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Re: Army Corps Permit Application # SWG-2016-00384

To whom it may concern:

I publish a website called ReduceFlooding.com. My posts regarding this permit application received almost 50,000 page-views in one month. To date, I have received only five positive comments about this project.

Public Notice SWG-2016-00384 says you will consider the need for the project against its impact on wetlands and other public interest factors. They include: conservation; economics; aesthetics; general environmental concerns; fish and wildlife values; flood hazards; floodplain values; land use; navigation; erosion; recreation; water supply and conservation; water quality; safety; and the needs and welfare of the people.

The community's concerns – and my concerns – include all of the above.

Some concerns bridge categories. Therefore, it became necessary to include them in multiple places because some agencies will review only portions of this letter. Please excuse several redundancies. Here is an index/outline to help readers who may only be looking for one topic.

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Introduction: Main Concerns

My main concerns are:

- 1) This development appears to violate legally binding deed restrictions. We can find no documents registered with the county clerk that legally change allowable land use from “single family residential” to commercial, retail and hotel high rises.
- 2) An article in International Appraiser lists these developers among EB-5 regional centers touting fake projects.
- 3) Although the developers claim to have development experience, they have shown none.
- 4) Dunn & Bradstreet lists Romerica Investments, LLC (the applicant) as having no sales, no assets, no working phone, and being out of business. Romerica Investments also does not own the property for which it seeks the permit.
- 5) The developers many websites touting this project appear to violate rules from the SEC, FTC, FINRA, National Association of Realtors, and Texas Real Estate Commission governing real-estate investment advertising.

- 6) The developers are foreigners who operate through a maze of companies that makes it hard to understand whom the community is dealing with.
- 7) The developers are being sued by investors for fraud.
- 8) They have provided no market research to demonstrate a need for this kind of development in this area. The little market research we found raises serious concerns about their experience, due diligence, the feasibility of this project, and whether it would be economically viable.
- 9) The developers propose to build high-rises in an area that will soon be reclassified as floodway. Moreover, the river is migrating toward this property at a rate that could soon destroy it. This raises significant safety concerns about flood risk, evacuation, and the stability of buildings.
- 10) If approved, this development will destroy bald eagle habitat, impair water quality, increase erosion, and worsen flooding.
- 11) Developers have not responded to multiple requests to meet to clear up these concerns and questions.

Discussion

Let me now address these issues in the order that the Army Corps lists them.

1) Need

- a. Army Corps [regulations stipulate that a developer must prove there is a need](#) for his/her project before a permit can be issued to destroy wetlands. Further, the Corps assumes that the developer has done due diligence in assessing market conditions. A market analysis downloaded from [KingwoodMarina.com](#) [calls that assumption into question](#).
- b. Since Harvey, growth in the local ISD has slowed from 6% to 1% because of *concerns over flooding*. The number one need we have now is to restore safety by mitigating flooding. In my opinion, this project will worsen flood risk (see below) and there is little demand for it – especially in this location.
- c. The developer plans to build more than [3 million square feet of hotel, commercial, retail and residential space](#) in the floodplain, much of which should soon be reclassified as floodway. Current engineering is based on 2007 flood maps which proved inaccurate during three so-called “500-year floods” that hit this area in 2015, 2016 and 2017.
- d. Since Harvey, Kingwood can’t fill all the homes we have – even those on higher ground. Many appear empty with no repair activity.
- e. About a quarter of the retail space in Town Center and King’s Harbor is still vacant. There’s little demand for new retail, hotel or commercial space.
- f. A previous attempt to build a retail mall in Kingwood failed. The mall was on the southwest corner of Kingwood Drive and US59. After sitting vacant for years, HCA bought the white elephant and converted it into a community hospital.
- g. It's also hard to see how Kingwood’s population would support another shopping mall and theater.

5. For instance, historically, the West Fork crests above [50 feet every other year – 40 times in 80 years according to USGS. However, in the last year it has crested over 50 feet SIX times, a 12X increase.](#) (See also [Table 1 in the appendix](#) at the end of this letter.)
6. Net: it will not take another Harvey to create Harvey-like flooding. The developer is basing its engineering on outdated flood maps and data. This will jeopardize people's lives and investments.
 - ii. The omissions in Romerica's market study suggest they have not researched the local market. There is NO demonstrated need to destroy our wetlands.
 - i. Moreover, raising this project 12 feet above its current elevation to 57' won't raise it out of harm's way. We've had six floods higher than that since 1994 – an average of one every FOUR years. That's an increase over the previous 65 years when we had just three – one every 22 years. ([See Table 1 in the appendix again.](#))
 - j. Raising the entire project 12 feet WILL RAISE COSTS, however.
 - k. Therefore, it will price sales and rentals above the rest of the market – in an area (i.e., floodplain and floodway) that people are wary of after Harvey.
 - l. The combination of higher costs; less demand; less traffic; remote and dangerous location; and local opposition will be difficult to overcome.
 - m. If this project is permitted, it will likely create white elephants that leave permanent scars on the landscape after destroying the fragile wetlands that we need to absorb and store floodwaters.
 - n. Kingwood residents commute two hours per day to get AWAY from high rises. They want nature. This development would destroy natural amenities that 70,000 people moved here for.

2) Conservation

a. Erosion

- i. Development will increase, concentrate and accelerate runoff from 300+ acres. Thus, it will also accelerate erosion. This will contribute to additional sediment buildup in the San Jacinto River, which the Kingwood area cannot afford.
- ii. Wetlands form a buffer against such erosion. We desperately need them, at least until such time as mitigation projects can be implemented.
- iii. The Corps has already [documented how extreme sedimentation is contributing to flooding on the West Fork.](#)
- iv. Decreased river depth due to sedimentation forces the river to widen in order to accommodate floods.
- v. This threatens other people and their property both up- and downstream. Additional erosion, during both construction and operation, will contribute to downstream flooding that destroys others' properties.

