

Environmental Reviews for Continuum of Care

DECEMBER 1, 2017

Agenda

- ❖ Environmental Review basics
- ❖ Applying Environmental Review requirements to Continuum of Care (CoC) projects
 - How to conduct a CoC Environmental Review
- ❖ Resources



Environmental Review Basics

What is an Environmental Review?

Analysis of the impact of a project on the surrounding environment and vice versa

- Ensures that HUD-funded projects provide decent, safe, and sanitary housing
- Documents compliance with all applicable federal environmental laws and authorities

A public document that encourages public participation

Environmental Review Records

- Project information
- Analysis of environmental laws and authorities
- Documentation of compliance
- Any required mitigation measures or conditions
- Certifications from all required parties

Why do we conduct Environmental Reviews?

The **National Environmental Policy Act (NEPA)** requires all Federal agencies to perform an Environmental Review prior to approving or funding any project or action

- Some actions are “categorically excluded” from NEPA

HUD must also comply with a variety of **related environmental laws and authorities**

- National Historic Preservation Act, Endangered Species Act, Clean Air Act, etc.

HUD has **environmental regulations** with additional requirements that apply only to HUD projects

- Floodplain Management, Wetland Protection, Noise, Explosive and Flammable Hazards

When are Environmental Reviews performed?



Required for all projects receiving HUD financial assistance

- Environmental Review requirements kick in after an application for HUD funds has been submitted

MUST be conducted **BEFORE** funds are committed (e.g. before a lease is signed or rent is paid)

- Neither the direct recipient of HUD funds nor their contractors may spend or commit HUD funds until environmental review is complete (24 CFR 58.22)
- Initiate Environmental Review process as soon as possible to avoid delays

HUD's Environmental Regulations 24 CFR 50, 51, 55, and 58



What Is A Responsible Entity?

Responsible Entity (RE) assumes federal responsibilities

RE = a unit of general local, tribal, or state government

Under Part 58, RE's responsibilities include:

- Conducting the ER, including all findings
- Taking legal responsibility for review
- When needed, submitting Form 7015.15 to HUD certifying that the ER is complete

Certifying Officer (e.g. Mayor) signs off on ERs

What Is not A Responsible Entity?

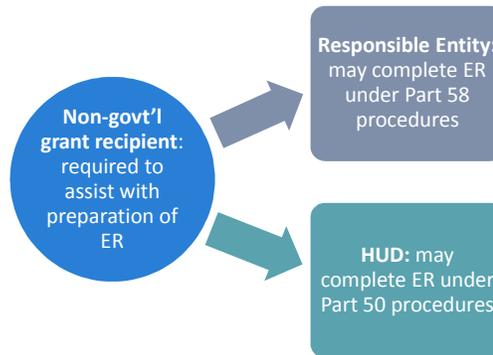
Nongovernmental organizations may **never** act as RE

- Where the recipient is not a unit of general local government, tribe, or state, the locality acts as RE

Where the recipient is not an RE, they must still submit any information requested to complete the review to the RE (under Part 58) or HUD (under Part 50)

- Only an RE may be legally responsible for the review

Part 50 versus Part 58



Environmental Review Process

1. Define the project
2. Determine the level of review
3. Perform analysis and document compliance with all applicable environmental laws and authorities
4. Complete all required notifications and approvals



Meaningful Project Descriptions Include...

Location—describe so the public can locate (e.g. street address or map coordinates)

Purpose and Need—describe what is being done and why it is necessary

Project Beneficiaries (i.e. affordable housing project, mixed use housing project, market rate housing project)

Description—provide complete details about the project and what will be done

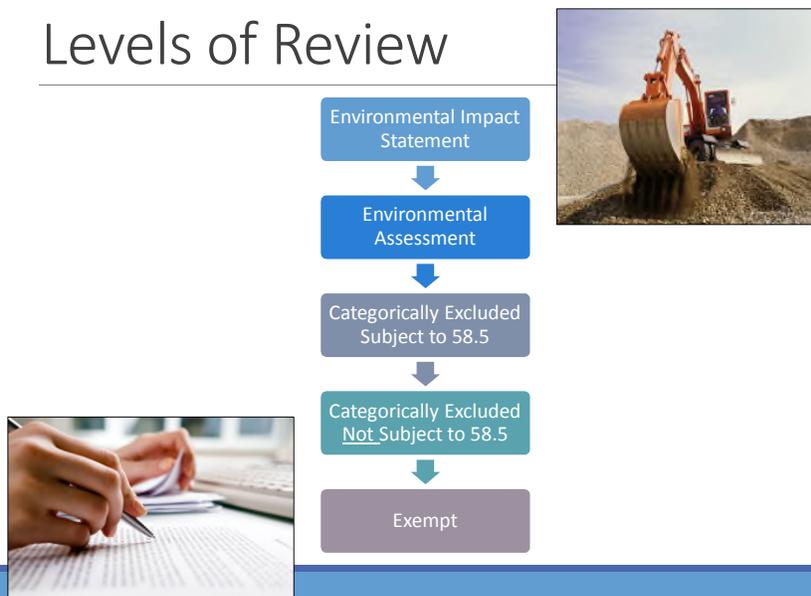
- All activities (e.g. new construction of multifamily housing, rehabilitation of existing buildings)
- Physical description of existing and/or proposed new buildings
- Timeframe for implementation
- Size of the project (area coverage, disturbance footprint, number of units, population served)

