

Public Notice

Applicant: Terrell 80/20 LTD

Project No.: SWF-2015-00034

Date: August 20, 2015

The purpose of this public notice is to inform you of a proposal for work in which you might be interested. It is also to solicit your comments and information to better enable us to make a reasonable decision on factors affecting the public interest. We hope you will participate in this process.

Regulatory Program

Since its early history, the U.S. Army Corps of Engineers has played an important role in the development of the nation's water resources. Originally, this involved construction of harbor fortifications and coastal defenses. Later duties included the improvement of waterways to provide avenues of commerce. An important part of our mission today is the protection of the nation's waterways through the administration of the U.S. Army Corps of Engineers Regulatory Program.

Section 10

The U.S. Army Corps of Engineers is directed by Congress under Section 10 of the Rivers and Harbors Act of 1899 (33 USC 403) to regulate all work or structures in or affecting the course, condition or capacity of navigable waters of the United States. The intent of this law is to protect the navigable capacity of waters important to interstate commerce.

Section 404

The U.S. Army Corps of Engineers is directed by Congress under Section 404 of the Clean Water Act (33 USC 1344) to regulate the discharge of dredged and fill material into all waters of the United States, including wetlands. The intent of the law is to protect the nation's waters from the indiscriminate discharge of material capable of causing pollution and to restore and maintain their chemical, physical and biological integrity.

Contact

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JOINT PUBLIC NOTICE

U.S. ARMY CORPS OF ENGINEERS, FORT WORTH DISTRICT

AND

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

SUBJECT: Application for a Department of the Army Permit under Section 404 of the Clean Water Act (CWA) and for water quality certification under Section 401 of the CWA to discharge dredged and fill material into Waters of the United States (WOUS) associated with the proposed Crossroads at Terrell project, located in the city of Terrell, Kaufman County, Texas.

APPLICANT: Terrell 80/20 Ltd.

8350 N. Central Expressway, Suite M-1020

Dallas, Texas 75206

APPLICATION NUMBER: SWF-2015-00034

DATE ISSUED: August 20, 2015

LOCATION: The project site is an approximately 255-acre tract of undeveloped land and pasture located in Terrell, Kaufman County, Texas (Figure 1). The site is bordered by State Highway 557 to the north, FM-148 to the east, Las Lomas Parkway (CR-305) to the south, and undeveloped land to the west. The project is located at Latitude 32.720880 N and Longitude - 96.329612 W (Figure 3).

OTHER AGENCY AUTHORIZATIONS: State Water Quality Certification

PROJECT DESCRIPTION: The applicant proposes to discharge 7,700 cubic yards of native fill materials into 4.77 acre of WOUS consisting of emergent wetlands. The total permanent impacts to WOUS associated with the construction of the proposed development would be 4.77 acres (Figure 7). No indirect or temporary impacts are proposed.

The proposed project would include approximately 750,000 square feet of retail shopping space, a hotel (with attached conference center), auto dealerships, professional service facilities, and 600 units of multifamily residential development (Figure 7).

INTRODUCTION: The applicant's stated purpose is to provide a regional retail shopping, hospitality, professional service, and multifamily residential development in the City of Terrell to meet the demands of the growing population of Kaufman County.

EXISTING CONDITIONS: The project site is an approximately 255-acre tract of undeveloped land and pasture located in Terrell, Kaufman County, Texas. The vast majority of the site is upland pasture dominated by *Ambrosia artemisiifolia* (annual ragweed), *Croton capitatus* (woolly croton), *Cynodon dactylon* (bermudagrass), *Gutierrezia sarothrae* (perennial broomweed), *Hordeum pusillum* (little barley), *Iva annua* (marshelder), *Juncus marginatus* (grassleaf rush), *Lolium perenne* (perennial rye grass), *Polypogon monspeliensis* (annual rabbitfoot grass), *Tridens albescens* (white Tridens), *Trifolium campestre* (field clover), and *Xanthium strumarium* (roughleaf cocklebur). A small percentage of the site consists of two emergent wetlands

dominated by hydrophytic vegetation that included *Andropogon glomeratus* (bushy bluestem), *Eleocharis* sp. (sedges), *Iva annua* (marshelder), *Polygonum* sp. (smartweed), *Salix nigra* (black willow), and *Typha* sp. (cattails). Two non-jurisdictional stock ponds and a small, isolated, non-jurisdictional linear emergent wetland are also located on site.

APPLICANT'S ALTERNATIVES: The applicant has provided an alternatives analysis, which is described below and includes the no action alternative and the applicant's preferred alternative

OFF-SITE ALTERNATIVES:

SITE SCREENING CRITERIA:

As part of the alternative site analysis, the applicant applied the following site screening criteria to the overall project:

Geographic Location. The proposed project would be intended to serve the regional retail shopping, hospitality, professional service, and residential needs of the growing population of Kaufman County. According to the U.S. Census, from 2000 to 2010 Kaufman County's population grew from 72,270 to 103,350, an absolute growth rate of 43%. According to the Texas State Data Center, Kaufman County's population is projected to grow from 103,350 to 438,487 from 2010 to 2050, an absolute growth rate of 324%, which will make it the eighth fastest growing county in the state of Texas. Kaufman County is currently undeserved by retail, hospitality, professional services and multifamily residential options, and will be vastly underserved if population growth continues at the forecasted rate without corresponding development as proposed by this project.