- vi. Erosion also threatens the developers' property, but in a different way. The West Fork of the San Jacinto has been [migrating TOWARD Romerica's property at a rate of 20 feet per year](#). In the last 40 years, the river has migrated 781 feet toward the high-rise locations and could scour their foundations within the commercial life of the structures. (See additional discussion below.)
- b. Possible damage to surrounding wetlands and parks
- i. Developers plan to expand Woodland Hills Drive but don't say how much they plan to raise it.
 - ii. If they *don't* raise it, the development will be cut off during floods making evacuation impossible.
 - iii. If they *do* raise it, it will create a backwater effect that contributes to flooding west and south of it.
 - iv. Floodwaters channeled around this development will cause a ditch to the west to overflow and increase erosion. It is already threatening adjacent properties. ([See photo #1 in appendix.](#))
 - v. Floodwaters will also increasingly inundate River Grove Park, which is used by 70,000 Kingwood residents.
 - vi. River Grove was inundated with 20 feet of water plus 5 feet of sand during Harvey. It cost residents approximately \$300,000 to remove the sand from the park. Soccer fields at River Grove were knocked out of commission for more than a year after Harvey. The boat ramp has needed increasingly frequent dredging in recent years. Further erosion and sedimentation will undermine recreational opportunities in the community. ([See photo #12 in appendix.](#))
- c. Loss of wetlands
- i. The Public Notice states that an environmental impact survey is not necessary. I disagree.
 - ii. [Bald eagles feed and nest adjacent to their property and fly over it.](#) ([See photos 2-7 in appendix.](#))
 - iii. [Texas still lists the Bald Eagle as threatened](#) and protects its habitat.
 - iv. The proposed development will [violate the State's protection zones](#) and interfere with eagles' flights to Lake Kingwood, where they feed.
 - v. I have talked to people who state the developers recently cut down a tree with a bald eagle nest on their property. The Public Notice says the developer claims there were no bald eagle nests on their property.
 - vi. Please require a complete environmental impact survey.
 - vii. Neither the developer, nor the Corps, have supplied the H&H analysis to the community for independent evaluation. The permit should not be approved before experts in the community can review it.
 - viii. These wetlands are part of a connected network of drainage for surrounding subdivisions. The developer has not accounted for how disruption of that network (by raising this area) will affect *surrounding areas* – [also a deed-restriction violation](#). The diversion and concentration of runoff will endanger surrounding properties including the Barrington, Kingwood Country Club, Deer Cove, Deer Ridge

Estates, Trailwood and two Kingwood Service Association parks (River Grove and Deer Ridge).

3) **Economics**

- a. Kingwood was devastated by the last big flood; the community cannot afford more flooding, which altered the flow of the river.
- b. Upstream development plus sedimentation of ditches and rivers have permanently altered the assumptions on which current flood maps are based.
- c. The Corps must not even *consider* approval of this permit until:
 - i. Mitigation projects are complete.
 1. Complete dredging of the river around Kingwood
 2. Additional floodgates for the Lake Houston Dam
 3. Ditch repair
 4. Additional upstream detention.
 - ii. New post-Harvey flood maps are adopted.
 - iii. Engineers can prove – using CURRENT data – that their project will not increase flooding in adjacent areas.
- d. Otherwise, increased flooding and overtaxed infrastructure will erode home values and destroy more businesses in Kingwood.
- e. In total, 839 homes in areas immediately around the proposed development flooded.¹ In the Barrington, Kingwood Lakes and Deer Cove subdivisions alone, 531 homes flooded. Harris County Appraisal District records indicate the total market value of those declined \$58 million as of January 1, 2018, compared to pre-Harvey valuations.
- f. Many of those who flooded have abandoned their property, further depressing values of *neighboring* homes that did not flood. Many of those who remain have vowed not to rebuild if they flood again. Net: this is a community on edge that fears for its safety.
- g. In [Kingwood Village Estates \(KVE\)](#), just east of the proposed development, 12 seniors lost their lives as a result of the last flood. Six died from injuries sustained during evacuation. Another six died within months as a result of stress related to the loss of their homes.
- h. The KVE condo association had to rehab 64,000 square feet at a cost of \$3.5 million. *The property manager stated that getting ALL residents to agree to the rehab was a miracle.* He concluded that condos are a sub-optimal form of ownership for homes in floodplains. The unwillingness of just a few people to rehab after a flood can drag down home values in the entire community.
- i. Harris County Flood Control reportedly has experienced similar problems with *buyouts* in multi-unit housing. One holdout in a building can hold up the progress of buyouts in the entire condo community.
- j. Yet the developer proposes to build 5000 condos in an area that floods repeatedly.
- k. Some additional statistics will help anyone reviewing this permit understand how devastated this community was by Harvey and why engineering studies MUST be based on UPDATED maps and data.

¹ Source: Kingwood Service Association and its constituent homeowner associations.

- i. FEMA received more than 16,000 claims from residents and 3,300 from businesses, according to the Lake Houston Area Chamber of Commerce.
- ii. [Harris County Flood Control documented almost 4500 damaged single family homes adjacent to the West Fork](#) in the Kingwood/Humble/Atascocita area. Additionally, five major Kingwood apartment complexes, the entire Kingwood Town Center commercial area, the Kings Harbor business/entertainment area, and numerous retail and hotel structures along Highway 59 in Humble received major damage during Hurricane Harvey flooding. Note: each structure, such as an apartment complex or strip center might impact hundreds of people or dozens of businesses.
- iii. One year after the flood, only half of the residents who flooded were back in fully repaired homes, due to a supply shortage of qualified contractors.
- iv. City of Houston estimates Lake Houston area damages to be “in the billions.”
- v. City of Houston estimates Lake Houston area tax revenues were reduced 20-30 percent.
- vi. Growth in Humble ISD has slowed from 6% to 1% as a result of flooding concerns (presentation by Dr. Elizabeth Fagan, Humble ISD superintendent to Kingwood Executive Group).
- vii. Humble ISD documented \$97.5 million in damages to four facilities.
- viii. Kingwood High School closed for 7 months; 4000 students had to be bused to another high school more than an hour away the entire time. Repair costs topped \$60 million. (Note: the school flooded to the second story. It is almost a mile north of the proposed site for the 50-story high rise.)
- ix. U.S. Army Corps of Engineers began an emergency \$70 million dredging project that covered just two of thirteen miles surrounding Kingwood. Seventeen months after Harvey, the project is only 50% complete. The point? Future floods could be economically devastating to a marina resort at this location.
- x. 44 percent of all Lake Houston Area Chamber of Commerce businesses were adversely affected (100% of Kingwood businesses within certain areas up to 2 miles from the San Jacinto River).
- xi. Union Pacific Railroad had to replace its bridge, disrupting northbound rail traffic for weeks.
- xii. TxDOT had to replace all southbound lanes of the I-69 bridge for more than \$20 million. All northbound I-69 traffic in and out of Houston was delayed hours each day for 10 months. ([See Photo #15 in appendix.](#))
- xiii. Memorial Hermann’s new 45,000 SF Convenient Care Center in Kingwood was destroyed days before opening. Repairs took 15 months.

- xiv. Lone Star College lost 6 of its 9 buildings in Kingwood. The college reopened in January of 2019, 17 months after Harvey. Repairs cost taxpayers \$60 million.
- xv. Kingwood's library closed for more than eight months.
- xvi. Repairs to local parks – Deer Ridge and River Grove (adjacent to the proposed development) plus East End (which is not) – cost residents almost \$400,000. ([See photo #8 in appendix.](#))

4) **Aesthetics**

- a. Deed restrictions limit use of the developers' property to single-family residential until at least 2036. Architecture must also be compatible with the architecture in surrounding villages'.
- b. The proposed high rises also violate [commercial development guidelines for Kingwood](#). The guidelines limit building height to 60 feet.
- c. Every other building in the Kingwood area complies with these guidelines.
- d. Developer's plans are *not* compatible architecturally with the community, violate deed restrictions, *and* exceed height limitations.
- e. Finally, the development would destroy an area of exceptional natural beauty, a rarity in a city of 4 million people. ([See photo #9 in appendix.](#))

5) **General Environmental**

- a. Increasing runoff velocity will contribute to downstream flooding.
- b. Tallest high rises will be built in [an old San Jacinto River bed](#). Harris County Flood Control found similar practices led to disaster during Harvey.
- c. High rises will be built on sand 200 to 300 feet deep according to the estimates of two hydrologists and two geologists that I talked to.
- d. The West Fork is [migrating toward the marina at an average rate of almost 20 feet per year](#). It migrated 781 feet in the last 40 years. Within the lifetime of many residents, the [West Fork could "capture" the marina \(like it does sand pits\)](#) and scour the foundations of the high rises just like it scoured the foundations of bridges. ([See photo #15 in appendix.](#))
- e. Scale is too massive and too dense. It will impair the surrounding fragile, wetlands environment, not just the wetlands on the developers' property.