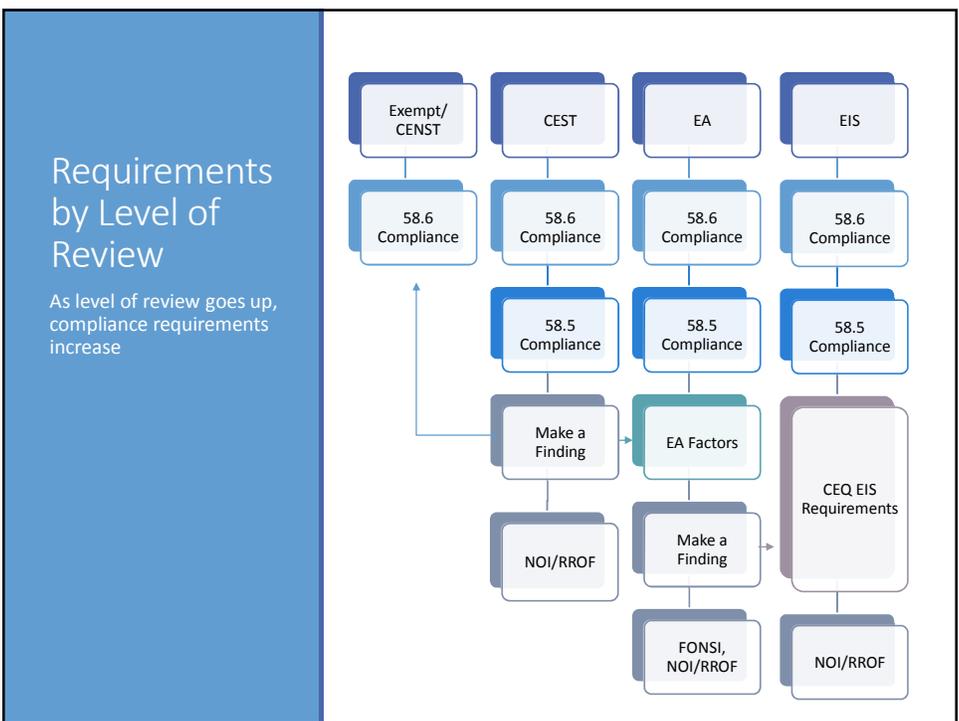
Area Setting—character, features, resources, trends likely in absence of project

All funding sources & development partners

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Levels of Review





Exempt/Categorically Excluded Not Subject to 58.5 (“CENST”)

Exempt/CENST activities include...

- Information & financial services
- Administrative & management activities
- Public services without physical impact
- Tenant-based rental assistance
- Supportive Services (healthcare, housing placement)
- Operating costs (utilities, supplies)
- Economic development costs (non-construction)
- Pre-development costs
- Maintenance (see [Notice CPD 16-02](#))

(See 24 CFR 58.34 & 58.35(b) for full list)

Exempt & CENST projects must comply with 24 CFR 58.6

- National Flood Insurance Program
- Coastal Barrier Resources Act
- Airport Runway Clear Zones

Categorically Excluded Subject to 58.5 (“CEST” or “Cat Ex”)

CEST activities include...