The applicant believes a critical component of a regional retail development is a distance buffer of at least 15 miles from established regional retail concentrations serving other trade areas. Additionally, major retail and mixed use developments require a location in a municipality that provides city services and utilities as opposed to unincorporated areas of the county, which do not provide such services. The applicant believes a regional retail development must also be located along major north-south and east-west transportation arteries that provide appropriate access to the development.

Further, the applicant believes as a result of these geographic requirements for practicability, the geographic location of this proposed development was limited to the city limits of Terrell, Texas, as it is the geographic center of Kaufman County (the regional trade area being served by the proposed development) and is along the I-20/U.S. Highway 80 Corridor. It is also located at a distance of more than 15 miles from the Town East retail concentration in the city of Mesquite, Texas (a regional retail concentration serving eastern Dallas County) and the retail concentration in the city of Rockwall.

Size. In order to fulfill the project purpose, the applicant believes that the proposed project must include, at a minimum, 750,000 square feet of regional shopping center, at least one hotel (and attached conference center), auto dealerships, professional service facilities, and 600 units of multifamily residential development. Therefore the size restriction on the project's land size to be practicable is a minimum of 250 acres and a maximum of 500 acres.

Visibility. The applicant believes that a critical component of the proposed project includes a highly visible location from major arterial road(s) of the region and such road(s) must experience

suitable traffic levels to produce an appropriate level of patrons. Concurrent with the geographic location requirement of being located within the city limits of Terrell, a practicable site must be visible from I-20. I-20 is a major east-west connector for the region and has the highest traffic counts in the region.

Accessibility. The applicant believes a critical component of the proposed project also includes directly accessibility to and from a major arterial roadway intersection that experiences suitable traffic levels to produce an appropriate level of patrons. Therefore the site not only requires the presence of I-20 at the intersection but also a major north-south connector road that serves the Kaufman County region. Within the city limits of Terrell along I-20, the practicable intersections that provide sufficient traffic with a major north-south connector are:

- a) FM 148/SH 205 & I-20 intersection
- b) SH 34 & I-20 intersection

Direct frontage road access and permitted access points so that traffic from the main lanes of the above roadways can reach the project site is a critical condition of accessibility that must be in place for the project site to be considered accessible for the regional retail portion of the development.

Zoning. Land use restrictions associated with current zoning are a major consideration in all projects. For this site screening criteria, tracts that are currently zoned for the intended use or that could be reasonably re-zoned to accommodate the proposed project were considered practicable. The applicant's preferred site is currently zoned General Retail which allows for development of the regional retail center component and City of Terrell officials have presented a Highway Corridor Planned Development District zoning modification that will allow for the other proposed mixed use components of the overall development.

Utilities. For any development project, utility services or access to utility services (water, sewer, electrical, gas, phone, cable, telco fiber lines, etc) are required and if not available must be calculated into the cost factor of practicable analysis of the proposed development. For this reason, the applicant believes the location of existing utilities and cost associated with servicing the project site is a consideration in the site screening criteria. The applicant's proposed site has all required utilities listed above located at the property's boundary line and is practicable from a utilities criteria.

Potential Wetlands or Waters of U.S. Impact: Sites were screened for potential impacts to wetlands or other waters of U.S. impact that would require permitting and mitigation efforts and costs.

Potential Floodplain: Sites were screened by the applicant for potential floodplain area being on-site, which would negatively impact the use and practicable nature of the site (Figure 2).

Availability. Only sites listed for sale or available for purchase were considered by the applicant as part of the alternatives analysis. Applicant utilized UCR, a division of CBRE Real Estate Services, and the City of Terrell, to provide a comprehensive list of available sites.

SUMMARY OF ALTERNATIVE SITES SCREENED FOR PRACTICABILITY:

Considering the site screening criteria above, the applicant reviewed development alternatives for nine tracts, as well as the applicant's Proposed Alternative. A summary description of each off-site alternative follows.

Proposed Alternative:

The Proposed Alternative involves the filling of 4.77 acres of the on-site wetlands to accommodate the construction of a mixed-use development. As detailed below, this alternative is considered by the applicant to be the Least Environmentally Damaging Practicable Alternative that meets the purpose and needs of the proposed project.

Off-Site Alternative 1: CJ Three Star Investments Tract

This site is located northeast of the intersection of I-20 and SH 34 in Terrell. The site is approximately 61.9 acres and is owned by CJ Three Star Investments. This site meets some of the screening criteria but is not large enough to fulfill the project purpose. Even if it could be combined with the property to the northwest, size would still be an issue. Moreover, there is no frontage to I-20 and SH 34 as required by the applicant. The site appears to have considerable area of wetlands and floodplain on the property. Also, the property is in the flightpath of the adjacent Terrell Municipal Airport and height restrictions would limit development of the property. Due to these factors, this alternative was rejected by the applicant.