6) **Wetlands**

- a. Loss of wetlands will accelerate erosion and [endanger eagles that live/feed in the area](#).
- b. Developer plans to channelize runoff. Increasing the speed of runoff will increase river-bank erosion which will, in turn, increase downstream sedimentation and flooding.
- c. Developer plans to mitigate approximately one eighth of total acreage from a mitigation bank somewhere else.
- d. The Kingwood community is hyper-vulnerable to flooding because of sediment buildup in the river, much of which the Corps does NOT currently plan to remove. Therefore, these wetlands are NOT interchangeable with others; they provide our only remaining buffer against increased flooding. We need them to absorb and store floodwaters.

7) Wildlife

- a. [Texas Parks and Wildlife lists the Bald Eagle as a threatened species.](#)
- b. [High-rise development violates TPWD habitat protection guidelines for bald eagles.](#)
- c. Development could incur criminal penalties under the Bald and Golden Eagle Protection Act ([16 USC 668-668-d](#)) It prohibits activities that interfere with eagles' shelter, breeding and feeding.
 - i. I have photographed a bald [eagle nest approximately 500 feet away from the developers' property](#). Others are in the vicinity.
 - ii. On a ride-along with the Houston Police Department's Lake Patrol, add date and picture, if you can Senior Police Officer Charles Dodson and I witnessed a bald eagle soaring over the developer's property.
 - iii. Emily Murphy, a Kingwood photographer and kayaker, has [photographed eagles flying over the subject property and feeding on adjacent river banks](#).
- d. [Texas Parks and Wildlife Habitat Management Guidelines for Bald Eagles in Texas](#) state the following under: "Primary Management Zone For Nest Sites." "This zone includes an area extending 750 to 1,500 feet outward in all directions from the nest site. It is recommended that the following activities NOT occur within this zone:
 - i. *"Habitat alteration or change in land use, such as would result from residential, commercial, or industrial development; construction projects; or mining operations."*
 - ii. *"Tree cutting, logging, or removal of trees, either living or dead."*
 - iii. *"Human presence within this zone should be minimized during the nesting season..."*
- e. The same TPWD guidelines also stipulate a "Secondary Management Zone For Nest Sites":
 - i. "This zone encompasses an area extending outward from the primary zone an *additional* 750 feet to 1 mile. Recommended restrictions in this zone are intended to protect the integrity of the primary zone and to protect important feeding areas, including the eagle's access to these areas. The following activities are likely to be detrimental to Bald Eagles at any time, and in most cases should be avoided within the secondary zone:"
 1. **"Development of new commercial or industrial sites."**
 2. **"Construction of multi-story buildings or high-density housing developments between the nest and the eagle's feeding area."**
 3. **"Placement of electrical transmission or distribution lines between the nest site and the eagle's feeding area."**
 4. **"Construction of new roads, trails, canals, or rights-of-way which would tend to facilitate human access to the eagle nest."**
 5. **"Use of chemicals labeled as toxic to wildlife."**

- f. The proposed development clearly does not meet these guidelines. ([See photo/illustration #7 in appendix.](#))
 - i. Virtually the entire development would fall within management and secondary management zones.
 - ii. High-rises and high-density housing would be built between the nest and Lake Kingwood where residents report eagles fishing.
 - iii. Marina operations for 640 boats and 200+ jet skis would almost certainly leak chemicals during refueling and maintenance. That could poison both eagles and fish.
 - iv. Developer plans to build a canal leading straight toward the eagle nest I photographed. That is prohibited under TPWD guidelines.
 - v. Trees would be removed from most of the area.
 - vi. Proposed development sits between the nest and Lake Kingwood, where residents frequently photograph eagles as they fish ([See photo #2 in appendix.](#))
- g. This permit could be denied based solely on the eagles' nest within the management and secondary management zones.

8) **Flood Hazards**

- a. During Harvey, [240,000 CFS came down the West Fork](#), according to the San Jacinto River Authority.
- b. Basing development on antiquated assumptions will endanger lives, investments, property, and the community's reputation as a good place to live.
 - i. [Flood maps are out of date](#) due to sediment dams in the river, upstream development, and better statistics.
 - ii. [Conroe was the fastest growing city in America in 2017.](#)
 - iii. Developers' high rises are right on the [edge of the floodway now](#). The flood maps were drawn in 2007 and are in the process of being updated.
 - iv. When the new NOAA Atlas 14 is adopted, multiple high rises will be in the *floodway*, according to feedback received from the City of Houston and Harris County Flood Control.
 - v. [New data shows the 100-year rainfall for this area has increased 4-5 inches since the NOAA study in 1961 or 2-3 inches since the USGS study in 2004.](#) This is one reason why flood mitigation and reducing sedimentation are so important. What we used to think of as a 100-year storm is now almost a 25-year storm.
 - vi. If this permit is allowed, Kingwood residents, especially any living in the Marina project, would face higher flood risk and potentially fatal consequences.
 - vii. A similar (but much older) project just upstream from the proposed development on Marina Drive in Forest Cove was totally destroyed by Harvey. Despite the first floors having breakaway walls, six condo buildings were swept off their foundations. Another was cut in half by the force of the floodwater. ([See photo #11 in appendix.](#))
 - viii. Permitting these expensive buildings now will likely involve insurance payouts and FEMA buy outs within a few years.