- “Minor” repairs and rehabilitation (see 24 CFR 58.35(a)(3))
- Project-based rental assistance and leasing
- New construction of single family homes (less than 5 units)

(See 24 CFR 58.35(a) for full list)

CEST projects must:

1. Comply with 24 CFR 58.6 and 58.5, *and*
2. Determine whether any formal compliance or mitigation is required
 - If so, the RE must:
 - Provide public notice, and
 - Submit form 7015.15 – Request for Release of Funds and Environmental Certification to HUD
 - If not, the review “converts to exempt” (same procedural requirements apply as if the project were exempt/CENST)

24 CFR 58.5

- Clean Air Act
- Coastal Zone Management Act
- Contamination and Toxic Substances
- Endangered Species Act
- E.O. 12898 on Environmental Justice
- Explosive and Flammable Hazards
- Farmlands Protection Policy Act
- E.O. 11988 on Floodplain Management
- National Historic Preservation Act
- Noise Abatement Regulation
- Sole Source Aquifers
- E. O. 11990 on Wetlands
- Wild and Scenic Rivers Act



Environmental Assessment (EA)

EA-level activities include...

- “Major” repairs and rehabilitation
- Most new construction, demolition, and conversion of land use

EAs must:

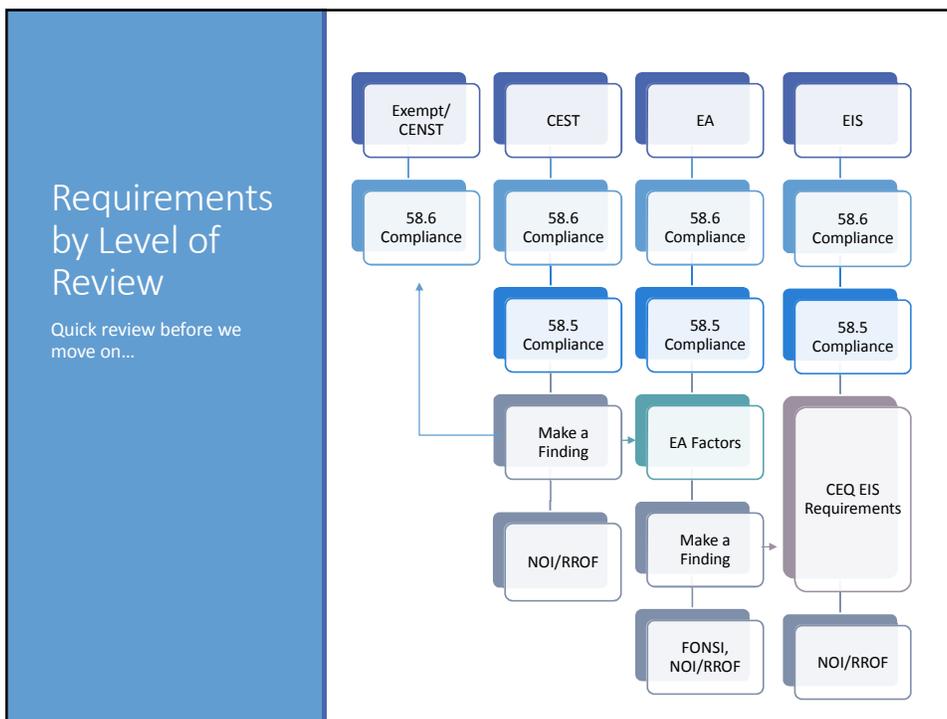
1. Comply with 24 CFR 58.6 and 58.5,
2. Complete the “EA analysis,” *and*
3. Make a Finding
 - If the project is found to have a Significant Impact on the Human Environment, the RE must complete an Environmental Impact Statement (EIS)
 - If a Finding of No Significant Impact (FONSI) is made, give public notice and complete form 7015.15

Environmental Impact Statement (EIS)

An EIS is required if...

- An EA concluded in a Finding of Significant Impact
- A project affects more than 2,500 units or beds

See CEQ regulations at 40 CFR 1502.10 for information on completing an EIS.



Notice of Intent to Request Release of Funds

If a project is not exempt/CENST and does not convert to exempt:

1. Public notice requirements apply
2. Form 7015.15 – Request for Release of Funds and Certification must be submitted to HUD
 - The ER is not complete until HUD completes Form 7015.16 – Authority to Use Grant Funds

Type of Notice	Length of Comment Period
Notice of FONSI	15 days when published Or 18 days when mailing and posting
Notice of Intent to Request for Release of Funds (NOI-RROF)	7 days when published Or 10 days when only mailing and posting
Concurrent or combined notices	15 days when published Or 18 days when mailing and posting

Form
7015.15 –
RROF/C

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Request for Release of Funds and Certification

U.S. Department of Housing and Urban Development
Office of Community Planning and Development

OMB No. 2506-0087
(exp. 03/31/2020)

This form is to be used by Responsible Entities and Recipients (as defined in 24 CFR 58.2) when requesting the release of funds, and requesting the authority to use such funds, for HUD programs identified by statutes that provide for the assumption of the environmental review responsibility by units of general local government and States. Public reporting burden for this collection of information is estimated to average 36 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