Off-Site Alternative 2: Hale/Purvis Tract

This site is located southeast of the intersection of I-20 and SH 34 in Terrell. The site is approximately 90.8 acres. This site is currently for sale but due to the floodplain located on site, only 30 acres is developable. This site meets some of the screening criteria but does not meet the size criterion. In addition, a stream, possible wetlands and floodplain are located on site. The property is in the flight path of the adjacent Terrell Municipal Airport and height restrictions would limit development of the property. Due to these factors, this alternative was rejected by the applicant.

Off-Site Alternative 3: Ramsey Tract

This site is located northwest of the intersection of I-20 and SH 34 in Terrell. The site is approximately 56.9 acres. The site has access via SH 34 but no access from I-20. In addition, because the hard corner is built out, there is not adequate visibility from the highway. In addition, a pond and possible wetlands are located on the site. Moreover, the site is approximately 57 acres and is too small for the stated size criterion for the project. Due to these factors, this alternative was rejected by the applicant.

Off-Site Alternative 4: Garcia Tract

This site is located southwest of the intersection of I-20 and SH 34 in Terrell. This site is approximately 64 acres. The Garcia Tract is situated behind the Tanger Outlet Mall, and has very limited visibility from either I-20 or SH 34. In addition to not meeting the size and visibility criteria, the site has very limited access from SH 34 and no access from I-20. The site also was part of a municipal landfill in the past, which could impact development costs and options at the site. Due to these factors, this alternative was rejected by the applicant.

Off-Site Alternative 5: MGGP Tract

This site is located north of the intersection of I-20 and SH 34 in Terrell. This site is approximately 80.7 acres. The MGGP Tract has good access from SH 34 but no access from I-20. Moreover, the site has limited visibility from the intersection of I-20 and SH 34, a stated screening criterion for the project. Also, the property appears to have an on-site stream, pond, and possible wetlands. Additionally, the MGGP Tract is only about one-third the size needed for the project. Due to these factors, this alternative was rejected by the applicant.

Off-Site Alternative 6: Mountain Top Properties Tract

This site is located southeast of the intersection of I-20 and FM 148 in Terrell. This site is approximately 94.3 acres. This site has direct access from SH 148 but lacks a I-20 frontage road. It has good visibility from these roadways. However, the site does not meet the size criterion and there are currently no utilities located at the site. There appears to be a stream, a pond, and possible wetlands on this site. Moreover, the site is not currently available for purchase. Due to these factors, this alternative was rejected by the applicant.

Off-Site Alternative 7: Baylor Tract

This site is located west of the intersection of Spur 557 and I-20 in Terrell. This site is approximately 52.5 acres. The site has good access from I-20 but not from the north-south route, FM 148. Visibility is good from major roadways but the site does not meet the size criterion for the project. Moreover, Baylor Health Care Systems plans on building a hospital on site, and the site is therefore not available for purchase by the applicant. Due to these factors, this alternative was rejected by the applicant.

Off-Site Alternative 8: Fulson Tract

This site is located northeast of the intersection of FM 148 and Spur 557 in Terrell. This site is approximately 52 acres. The site has good access from FM 148 but no direct access from Spur 557, which is a bypass from U.S. 80 to I-20. Visibility is fair, but the site does not meet the size criterion and no utilities are located at the site. Due to these factors, this alternative was rejected by the applicant.

Off-Site Alternative 9: Terrell EDC Tract

This site is located northwest of the intersection of FM 148 and Spur 557 in Terrell. This site is approximately 37.2 acres. The site has no direct access from FM 148 and no direct access from Spur 557, which is a bypass from U.S. 80 to I-20. According to the applicant, this site is part of the Metrocrest Industrial Park and the owner will only sell the land to industrial end users; therefore, it is not available to be purchased for the proposed project. This site has good visibility but does not meet the size criterion for the project. Due to these factors, this alternative was rejected by the applicant.

Based on the off-site alternatives analysis, the applicant believes the only practicable site was the Proposed Alternative. The applicant's critical factors dictating a practicable alternative included size, zoning, visibility, access, and availability. Every alternative site other than Applicant's Proposed Alternative failed the size requirement. Additionally, any other alternative site that met the visibility and access requirements were not available for purchase. Therefore the applicant believes the only practicable site was applicant's preferred alternative location.

ON-SITE ALTERNATIVES:

Once the applicant's determination was made that only one site was practicable, the applicant conducted an alternatives analysis on multiple development scenarios in an effort to further avoid and minimize adverse impacts to waters of the U.S. to the greatest extent practicable. A No-action Alternative, along with three site plans were drafted and studied in an effort to minimize impacts to wetland resources identified within the property. The following provides a summary of each alternative considered during the design process.

On-Site Alternative 1 (No Action Alternative): Alternative 1 involves the development of the site without impacting any jurisdictional waters. The waters of the U.S. on site are distributed across a large area and are located on prime frontage property. The applicant stated that although this alternative would not impact any jurisdictional waters, this scenario would negate the site's high visibility and accessibility from highway frontage. Without such visibility and accessibility, the site could not be developed in a manner that would accomplish the project purpose. Therefore, this no action alternative was rejected for failure to satisfy the site screening criteria of visibility and accessibility.

On-Site Alternative 2: Alternative 2 is a full build-out site plan with maximum use of the property. This plan was the most financially preferable on-site alternative for the applicant. This site plan required impacts to 7.06 acres of jurisdictional wetlands. Because this plan maximized use of the project site, this design would be preferred if environmental impacts were not a concern.