- c. In future floods, this location would make the high rises impossible to evacuate if we have another warning failure like we did during Harvey.
- d. As mentioned above, the river channel is migrating toward the proposed high rises.
 - i. It has shifted 781 feet north in 40 years – almost 20 feet per year.
 - ii. If erosion continues at the current rate, the marina will be in the main channel within 40 years, well within the commercial life of such a development.
 - iii. The developer is expanding the lake on the property to accommodate boats. This expansion will reduce the time that it takes the channel to reach the high-rises.
- e. Developer plans to elevate property to 57 feet, but adjacent property flooded to 63.5 feet during Harvey (Source: interview with Balcom family on River Bend).
 - i. In the 90 years that USGS has kept flood crest records at US59, the river has crested higher than 57 feet during nine floods.
 - ii. Six of those 57+ foot floods have occurred since 1994.
 - iii. History suggests that this development would likely flood *at least* once a decade and more likely once every four years. ([See table #1 in appendix at end.](#))
- f. Developer plans to have parking for more than [8800 vehicles](#), and [two-story underground parking garages](#). Marina would hold at least 6400 boats and 200 jet skis according to developer.
 - i. During floods, underground parking would create a toxic brew of gasoline, motor oil, battery acid and coolant that pollutes Houston's primary water source.
 - ii. It is unclear what the risk to boats and jet skis would be. This should be investigated, too. It would be difficult to evacuate 840 watercraft in advance of major storms.
 - iii. Because the entire marina is the floodway, many craft would likely be swept downstream and damaged also, adding to the toxic mix. ([See photo #8 in appendix.](#))
- g. I cannot imagine how an area three-quarters of a mile deep by seven-eighths of a mile wide could be built up by 12 feet and NOT affect drainage around it.
 - i. This will create backwater to the west.
 - ii. It will disrupt sheet flow from the north.
 - iii. And it will force floodwaters go around it.
 - iv. This will exacerbate flooding in adjoining neighborhoods mentioned earlier.

9) Floodplain

- a. The Kingwood community simply cannot afford to lose ANY more floodplain storage.
 - i. The community already experiences an exaggerated flooding response to moderate rains. River Grove Park, adjacent to the proposed

- development, has experienced [a 12X increase in flooding since Harvey](#).
- ii. Mitigation elsewhere may help elsewhere. But it would harm this community.
 - iii. Until ALL mitigation projects are completed, flood plain maps are updated, and developers' plans are adjusted accordingly, the permit for this project should be denied.
- b. During future floods, water from surrounding developments trying to get to the river will be hindered by the increased height of the development and possibly the roadways.
- i. This will cause the water to flow around the development and harm adjacent properties, such as the Kingwood Country Club, River Grove Park, and homes in the Barrington, Kingwood Lakes, Deer Cove, Deer Ridge Estates and Trailwood.
 - ii. Increasing the velocity of runoff will also accelerate and increase *downstream* flooding, especially in hard-hit areas, such as Kingwood Greens (where 224 out of 225 homes flooded), Foster's Mill (346 out of 549), Kings Point (163 out of 614), Royal Shores (131 out of 232) and Kings River Estates (47 out of 50).

10) Land Use

- a. High rises violate [Friendswood Development Company's commercial development guidelines, limiting building height to 60 feet](#).
- b. Every other business in Kingwood must abide by these guidelines.
- c. The guidelines prohibit any high-rise development.
- d. Also, a [title search found deed restrictions limiting use of the property to single-family residential](#). Deed restrictions prohibit any retail or commercial development until at least 2036. We can find no legal documents registered with the Harris County District Clerk removing the deed restrictions. Make the developer prove that the deed restrictions have been removed.

11) Navigation

- a. West Fork navigation is already impaired due to sedimentation. ([See Army Corps Value Engineering study for West Fork Emergency Dredging Project](#).)
 - i. Boats in marina, the centerpiece of this development, will not be able to go to Lake Houston unless the mouth bar is removed.
 - ii. No plans yet exist to remove the mouth bar.
 - iii. Likewise, no plans for maintenance dredging exist yet.
 - iv. The public notice states that space for 640 boats is planned for the marina (although the developers' [promotional materials state 700 boats up to 40 feet long, plus 220 jet skis](#)).
 - v. Even at an average length of 25 feet, 640 boats would fill the entire West Fork from the marina to the mouth bar if lined up bow to stern.
 - vi. The congestion will [further reduce the navigability of the river](#).
 - vii. However, the river is currently so shallow that 40-foot boats could not reach the lake. Between Lake Houston and the marina, boats would

have to traverse an area near the mouth bar where the maximum depth is only 3-5 feet.

- b. The San Jacinto River Basin study, funded in part through FEMA, will not be complete for at least 18 months. It could take decades more for mitigation projects based on the study (such as dredging, flood gates or additional upstream detention) to be designed, permitted, funded and constructed.

12) Water Supply and Subsidence

- a. Increase in sedimentation due to construction and erosion will decrease storage capacity of Lake Houston, the water source for 2 million people.
- b. Kingwood itself is on well water. City of Houston has no plans to convert Kingwood to surface water any time soon.
- c. The size of this development will add approximately 20 percent to Kingwood's population and hasten depletion of aquifers.
- d. An estimated 5000 condominiums plus 3.2 million SF of retail, commercial and hotel space could severely tax Kingwood's water-supply infrastructure.
- e. [Subsidence is already an issue and will likely accelerate because of political developments in Montgomery County, which already has one of the highest rates of subsidence in the region.](#)
- f. Accelerating rates of subsidence could endanger property and infrastructure throughout the Lake Houston area.
- g. Common dangers include damage to sewers, underground utilities, pipelines and wells, especially in areas where subsidence is unequal.
- h. The Evangeline aquifer, which supplies Kingwood's water, is [being depleted](#) at a rate [200 times greater than it is being recharged](#), according to USGS data for the well closest to the development.
- i. That rate is not sustainable. Each year, we use up 200 years' worth of water supply.
- j. A 20% increase will make the rate of water consumption even less sustainable.
- k. Subsidence could also threaten the stability of high-rises.

13) Water Quality

- a. Development will result in addition of [8863 parking spots and vehicles](#) to the floodway/floodplain in this small area.
- b. This will contaminate runoff with motor oil and coolant.
- c. Marina operations will also contaminate water with diesel fuel, gasoline and oil.
- d. [A review of USGS flood crests at the US59 bridge shows that the river has crested over 57 feet 9 times in the last 90 years and six times in the last 25 years. \(See Table I at end.\)](#)
- e. Thus, the planned development would probably go under water *at least* once every decade. More likely, it would go under water once every four or five years.
- f. The developer plans underground parking.

- g. Underground parking could put 8863 vehicles under water during these floods, contaminating Lake Houston with gasoline and oil.
- h. Any boats left in the marina would also likely be destroyed in such floods. This would add diesel fuel to the toxic mix of contaminants in the City of Houston's main water supply. ([See photo #8 in appendix.](#))
- i. [HGAC already shows the West Fork in this area has dangerous levels of bacteria in water](#), the source of drinking water for 2 million people. We don't need more.
- j. Because the Kingwood area is still on groundwater, declining water levels in aquifers could expose residents to [brackish water](#) and other contaminants, such as [arsenic and radionuclides](#).