Part 1. Program Description and Request for Release of Funds (to be completed by Responsible Entity)

1. Program Title(s)	2. HUD/State Identification Number	3. Recipient Identification Number (optional)
4. OMB Catalog Number(s)	5. Name and address of responsible entity	
6. For information about this request, contact (name & phone number)		
8. HUD or State Agency and office unit to receive request	7. Name and address of recipient (if different than responsible entity)	

The recipient(s) of assistance under the program(s) listed above requests the release of funds and removal of environmental grant conditions governing the use of the assistance for the following

9. Program Activity(ies)/Project Name(s)	10. Location (Street address, city, county, State)
11. Program Activity/Project Description	

Form
7015.15 –
RROF/C

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laws.

3. The responsible entity has assumed responsibility for and complied with and will continue to comply with Section 106 of the National Historic Preservation Act, and its implementing regulations 36 CFR 800, including consultation with the State Historic Preservation Officer, Indian tribes and Native Hawaiian organizations, and the public.
4. After considering the type and degree of environmental effects identified by the environmental review completed for the proposed project described in Part 1 of this request, I have found that the proposal did did not require the preparation and dissemination of an environmental impact statement.
5. The responsible entity has disseminated and/or published in the manner prescribed by 24 CFR 58.43 and 58.55 a notice to the public in accordance with 24 CFR 58.70 and as evidenced by the attached copy (copies) or evidence of posting and mailing procedure.
6. The dates for all statutory and regulatory time periods for review, comment or other action are in compliance with procedures and requirements of 24 CFR Part 58.
7. In accordance with 24 CFR 58.71(b), the responsible entity will advise the recipient (if different from the responsible entity) of any special environmental conditions that must be adhered to in carrying out the project.

As the duly designated certifying official of the responsible entity, I also certify that:

8. I am authorized to and do consent to assume the status of Federal official under the National Environmental Policy Act of 1969 and each provision of law designated in the 24 CFR 58.5 list of NEPA-related authorities insofar as the provisions of these laws apply to the HUD responsibilities for environmental review, decision-making and action that have been assumed by the responsible entity.
9. I am authorized to and do accept, on behalf of the recipient personally, the jurisdiction of the Federal courts for the enforcement of all these responsibilities, in my capacity as certifying officer of the responsible entity.

Signature of Certifying Officer of the Responsible Entity	Title of Certifying Officer
	Date signed
<p style="margin: 0;">X</p> Address of Certifying Officer	

Part 3. To be completed when the Recipient is not the Responsible Entity

The recipient requests the release of funds for the programs and activities identified in Part 1 and agrees to abide by the special conditions, procedures and requirements of the environmental review and to advise the responsible entity of any proposed change in the scope of the project or any change in environmental conditions in accordance with 24 CFR 58.71(b).

Signature of Authorized Officer of the Recipient	Title of Authorized Officer
	Date signed

X

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Previous editions are obsolete form HUD-7015.15 (1/99)



Environmental Reviews for CoC Projects should be Easy

For CoC, our goal is to make environmental reviews fast

Generally, ERs for CoC Program projects:

- Require a lower level of review
- Trigger few laws
- Are low risk
- Can be performed quickly

When is an Environmental Review Needed for CoC?

Every unit needs an Environmental Review Record (ERR), but not every unit needs its own ERR or a *new* ERR.

- Aggregate: ER should cover an entire building, site, or even city/county.
- ERs are good for more than one year!
 - Assuming there is no change in environmental conditions, ERRs for *rental assistance and leasing projects* are generally good for 5 years.

Working with Responsible Entities

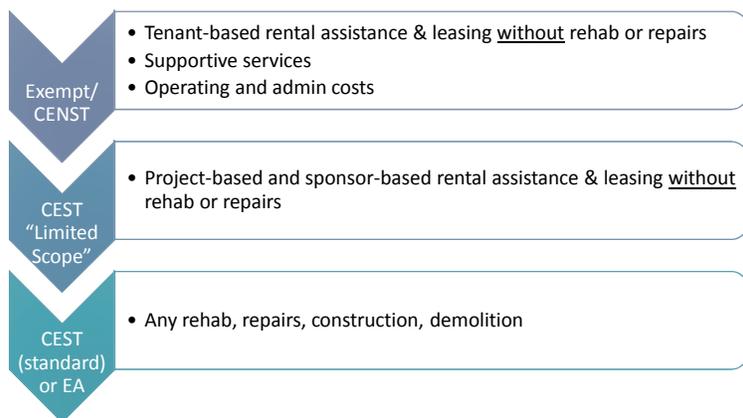
All HEARTH Act programs are normally subject to Part 58