On-Site Alternative 3: Alternative 3 is a modified build-out plan that reduces the overall impacts from Alternative 2 by 0.2 acres of wetland for a total of 6.86 acres of impacts. A portion of the wetland in the western part of the project site would remain intact but the majority of the wetlands on site would need to be impacted. Disturbance of the wetlands on the eastern side of the project site, facing the roadway frontage and main entrance of the development, are unavoidable due to the distance spacing requirements and surface parking ratios required by the national retail tenants. These national retail tenants are an integral part of the proposed overall mixed use development.

On-Site Alternative 4 (Applicant's Proposed Alternative): The Proposed Alternative would necessitate the filling of all the wetlands on the eastern portion of the project site but would allow for the preservation of the majority of the wetlands on the western portion of the project site. The wetlands on the eastern portion of the project site are located near the frontage of Spur 557 and FM 148. Not developing this area would negate the high visibility and accessibility the site provides. This alternative preserves 2.29 acres of the 7.06 acres of wetlands on site for a total impact of 4.77 acres. Of the alternatives identified by the applicant, Alternative 4 represents the least impact to jurisdictional waters at the site of any potential development plan that still satisfies the project purpose.

In addition, wetland areas would be constructed at the detention areas of the proposed storm system at the southern portion of the overall site. This plan would replace the low quality wetlands proposed to be disturbed with high quality wetlands to be owned and maintained in perpetuity though a City of Terrell controlled Public Improvement District (PID). This on-site mitigation would be in addition to the purchase of mitigation credits from a USACE-approved mitigation bank as required of the applicant as part of its 404 permit obligations.

Summary of On-Site Alternatives & Impacts to WOUS

On-Site Alternatives	WOUS Impacts (acres)	WOUS Avoided (acres)
On-Site Alternative 2	7.06	0.0
On-Site Alternative 3	6.86	0.2
On-Site Alternative 4 (Applicant's	4.77	2.29
Proposed Alternative)		

COMPENSATORY MITIGATION: The applicant proposes to compensate for the loss of WOUS through the purchase of wetland credits from the Bunker Sands Mitigation Bank in accordance with the methodologies prescribed within the USACE-approved mitigation banking instruments.

PUBLIC INTEREST REVIEW FACTORS: This application will be reviewed in accordance with 33 CFR 320-332, the Regulatory Program of the U.S. Army Corps of Engineers (USACE), and other pertinent laws, regulations, and executive orders. Our evaluation will also follow the guidelines published by the U.S. Environmental Protection Agency pursuant to Section 404(b)(1) of the CWA. The decision whether to issue a permit will be based on an evaluation of the probable impacts, including cumulative impacts, of the proposed activity on the public interest. That decision will reflect the national concerns for both protection and utilization of important resources. The benefits which reasonably may be expected to accrue from the proposal must be balanced against its reasonably foreseeable detriments. All factors which may be relevant to the proposal will be considered, including its cumulative effects. Among the factors addressed are conservation, economics, aesthetics, general environmental concerns, wetlands, historic properties, fish and wildlife values, flood hazards, floodplain values, land use, navigation, shore erosion and accretion, recreation, water supply and conservation, water quality, energy needs, safety, food and fiber production, mineral needs, considerations of property ownership, and, in general, the needs and welfare of the people.

The USACE is soliciting comments from the public; federal, state, and local agencies and officials; Indian Tribes; and other interested parties in order to consider and evaluate the impacts of this proposed activity. Any comments received will be considered by the USACE in determining whether to issue, issue with modifications, or conditions, or deny a permit for this proposal. To make this decision, comments are used to assess impacts on endangered species, historic properties, water quality, general environmental effects, and the other public interest factors listed above. Comments are used in the preparation of an Environmental Assessment and/or an Environmental Impact Statement pursuant to the National Environmental Policy Act. Comments are also used to determine the need for a public hearing and to determine the overall public interest of the proposed activity.

STATE WATER QUALITY CERTIFICATION: This project would result in a direct impact of greater than three acres of waters of the state or 1,500 linear feet of streams (or a combination of the two is above the threshold), and as such would not fulfill Tier I criteria for the project. Therefore, Texas Commission on Environmental Quality (TCEQ) certification is required. Concurrent with USACE processing of this Department of the Army application, the TCEQ is reviewing this application under Section 401 of the Clean Water Act, and Title 30, Texas Administrative Code Section 279.1-13 to determine if the work would comply with State water quality standards. By virtue of an agreement between the USACE and the TCEQ, this public notice is also issued for the purpose of advising all known interested persons that there is pending before the TCEQ a decision on water quality certification under such act. Any comments concerning this application may be submitted to the Texas Commission on

Environmental Quality, 401 Coordinator, MSC-150, P.O. Box 13087, Austin, Texas 78711-3087. The public comment period extends 30 days from the date of publication of this notice. A copy of the public notice with a description of the work is made available for review in the TCEQ's Austin Office. The TCEQ may conduct a public meeting to consider all comments concerning water quality if requested in writing. A request for a public meeting must contain the following information: the name, mailing address, application number, or other recognizable reference to the application; a brief description of the interest of the requestor, or of persons represented by the requestor; and a brief description of how the application, if granted, would adversely affect such interest.