14) **Safety**

- a. When flood maps are updated, the largest high rises will almost certainly end up in the floodway of the San Jacinto. ([See prior references in 8\(b\) iv-v.](#))
 - i. At the nearest gage upstream, [USGS has already reclassified Harvey as a 42-year storm \(AEP = 2.4 at Highway 99\)](#).
 - ii. Harvey destroyed gages at US59 and the Kingwood Country Club, so no comparable data exists to calculate AEP for this exact location.
 - iii. **Approving this project without that data would place people's lives at risk.**
 - iv. The San Jacinto River Authority estimates that [240,000 CFS were moving down West Fork](#) during Harvey.
 - v. It would be impossible to evacuate high rises while fighting 240,000 CFS.
- b. The proposed high-rise, high-density development does not include room for a fire station or EMS. [Distance from current fire stations will preclude sufficient response times to save lives in emergencies such as heart attacks and strokes.](#)
- c. Developer plans to locate high rises in an [old meander of the San Jacinto](#), a dangerous practice according to Harris County Flood Control; floodwaters seek old watercourses.
- d. [River channel is migrating toward high rises](#). It has shifted 781 feet north in 40 years – almost 20 feet per year. If erosion continues at the current rate, the marina will be in the main channel within 40 years. At that point, the river will “capture” the marina in the same way it captures sand mines, and flood waters will scour the foundations of high rises.
- e. Evacuating an estimated 15,000 people from the floodway, in an area with only one means of ingress and egress will be impossible, especially when that roadway is likely to be underwater.
- f. Damage to infrastructure (such as pipelines) due to accelerated subsidence and flooding should also be considered.
- g. Five-hundred-foot buildings will likely interfere with flight path at IAH. Please discuss with FAA.

15) Needs and Welfare of People

- a. *Flood mitigation.* The largest need for Humble and Kingwood at this time is to put flood mitigation measures in place that will protect the community ... BEFORE any new development is allowed that could exacerbate flooding. Necessary mitigation measures include:
 - i. Additional upstream detention
 - ii. Complete dredging of the West Fork from US59 through FM 1960.
 - iii. Restoration of drainage ditches ([See photo #10 in appendix](#)).
 - iv. Additional flood gates on Lake Houston dam.
- b. *Moratorium on Flood Plain Permitting.* We need a moratorium on flood-plain permitting until flood mitigation measures can be put in place and safety can be restored.
- c. *Avoiding school overcrowding.* The developer also makes no provision for land that a school could be built on. The proposed development could triple the current enrollment of the neighborhood elementary school and double enrollment at the middle school.
- d. *Avoid negative impact on education.* Humble ISD found after Harvey that psychological stresses increased on young children in schools where high percentages of the population flooded. This stress undermined learning throughout the academic year. See TEA's Texas Academic and Performance Report for Foster Elementary. Foster was a school where a high percentage of students flooded during Harvey. It is also the elementary school that would serve the proposed development. Campus STAAR scores showed that in the third grade, the number of students who rated "Meets Grade Level or Above" in READING declined from 59% before Harvey to 40% after. Likewise, third grade "Meets Grade Level or above" MATH scores declined from 52% to 33%. These students could be damaged for life.
- e. *Confidence in legitimacy of developers.* The community needs to have confidence that these developers are legitimate. Numerous red flags exist:
 - i. D&B reports that Romerica Investments (the applicant):
 1. Is inactive
 2. Is out of business
 3. Has no payment rating with any vendors
 4. Lists no assets, cash, profits, sales, liabilities, or net worth
 5. Has no working phone
 6. As of May 5, 2018, outside sources were unable to confirm active operations for Romerica Investments LLC located at 333 Clay St., Suite #4700, Houston, TX 77002.
 - i. [The New York Times reports a dispute between one of the developers, Fabio Covarrubias, and insurance company ING over FLOOD insurance.](#) Now he's trying to build a project costing hundreds of millions of dollars in what will soon be designated the floodway of the San Jacinto.
 - ii. Developers Covarrubias and Haddad claim to have a dozen other projects "in the works" but have shown no proof to the community that they have ever completed any projects.

- iii. The Texas Secretary of State shows their [names associated with more than 30 different companies in Texas alone](#).
- iv. They also have an unknown number of companies incorporated in Delaware, Florida, Canada and Mexico. (See [spider diagram in Exhibit #2](#).)
- v. Developers promised members of a race track they own in Angleton [improvements that they never delivered](#), including a 4-star hotel.
- vi. Mr. Haddad lists an address in Houston on “Nuntucket.” That street does not exist. Addresses listed for other companies are vacant. (See [Exhibit #1 in appendix](#).)
- vii. Corporate filings contain confusing aliases and misspellings. (See [Exhibit #1 in appendix](#).)
- viii. Romerica Group, which they say was founded in 2007 and based in Houston, TX, is not listed with the Texas Secretary of State or Dunn and Bradstreet. The office shown on the website is unoccupied and the phone is disconnected. (See [Exhibit 3](#).)
- ix. [Friendswood Development Company guidelines for commercial development limit building height to 60 feet](#), but developers plan to build to 500 feet.
- x. When you call the phone number supplied to the Army Corps for Mr. Haddad and ask for him, the people answering say, “Wrong number” and hang up.
- xi. Contact phone numbers for several of the developers’ related companies, such as American Vision, are not in service.
- xii. I can find no resumes online for the two developers through usual sources such as LinkedIn or Facebook.
- xiii. [Texas Real Estate Commission lists the developers’ real estate company as inactive](#).
- xiv. Developers applied for City of Houston, Harris County Flood Control, and Army Corps permits under the name of a corporate entity, Romerica Investments, that does not own the land in question.
- xv. Developers are trying to raise money for this development by [offering EB-5 visas to foreigners](#). Their website features a building that purports to be part of the Marina project. But it is not. Its construction was canceled due to lack of pre-leasing activity; it was actually designed for a project in downtown Houston on Waugh. The contact phone number for the site is disconnected.
- xvi. Developers’ have been highlighted in [InternationalAppraiser.com for “touting fake EB-5 projects.”](#)
- xvii. Foreign investors are suing the developers for fraud in Houston district court. (See MARIA DEL CARMEN BORBOLLA AND MARIA DEL CARMEN GOMEZ, CAUSE NO. 2018 – 07276, 157th Judicial Court, Harris County, Tx.)
- xviii. Developers and Skidmore, Owings and Merrill (SOM) have severed ties. SOM in San Francisco refers calls to verify the credentials of the developers to SOM’s legal department.