CoC grant recipients generally cannot act as Responsible Entity



- CoCs should work with local, county, or state government to perform the ER
- Local government may or may not have experience with HUD ERs
- HUD will complete ERs for CoC Program projects **only** after getting written confirmation from all potential Responsible Entities that they are not able to perform the ER (see 24 CFR 58.11(d))
- For assistance, work with local HUD staff

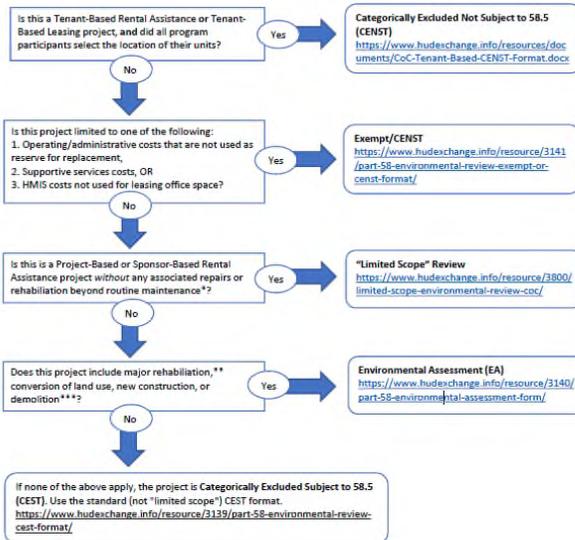
CoC Levels of Review



Flow Chart

Another way of presenting this information

What level of review and which format should be used to complete environmental reviews for Continuum of Care (CoC) Program projects?



Tenant-Based Leasing & Tenant-Based Rental Assistance

CENST: appropriate level of review if no repairs or rehab beyond *routine maintenance* (24 CFR 50.19(b)(11))

These reviews do NOT require a site-specific review

- RE may conduct one “programmatic” CENST review to cover all tenant-based units for a program
 - One CENST review for entire city/county
- Only potential concern = Coastal Barrier Resources Act

Defining Routine Maintenance

Notice CPD-16-02: Guidance for Categorizing Maintenance for Compliance with HUD Environmental Regulations, 24 CFR Parts 50 and 58

Maintenance activities slow or halt deterioration of a building and do not materially add to its value or adapt it to new uses.

Examples include:

- Cleaning
- Replacement of appliances
- Protective or preventative measures
- Replacement of a damaged or malfunctioning part
 - Replacement of all or most parts or an entire system is not maintenance

Examples of Maintenance Activities

Feature or System	Maintenance Activities	Rehabilitation Activities
Roof	<ul style="list-style-type: none"> fixing leaks application of waterproof coating to a flat roof replacement of deteriorated flashing in-kind replacement of loose or missing shingles or tiles 	<ul style="list-style-type: none"> complete replacement of roof with new shingles, tiles, roll roofing, membrane, or new metal roof installation of solar panels
Windows and Doors	<ul style="list-style-type: none"> washing windows caulking, weather stripping, re-glazing windows and doors fixing broken windowpane(s), storm window(s) or damaged entry door replacing broken door lock replacing a vandalized entry door to restore security of a building or unit replacing a single severely damaged window to match annual switch out of storm and screen panels 	<ul style="list-style-type: none"> replacement of windows replacement of exterior doors adding storm windows or storm doors

Tenant-Based CENST Format

<https://www.hudexchange.info/resource/4045/coc-program-environmental-review-flow-chart/>

Environmental Review for Continuum of Care (CoC) Rental Assistance Project that is Categorically Excluded Not Subject to Section 58.5 (CENST) Pursuant to 24 CFR Part 58.35(b)

This CoC CENST Format is to be used only for tenant-based leasing or rental assistance activities without any associated repairs, rehabilitation, new construction, or other activities with physical impacts funded under the Continuum of Care (CoC) program.

This format may be used to review a single unit, but Responsible Entities are encouraged to use it to conduct a "programmatic" environmental review covering all tenant-based units within the CoC.

Certain fields have been completed already based on the specifics of these program activities. It is the Responsible Entity's responsibility to ensure that all required fields and analysis are completed. Note that text in red is meant as instructions for the Responsible Entity and may be deleted as the review is completed.

Project Information

Project Name:

Responsible Entity:

Grant Recipient (if different than Responsible Entity):

State/Local Identifier:

Preparer:

Project Location: [This review may cover the full range of the CoC or any subset of the CoC that is found appropriate by the Responsible Entity.]