ENDANGERED AND THREATENED SPECIES: The USACE has reviewed the U.S. Fish and Wildlife Service's latest published version of endangered and threatened species to determine if any species may occur in the project area. The proposed project would be located in Kaufman County where the Least Tern (*Sterna antillarum*), Piping Plover (*Charadrius melodus*), and the Whooping crane (*Grus americana*) are known to occur or may occur as migrants. The Least Tern, and the Whooping crane are endangered species and the Piping Plover is threatened. Our initial review indicates that the proposed work would have no effect on federally-listed endangered or threatened species.

NATIONAL REGISTER OF HISTORIC PLACES: The USACE has reviewed the latest published version of the National Register of Historic Places and found no listed or eligible properties to be present in the project area. However, the area has never been subjected to formal survey for historic or prehistoric resources. The possibility remains that unknown cultural resources may yet be identified or encountered by the proposed work. If historic or prehistoric sites are ultimately identified, they will be assessed for eligibility and potential treatment prior to any impacts.

FLOODPLAIN MANAGEMENT: The USACE is sending a copy of this public notice to the local floodplain administrator. In accordance with 44 CFR part 60 (Flood Plain Management Regulations Criteria for Land Management and Use), the floodplain administrators of participating communities are required to review all proposed development to determine if a floodplain development permit is required and maintain records of such review.

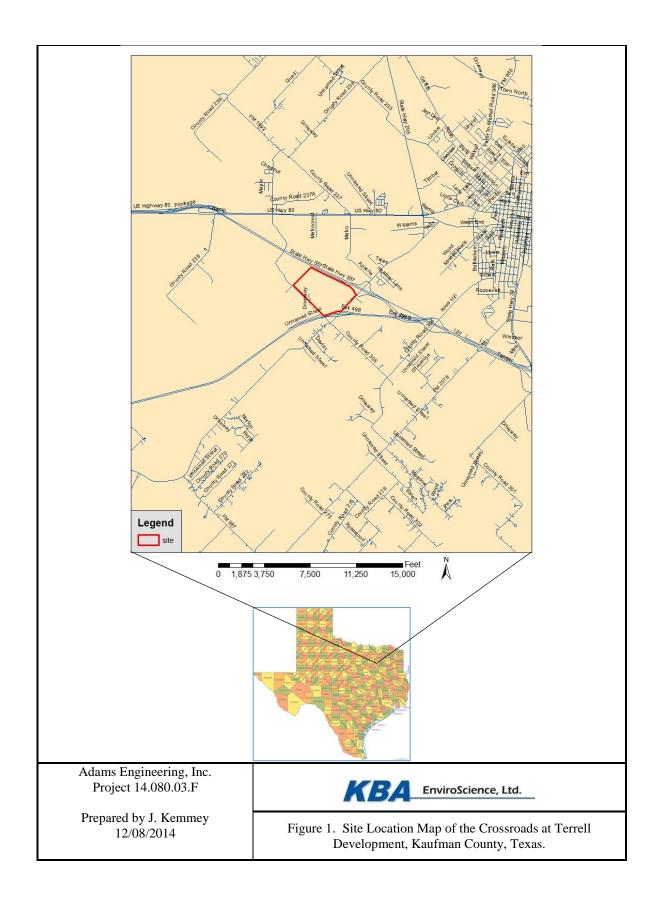
SOLICITATION OF COMMENTS: The public notice is being distributed to all known interested persons in order to assist in developing fact upon which a decision by the USACE may be based. For accuracy and completeness of the record, all data in support of or in opposition to the proposed work should be submitted in writing setting forth sufficient detail to furnish a clear understanding of the reasons for support or opposition.

PUBLIC HEARING: Prior to the close of the comment period any person may make a written request for a public hearing setting forth the particular reasons for the request. The District Engineer will determine whether the issues raised are substantial and should be considered in his permit decision. If a public hearing is warranted, all known interested persons will be notified of the time, date, and location.

CLOSE OF COMMENT PERIOD: All comments pertaining to this Public Notice must reach this office on or before September 19, 2015, which is the close of the comment period. Extensions of the comment period may be granted for valid reasons provided a written request is received by the limiting date. If no comments are received by that date, it will be considered that there are no

objections. Comments and requests for additional information should be submitted to; Regulatory Division, CESWF-DE-R; U.S. Army Corps of Engineers; Post Office Box 17300; Fort Worth, Texas 76102-0300. You may visit the Regulatory Branch in Room 3A37 of the Federal Building at 819 Taylor Street in Fort Worth between 8:00 A.M. and 3:30 P.M., Monday through Friday. Telephone inquiries should be directed to Mr. Fred Land at (817) 886-1729. Please note that names and addresses of those who submit comments in response to this public notice may be made publicly available.