- xix. Developers now promote their association with an [Italian architectural firm](#) (Torrise & Procopio Architetti) in Rome. But their website exists only in English. A call to the phone number went unanswered; the number has no voicemail. Their domain name was purchased in Aruba through a company in Canada and registered by proxy so the ownership is impossible to trace. [Google shows that the address listed for the architects houses the property administrator, a hotel, a photographer, a travel agency and a video production service, but no architects.](#)
- xx. NONE of the sites promoting investment in this development comply with Federal, State and industry guidelines for real estate investment advertising? See:
7. [Internet advertising rules for real estate from the NAR.](#)
 8. [Internet advertising from the Federal Trade Commission.](#)
 9. [SEC rules for advertising to investors \(Rule 506\)](#)
 10. [Texas Real Estate Commission advertising rules](#)
 11. [SEC regulations on real estate advertising](#)
 12. [Financial Industry Regulatory Agency \(FINRA\) S201 Program](#)
13. Key problems:
- a. Lack of disclosure about risk
 - b. Exaggerating returns ('your best investment.')
 - c. No offer of a prospectus
 - d. Misrepresentation of project
 - e. Lack of disclosure about ownership
 - f. Lack of licensing
 - g. FINRA rules about "layering" of companies, a practice sometimes associated with money laundering
14. Websites that promote the venture, which use objectionable practices include:
- a. [Kingwoodmarina.com](#)
 - b. [VTRUSA.com](#)
 - c. <https://www.altus-lifestyle.com>
 - d. [Americanvision.com](#)
 - e. [Romericalinvestments.com \(a Coming Soon Page that forwards readers to Kingwood Marina.com.](#)
- xxi. A proxy company or companies registered all of these websites with the exception of Romerica Investments. This conceals their ownership. That in itself is a violation of many of investment advertising rules concerning disclosure.
- xxii. The URL for [Romericalinvestments.com](#) was registered in 2013 and still shows a "Future Home of..." Home Page. ([See photo #16.](#))
- xxiii. Romerica Investments' URL belongs to another one of the developer's companies, FAMA Design. FAMA Designs URL is

owned by Romerica Investments. This circular ownership makes it hard to determine who is responsible for claims they make.

- xxiv. Legal filings in the fraud case show that developers claim to live in Mexico despite owning homes in Houston.
- xxv. Altogether, I have found the names of these two men associated with approximately 40 companies.
- xxvi. All that I can trace have the same two men listed as officers, but no other people.
- xxvii. Only two of the companies have apparent sources of income.
- xxviii. Developers did not respond to numerous requests by phone and certified mail for a public meeting to clear up these questions.
- xxix. More than five weeks into the public comment period, developers appointed an ad agency to respond to public concerns.
- xxx. The fact that developers will not meet to discuss any of these issues raises serious questions of public interest that merit further investigation. Until law enforcement can verify developers' legitimacy, the Army Corps should not approve this permit application.

Conclusion

Any one of these factors by itself might be sufficient to deny the permit request. Taken together, they leave no doubt; the negatives far outweigh any positives. According to Army Corps guidelines, the permit must therefore be denied. Too many questions remain unanswered about the developers to approve this permit.

I also request a public hearing on these matters.

Appendix

Photo #1



*Ditch erosion just west of the proposed development is already threatening property.
Additional runoff will destroy private property.*

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Photo #2



Bald Eagle photographed resting near Lake Kingwood. Photographed by Kingwood Lakes resident, Gordon McCollough.

Photo #3



*Bald Eagle, photographed by Emily Murphy,
on south side of West Fork opposite proposed development.*

Photo #4



Bald eagle, photographed by Emily Murphy over River Grove Park, flying toward proposed development, which is next to the park.

Photo #5



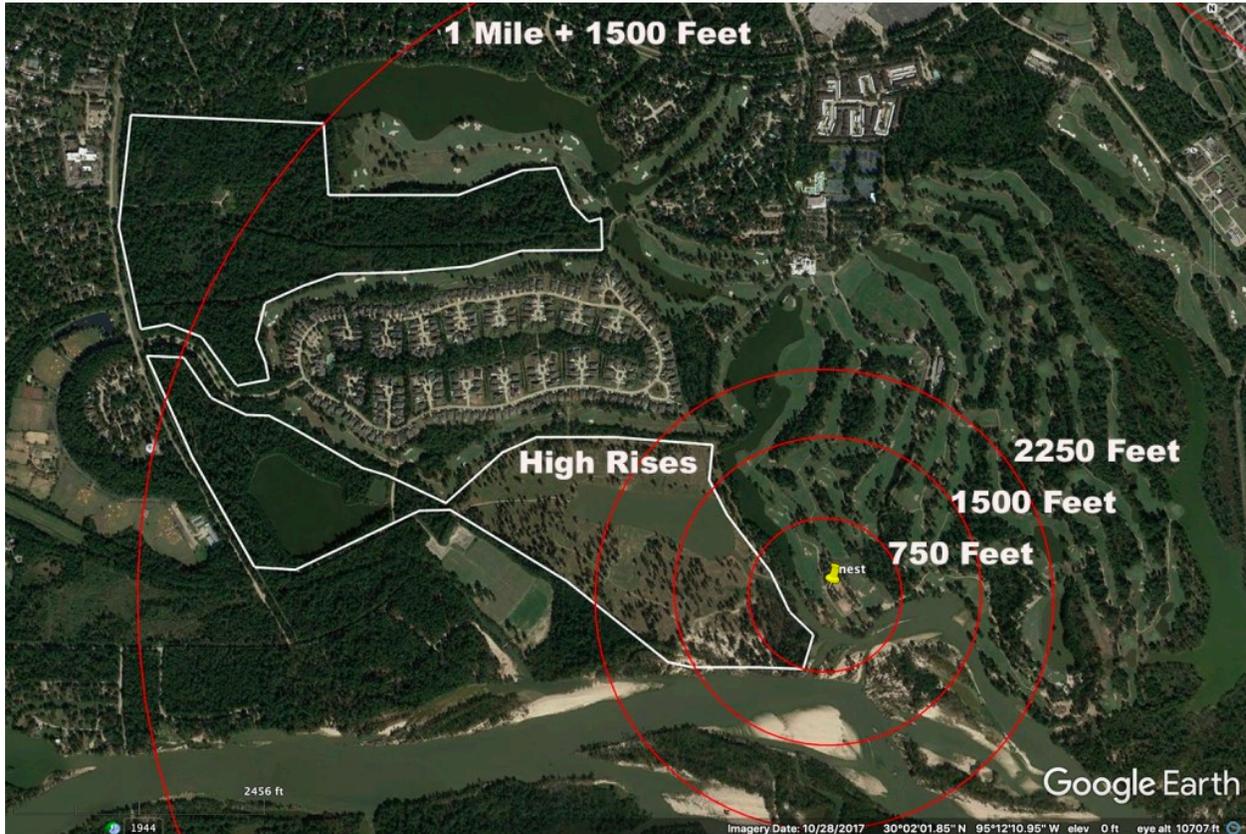
*Bald Eagle's nest 180 yards from proposed development,
on 16th hole of Kingwood Country Club's Island Course.
Photographed by Bob Rehak.
GPS data embedded in photo.*

Photo #6



Juvenile Bald Eagle a short distance downstream from the proposed development. Photographed by Emily Murphy.

Photo/Illustration #7



Satellite image showing Texas Parks and Wildlife protection zones around a nest photographed by Bob Rehak. GPS data showing nest location is embedded in photo #12 and corresponds to the pin at the center of the circles. Most of the development would violate Texas Parks and Wildlife Guidelines for Eagle Habitat Protection.

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Photo #8



Example of how last flood treated a boat. Imagine this scene repeated 640 times the next time the San Jacinto River Authority opens its gates during a flood.