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

Level of Environmental Review Determination:

Activity/Project is Exempt per 24 CFR 58.34(a): _____

Activity/Project is Categorically Excluded Not Subject To §58.5 per 24 CFR 58.35(b): _____

Tenant-Based Compliance Requirements

Airport Hazards: Tenant-based rental assistance and leasing projects are in compliance with HUD’s Airport Hazard regulations without further evaluation

National Flood Insurance Program: Flood insurance is recommended but not required for tenant-based assistance

Coastal Barrier Resources Act: Choose one of the following –

- If the state does not have any CBRA units: project is in compliance and a map is not required
- If the state contains CBRA units but the CoC does not include any CBRA Units: Include a map showing that the project area does not contain CBRA Units
- If the CoC includes one or more CBRA Unit : Each site must be mapped to ensure it is not within a CBRA Unit

STATUTES, EXECUTIVE ORDERS, AND REGULATIONS LISTED AT 24 CFR §88.6		
Airport Runway Clear Zones and Accident Potential Zones 24 CFR Part 51 Subpart D	Yes <input type="checkbox"/> No <input type="checkbox"/>	This project consists only of rental assistance and is in compliance with HUD’s Airport Hazard regulations without further evaluation.
Coastal Barrier Resources Coastal Barrier Resources Act, as amended by the Coastal Barrier Improvement Act of 1990 [16 USC 3501]	Yes <input type="checkbox"/> No <input type="checkbox"/>	Choose one of the following compliance determinations based on the location of the project: <i>If the project is (1) in AL, CN, DE, FL, GA, LA, ME, MD, MA, MI, MS, MN, NJ, NY, NC, OH, PR, RI, SC, TX, VI, VA, or WI and (2) the CoC includes one or more coastal counties:</i> No units may be rented within a Coastal Barrier Resource Unit. Each unit located in a coastal county will be checked against the US Fish and Wildlife Service’s Coastal Barrier Resource System Mapper to ensure that no units are rented in Coastal Barrier Resource Units. <i>If the project is (1) in located in one of the above-listed states and (2) the CoC does not include any coastal counties:</i> This project is in compliance with the Coastal Barrier Resources Act because the CoC area does not include any Coastal Barrier Resources. See <i>attached map</i> demonstrating that no projects covered under this review are located within a coastal county or Coastal Barrier Resource Unit. <i>If the project is not located in one of above-listed states:</i> This project is in compliance with the Coastal Barrier Resources Act because the CoC area is in a state that does not include any Coastal Barrier Resources.
Flood Insurance Flood Disaster Protection Act of 1973 and National Flood Insurance Reform Act of 1994 [42 USC 4001-4128 and 42 USC 3154a]	Yes <input type="checkbox"/> No <input type="checkbox"/>	This project consists only of rental assistance, and therefore flood insurance is recommended but not required. The project is in compliance with the National Flood Insurance Program without further evaluation.

Tenant-Based CENST Format

Airport Hazards and Flood Insurance are pre-filled.

Based on the project location, select the appropriate compliance determination for Coastal Barrier Resources.

Project-Based & Sponsor-Based Rental Assistance

CEST (24 CFR 58.35(b)(1))

One review per building or complex

Limited scope review: appropriate format if no repairs or rehab beyond *routine maintenance*

Standard CEST review: required format if any repair, rehab, or construction anticipated

Limited Scope Reviews

CoC SBRA and PBRA projects without repair or rehab are “limited scope” CEST (24 CFR 58.35(a)(5)).

They need to demonstrate compliance only with 5 laws and authorities listed in 58.5 and 58.6:

- Coastal Barrier Resources Act (58.6)
- Flood Insurance (58.6)
- Contamination and Toxic Substances (58.5)
- E.O. 11988 on Floodplain Management (58.5)
- E.O. 12898 on Environmental Justice (58.5)

Public notice and RROF/C requirements apply if the CEST environmental review does not convert to Exempt.

Limited Scope Format

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<https://www.hudexchange.info/resource/3800/limited-scope-environmental-review-coc/>



U.S. Department of Housing and Urban Development
401 Seventh Street, SW
Washington, DC 20410
www.hud.gov
espanol.hud.gov

Environmental Review for Continuum of Care Leasing or Rental Assistance Project that is Categorically Excluded Subject to Section 58.5

Pursuant to 24 CFR 58.35(a)(5)

This CoC Limited Scope Review Format is to be used only for project-based leasing or rental assistance activities without any associated repairs, rehabilitation, new construction, or other activities with physical impacts funded under the Continuum of Care (CoC) program.