DISTRICT ENGINEER FORT WORTH DISTRICT CORPS OF ENGINEERS



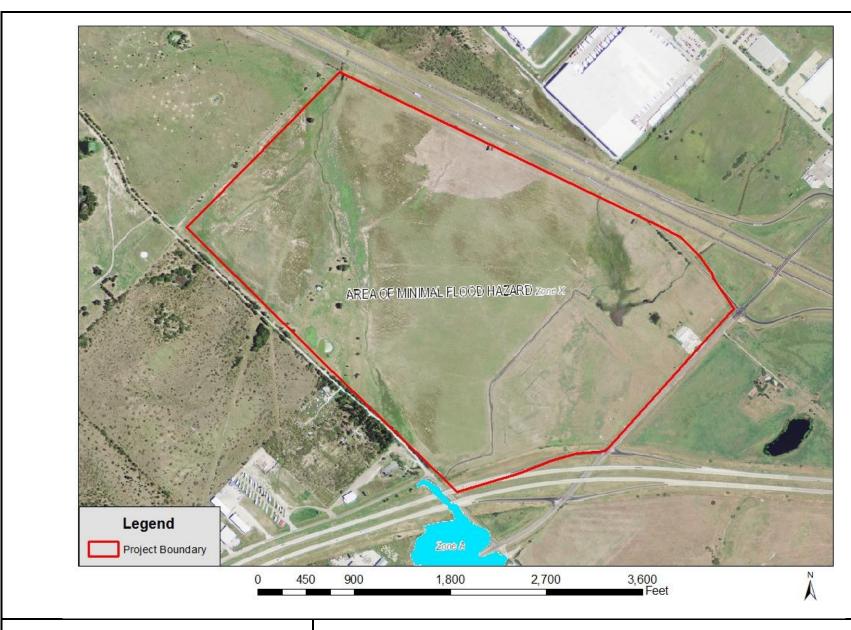




Figure 2. FEMA Map for the Crossroads at Terrell Development, Terrell, Kaufman County, Texas

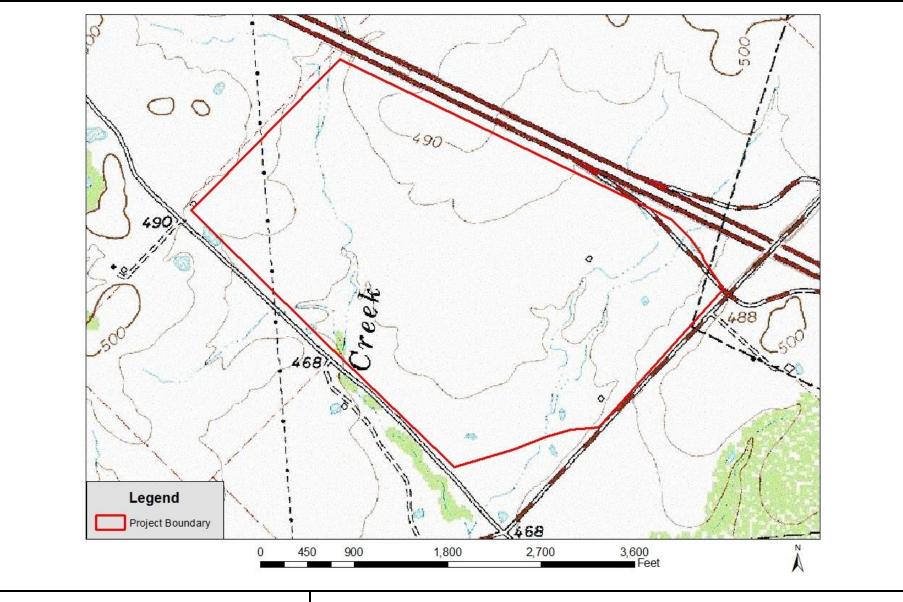




Figure 3. USGS Topographic Map for Crossroads at Terrell Development, Terrell, Kaufman County, Texas

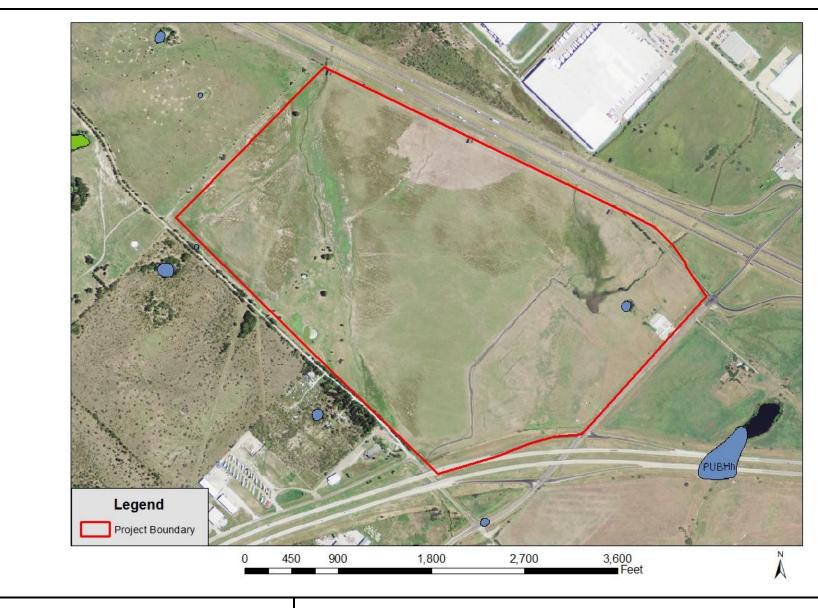




Figure 4. National Wetlands Inventory Map for Crossroads at Terrell Development, Terrell, Kaufman County, Texas

