant with minimal use without this project. Furthermore, Hopkins County needs quality, affordable housing. 2. Acquire a different piece of property - The location is ideal for the project as this is a centrally located relatively flat piece of vacant land within a short drive to commercial, medical, social, educational, cultural, and public safety facilities in the city of Madisonville, a mix of urban and rural area where adequate housing is a need for the community. Additionally, the project will develop a piece of land into an affordable housing asset for the community. 3. Proceed with Project. This is the best use of the project site. This project will be a vital asset to Hopkins County residents, especially those at lower income brackets that are unable to afford rent on their own. Providing residents with affordable housing leads to an increase in economic benefits in the community because as more people have housing, they tend to also obtain jobs.

### **No Action Alternative [24 CFR 58.40(e)]:**

The no action alternative is not acceptable as there is a need for affordable housing in Hopkins County that was exacerbated by the 2021 tornado. In the absence of the project this need for replacement affordable housing will remain unmet.

### **Summary of Findings and Conclusions:**

There are no mitigating environmental factors resulting from the proposed project, which is in compliance with all related laws and authorities. The project site is not located in a wetland or floodplain area. There are no historical preservation concerns. The site is not located close to a Wild and Scenic River or Nationwide Rivers Inventory body. There are no sole source aquifers in Kentucky. The site will not impact endangered species. The land was previously converted to urban area and, as such, no farmlands will be impacted. There are no noise generators that exceed the 65 dB threshold nearby to the site and the calculated DNL at the site is 57dB. There are no explosive or flammable hazards such as above ground storage tanks within one mile of the project site within the ASD. Hopkins County's air quality is in compliance with federal standards. There is no evidence of contamination or toxic substances that would pose a threat to residents at the project site as verified in the Phase I Environmental Site Assessment and, per the Kentucky Geologic Radon Potential Map, radon is of minimal concern. This project will help meet Hopkins County's great need for safe, affordable, energy-efficient, and multi-family housing located in an area of minimal flood hazard.

### **Mitigation Measures and Conditions [40 CFR 1505.2(c)]**

Summarize below all mitigation measures adopted by the Responsible Entity to reduce, avoid, or eliminate adverse environmental impacts and to avoid non-compliance or non-conformance with the above-listed authorities and factors. These measures/conditions must be incorporated into

project contracts, development agreements, and other relevant documents. The staff responsible for implementing and monitoring mitigation measures should be clearly identified in the mitigation plan.

Law, Authority, or Factor	Mitigation Measure
None	N/A

**Determination:**

**Finding of No Significant Impact** [24 CFR 58.40(g)(1); 40 CFR 1508.27]  
The project will not result in a significant impact on the quality of the human environment.

**Finding of Significant Impact** [24 CFR 58.40(g)(2); 40 CFR 1508.27]  
The project may significantly affect the quality of the human environment.

Preparer Signature: Jennifer Peters Date: 3/14/25

Name/Title/Organization: \_\_\_\_\_

Certifying Officer Signature: Matt Sawyers Date: 3/14/2025

Name/Title: Matt Sawyers, DLG Commissioner

This original, signed document and related supporting material must be retained on file by the Responsible Entity in an Environmental Review Record (ERR) for the activity/project (ref: 24 CFR Part 58.38) and in accordance with recordkeeping requirements for the HUD program(s).