Certain fields have been completed already based on the specifics of these program activities. It is the Responsible Entity's responsibility to ensure that all required fields (those marked with an asterisk) and analysis are completed. For instructions on completing this form, see <https://www.hudexchange.info/resource/3800/limited-scope-environmental-review-coc/>

Project Information

*Project Name:

*Responsible Entity:

Grant Recipient (if different than Responsible Entity):

State/Local Identifier:

*Preparer:

*Certifying Officer Name and Title:

Consultant (if applicable):

*Project Location:

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

*Level of Environmental Review Determination:

Part 58 Limited Scope, cont.

<https://www.hudexchange.info/resource/3800/limited-scope-environmental-review-coc/>

This format is to be used for project-based leasing or rental assistance activities funded under the Continuum of Care (CoC) program only.

Insurance Reform Act of 1994 [42 USC 4001-4128 and 42 USC 3154a]		
STATUTES, EXECUTIVE ORDERS, AND REGULATIONS LISTED AT 24 CFR 50.4 & 58.5		
Clean Air Clean Air Act, as amended, particularly section 176(c) & (d); 40 CFR Parts 6, 51, 93	Yes No <input type="checkbox"/> <input type="checkbox"/>	This project consists only of leasing or rental assistance and is in compliance with the Clean Air Act without further evaluation.
Coastal Zone Management Coastal Zone Management Act, sections 307(c) & (d)	Yes No <input type="checkbox"/> <input type="checkbox"/>	This project consists only of leasing or rental assistance and is in compliance with the Coastal Zone Management Act without further evaluation.
Contamination and Toxic Substances 24 CFR 58.5(g)(2)	Yes No <input type="checkbox"/> <input type="checkbox"/>	*
Endangered Species Endangered Species Act of 1973, particularly section 7; 50 CFR Part 402	Yes No <input type="checkbox"/> <input type="checkbox"/>	This project consists only of leasing or rental assistance and is in compliance with the Endangered Species Act without further evaluation.
Explosive and Flammable Hazards 24 CFR Part 51 Subpart C	Yes No <input type="checkbox"/> <input type="checkbox"/>	This project consists only of leasing or rental assistance and is in compliance with HUD's Explosive and Flammable Hazards standards without further evaluation.
Farmlands Protection Farmland Protection Policy Act of 1981, particularly sections 1504(b) and 1541; 7 CFR Part 658	Yes No <input type="checkbox"/> <input type="checkbox"/>	This project consists only of leasing or rental assistance and is in compliance with the Farmland Protection Policy Act without further evaluation.
Floodplain Management Executive Order 11988, particularly section 2(a); 24 CFR Part 55	Yes No <input type="checkbox"/> <input type="checkbox"/>	*
Historic Preservation National Historic Preservation Act of 1966, particularly sections 106 and 110; 36 CFR Part 800	Yes No <input type="checkbox"/> <input type="checkbox"/>	HUD has determined that leasing and rental assistance with no associated repairs, rehabilitation, or other activities with physical impacts has No Potential to Cause Effects under 36 CFR 800.3(a)(1) (see Appendix A). Therefore, this project is in compliance with Section 106 of the National Historic Preservation Act without further

Limited Scope Compliance Requirements

Contamination: It is HUD policy that all HUD housing be free of hazardous and toxic materials that could affect the health and safety of occupants. The environmental review record must contain:

- A report of nearby toxic sites and releases (use EPA's Envirofacts or NEPAassist)
- For *multifamily housing* (5+ units): documentation showing past uses of the site, such as...
 - Historical photographs
 - Letter from someone with knowledge of the site's history
 - Phase I Environmental Site Assessment
- A discussion of potential adverse impacts
- If any hazards are found that could impact the health or safety of residents, either mitigate all impacts or reject the site

Limited Scope Compliance Requirements

Floodplain Management: HUD strongly recommends avoiding the floodplain or requiring flood insurance for any projects approved in the 100-year floodplain

- Environmental Review Record must include a FEMA Flood Insurance Rate Map (FIRM) showing whether the site is in a Special Flood Hazard Area –
 - Floodway: Any project located in a floodway must be rejected
 - Coastal High Hazard Area (V Zone): Site must be rejected unless all structures meet the design criterion in 24 CFR 55.1(c)(3)
 - 100-Year Floodplain: The 8-Step Process is generally required for leasing or rental assistance in buildings of 5+ units. Environmental Review Record (ERR) must include one of the following:
 - Record of a completed 8-Step Process, including early and final public notices
 - If property is fully covered by flood insurance, proof of insurance is sufficient in lieu of 8-Step Process (see 24 CFR 55.12(b)(5))