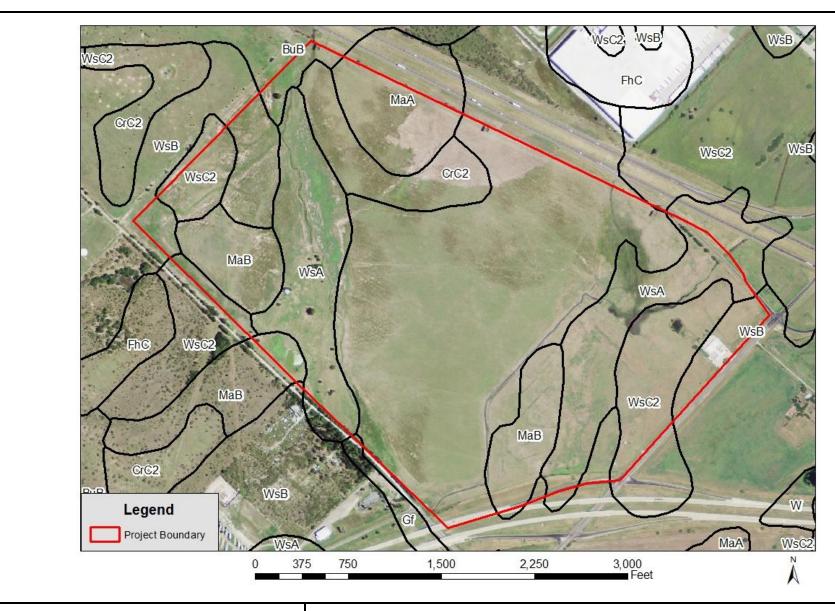
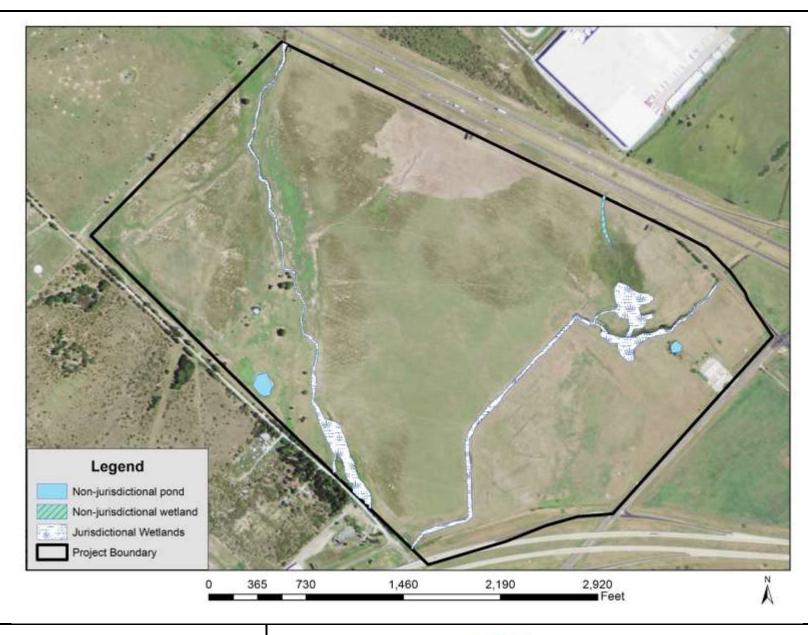




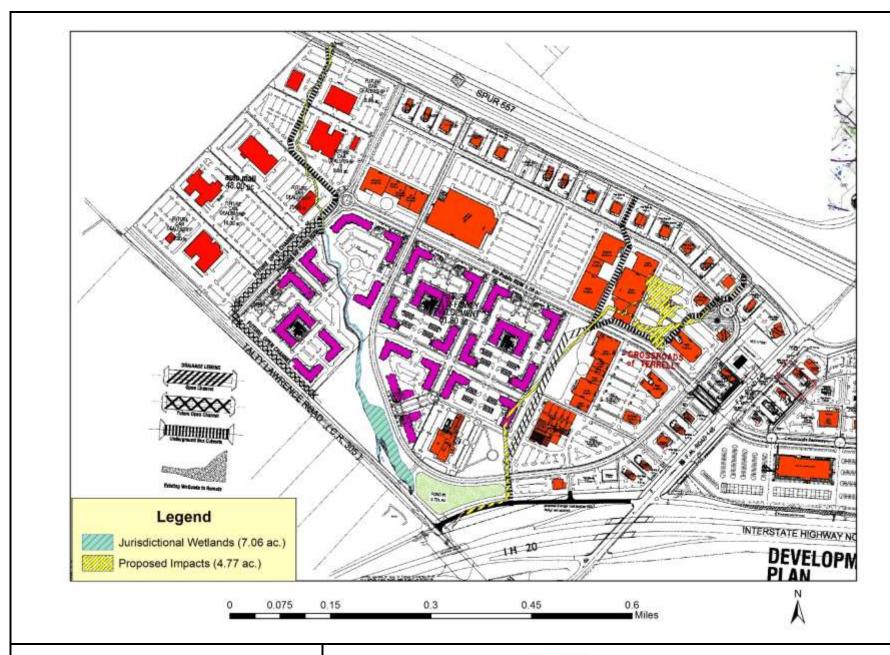
Figure 5. USDA Soils Map for the Crossroads at Terrell Development, Terrell, Kaufman County, Texas