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Photo #9



Photo of the West Fork adjacent to the proposed development. By Emily Murphy, a Kingwood resident and kayaker. The West Fork of the San Jacinto between US59 and Lake Houston is a unique nature experience in an otherwise urban environment. You can't find another area like this in Houston or any of America's largest cities. Allowing wetlands mitigation elsewhere would cause the loss of an irreplaceable treasure.

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Photo #10



Drainage ditches have not been cleaned out since Kingwood was annexed by the City of Houston in 1996. This is part of why Kingwood residents fear flooding. Our margin of safety has consistently been eroded over time by sedimentation like this. We have no more margin for error.

Twelve people died in a senior living center 0.2 miles north of this ditch after it overflowed during Harvey. Six died as a result of injuries sustained during evacuation and another six died shortly thereafter due to the stress of losing their homes.

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Photo #11



Just upstream from the proposed development, six townhomes were swept off their foundations. Half of this one still stands as a mute testament to the power of the West Fork's floodwaters. This townhome is on Marina Drive in Forest Cove, directly across the river from the USACE command center for its Emergency West Fork Dredging Project. This entire apartment complex is being bought out with FEMA money, after people filed numerous NFIP claims.

***Why permit more buildings in an area that will also likely be bought out after multiple flood insurance payouts?
It seems like a flagrant waste of taxpayers' dollars.***

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Photo #12



Partially as a result of sand mining in the floodway upstream, massive amounts of sand wound up in and near the river after Harvey. The river is now barely navigable for boats that draw as much as 18" of water. This sand cost the Kingwood Service Association hundreds of thousands of dollars to remove from River Grove Park. It is immediately west of the proposed development.

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Photos 13 & 14



A tiny sampling of vacant retail space still empty in Kingwood after Harvey. Approximately 20-25% of the retail and commercial space in Kingwood's Town Center and King's Harbor remains vacant almost a year and a half after Harvey. Where is the demand for a new shopping center and commercial space? This seriously calls into question the validity of Romerica Investments' market analysis.

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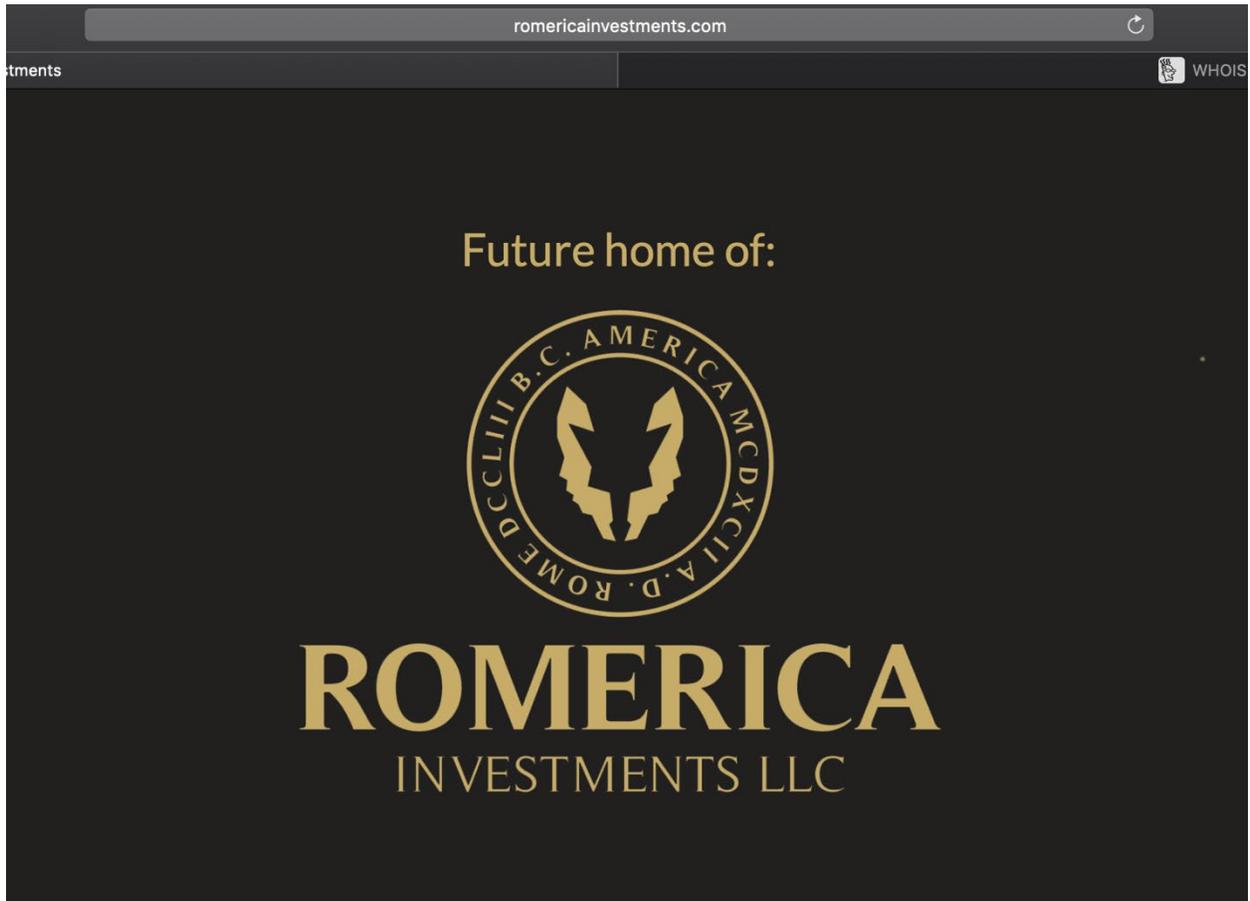
Photo #15



The southbound lanes of I-69 had to be completely rebuilt after Hurricane Harvey because of scouring that undermined bridge supports and structural integrity. The \$20 million TxDOT project delayed in- and outbound traffic for ten months.

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Photo #16



*Current home page for Romerica Investments, LLC. as of 2/9/2019.
Domain name was purchased in 2013 and the site
still shows a "Future Home of..." message six years later.*

Note: clicking on the Romerica Investments icon within the [Romerica Group website](#) takes you to KingwoodMarina.com and a password protected login page.

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Exhibit 1

Notice unconventional spelling of Nantucket plus different names and addresses for Mr. Covarrubias. Also notice Mr. Haddad listed as three separate directors.