Prepared by J. Schwartz 7/29/2015



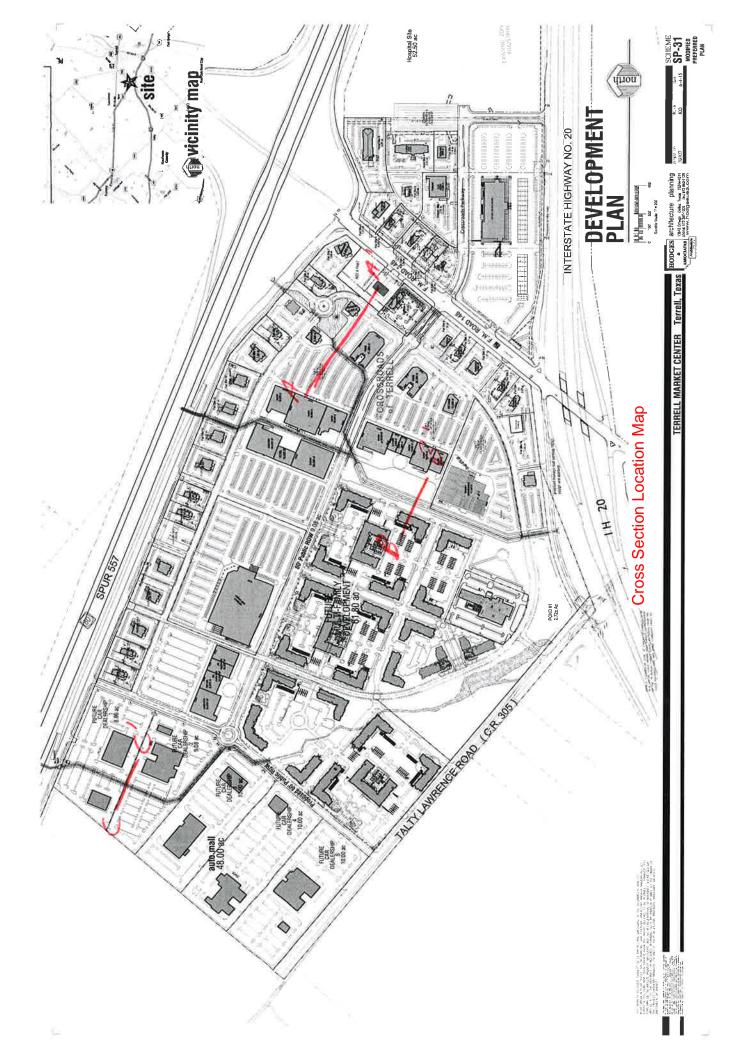
Figure 6. Jurisdictional Waters for the Crossroads at Terrell Development, Terrell, Kaufman County, Texas



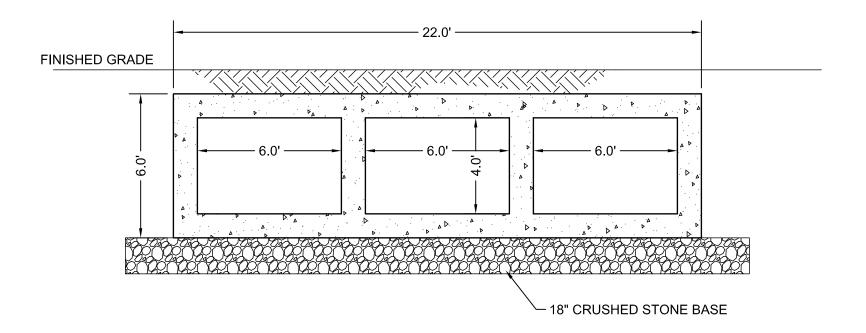
Prepared by J. Schwartz 02/09/15



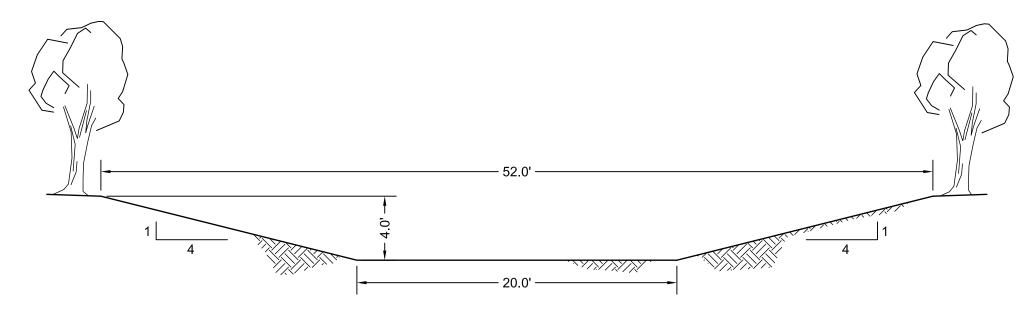
Figure 7. Proposed Impacts for the Crossroads at Terrell Development, Terrell, Kaufman County, Texas



SECTION A-A



SECTION B-B



SECTION C-C