**TEXAS SECRETARY of STATE
DAVID WHITLEY**

[UCC](#) | [Business Organizations](#) | [Trademarks](#) | [Notary](#) | [Account](#) | [Help/Fees](#) | [Briefcase](#) | [Logout](#)

BUSINESS ORGANIZATIONS INQUIRY - VIEW ENTITY

Filing Number: 801502397 **Entity Type:** Domestic Limited Liability Company (LLC)
Original Date of Filing: November 2, 2011 **Entity Status:** In existence
Formation Date: N/A
Tax ID: 32045523118 **FEIN:**
Duration: Perpetual
Name: Romerica Investments LLC
Address: 1 PERFORMANCE DR
ANGLETON, TX 77515 USA

REGISTERED AGENT	FILING HISTORY	NAMES	MANAGEMENT	ASSUMED NAMES	ASSOCIATED ENTITIES
Last Update	Name	Title	Address		
November 8, 2017	GABRIEL M HADDAD	DIRECTOR	1211 NUNTUCKET ST, STE C HOUSTON, TX 77057 USA		
November 8, 2017	GABRIEL M HADDAD	MANAGER	1211 NUNTUCKET ST, STE C HOUSTON, TX 77057 USA		
November 8, 2017	FABIO COVARRUBIAS PIFFER	DIRECTOR	333 CLAY ST STE 4700 ATT DANIEL DOMIN HOUSTON, TX 77002 USA		
November 8, 2017	GABRIEL M HADDAD	DIRECTOR	1211 NUNTUCKET ST, STE C HOUSTON, TX 77057 USA		
November 8, 2017	FABIO M COVARRUBIAS	MANAGER	5651 DOLIVER ST HOUSTON, TX 77056 USA		

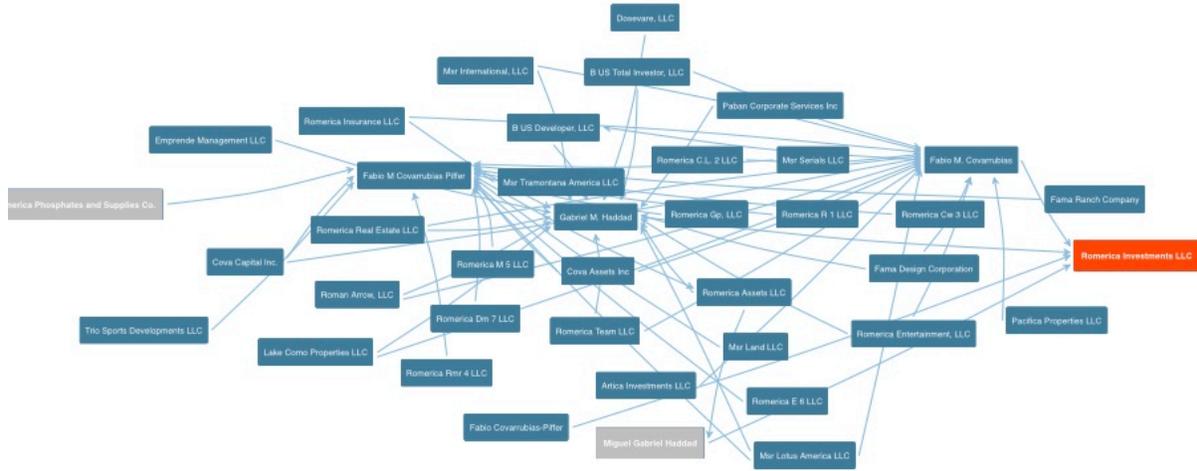
Instructions:

● To place an order for additional information about a filing press the 'Order' button.

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Exhibit #2

Companies reportedly run by Mr. Covarrubias and Mr. Haddad.



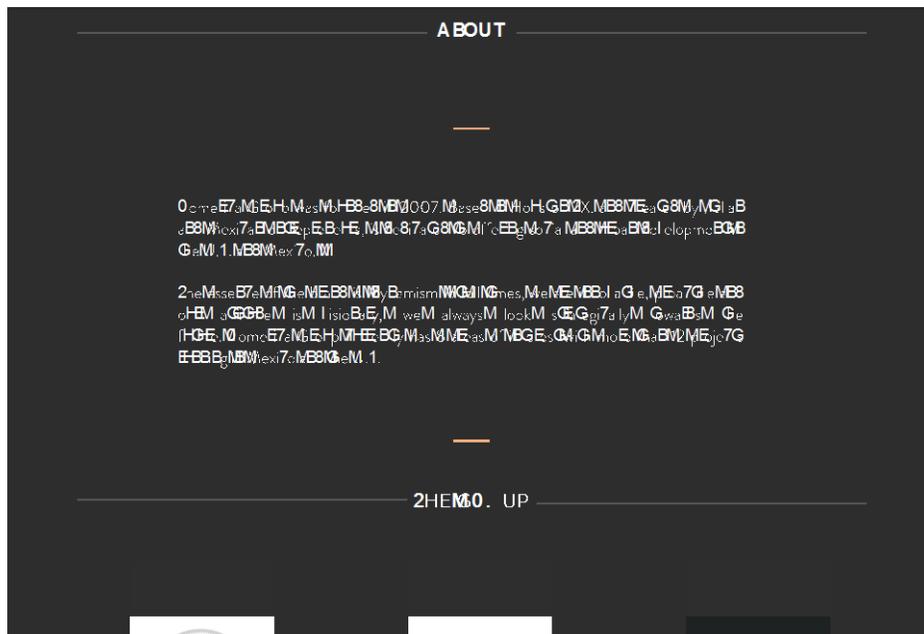
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Exhibit 3

RomericaGroup.com home page. Romerica Group says it was founded in 2007 and is headquartered in Houston, TX, but lists an unoccupied office and disconnected phone number.



ROMERICA



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Table #1

Historical Flood Crests on the West Fork of the San Jacinto at US59 Source: USGS

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Height	Date
63.23	1929-05-31
45.35	1932-02-23
40.93	1933-03-09
48.03	1934-03-04
57.79	1935-05-07
54.27	1935-12-09
42.53	1938-05-19
63.23	1940-11-26
46.69	1942-04-10
43.83	1943-07-31
53.18	1945-08-31
45.84	1946-05-21
51.74	1946-11-07
39.80	1948-03-03
51.82	1949-10-08
36.93	1951-03-29
45.64	1953-05-19
44.53	1954-07-30
55.70	1979-04-19
50.10	1980-09-01
50.60	1982-05-14
54.00	1983-05-23
46.00	1984-02-13
51.80	1984-10-26
53.20	1985-11-26
42.20	1986-08-23
50.10	1987-06-13
50.46	1987-11-26
55.60	1989-05-18
51.72	1989-06-27
49.82	1992-03-04

67.30	1994-10-18
52.40	1998-01-08
46.90	1998-02-22
54.20	1998-10-19
55.10	1998-10-20
60.10	1998-11-15
55.30	2001-06-10
53.90	2002-10-29
55.80	2002-11-07
50.60	2004-02-14
49.60	2004-05-02
51.40	2006-10-17
51.10	2006-10-17
50.20	2007-01-17
62.80	2008-09-14
49.70	2008-11-13
50.10	2009-04-28
50.10	2009-10-30
52.09	2012-07-14
49.92	2014-05-28
49.58	2015-03-13
50.54	2015-05-14
49.56	2015-05-18
53.65	2015-05-29
50.11	2015-06-21
57.32	2016-04-21
61.95	2016-05-29
69.18	2017-08-29
49.46	2018-02-26
51.66	2018-03-29
49.51	2018-07-05

Sincerely,
(Signed)
Bob Rehak