Limited Scope Compliance Requirements

Flood Insurance: Flood insurance is suggested but not required for leasing or rental assistance

Coastal Barrier Resources: Any sites located in Coastal Barrier Resource Units must be rejected

Environmental Justice: Environmental Review must contain one of the following:

- Evidence that the site and surrounding neighborhood do not suffer from adverse environmental conditions that will have a disproportionate impact on low-income or minority communities
- Documentation that any communities affected by disproportionate adverse impacts have been meaningfully informed and involved in the planning process to address the adverse impacts

Limited Scope Compliance Requirements

Environmental Finding: Review may “convert to exempt” if no mitigation or compliance steps are required for any laws and authorities

- If review converts to exempt: funds may be drawn and committed (i.e. leases may be signed) once the environmental review has been signed by the preparer and an Agency Official from the Responsible Entity
- If review does not convert to exempt: Project requires Notice of Intent and Request for Release of Funds
 1. Publish (7 days) or post (10 days) a Notice of Intent to Request Release of Funds (NOI/RROF)
 2. Review and respond to any comments received
 3. Submit Form 7015.15 to HUD
 4. Following its public objection period, HUD may approve Form 7015.16 – Authority to Use Grant Funds
 5. Grant recipient may begin committing project funds once Form 7015.16 is received

Limited Scope Instructions

<https://www.hudexchange.info/resources/documents/Limited-Scope-Environmental-Review-Instructions-CoC.pdf>

Subject: How to prepare "Limited Scope" Environmental Reviews for Continuum of Care (CoC) leasing or rental assistance projects without any associated repairs, rehabilitation, construction, or other activities with physical impacts.

Projects that consist only of project-based leasing or project-based rental assistance¹ activities require only a "limited scope" environmental review. Responsible Entities conducting a limited scope review need only analyze certain environmental laws and authorities and may assume that the project is in compliance with others without analysis. A limited scope review is appropriate only if the project consists entirely of leasing or rental assistance activities in existing residential buildings without any associated physical impacts, including repairs, rehabilitation, or new construction. For projects that involve any additional activities beyond leasing or rental assistance, Responsible Entities should complete a standard environmental review using their regular formats. This document provides guidance on how to complete a limited scope review.²

Note that most tenant-based leasing and rental assistance projects do not require a "limited scope" environmental review, because these activities are Categorical Excluded. Not Subject to 58.5 (CENST) under 24 CFR 58.35(b)(1). As such, tenant-based leasing and rental assistance projects are categorically excluded from NEPA, and subject *only* to the Federal laws and authorities listed in 24 CFR 58.6. A project would be considered tenant-based leasing or rental assistance for purposes of environmental review if the participant selects the location of the unit. Responsible Entities completing environmental reviews for tenant-based rental assistance may use HUD-recommended formats for Part 58 CENST reviews available at <https://www.onecpd.info/resource/3141/part-58-environmental-review-exempt-or-censt-format/>.

I. Initiating Limited Scope Environmental Reviews

Use the attached CoC Limited Scope Review Format to complete your environmental review. Complete all required fields (those marked with an asterisk) and all other fields that apply. Some fields have already been completed with language appropriate for leasing and rental assistance projects.

II. Determining Compliance with Required Environmental Laws and Authorities

¹ For purposes of conducting the environmental review, "project-based rental assistance" refers to any rental assistance where the funding is attached to the unit, rather than the program participant. Leasing and project-based rental assistance are both defined as Categorical Excluded Subject to 58.5 (CENST) pursuant to 24 CFR 58.35(a)(3), meaning that they are categorically excluded from the National Environmental Policy Act (NEPA), but still subject to the related Federal laws and authorities listed in 24 CFR 58.5 and 58.6. In the CoC program, this would include both project-based rental assistance and sponsor-based rental assistance.

² Responsible Entities conducting a large number of leasing or rental assistance projects may streamline the environmental review process by conducting a tiered environmental review. HUD is currently developing guidance on conducting tiered reviews for leasing and rental assistance projects.

Limited Scope Instructions

<https://www.hudexchange.info/resources/documents/Limited-Scope-Environmental-Review-Instructions-CoC.pdf>

Resources Unit. The FWS website is at <http://www.fws.gov/CBRA>, and FWS's Coastal Barrier Resources System Mapper tool is available at <http://www.fws.gov/CBRA/Maps/Mapper.html>. Provide a copy of the CBRA map with the project site identified.

b. Flood Insurance

Section 102(a) of the Flood Disaster Protection Act of 1973 requires that most projects receiving federal assistance and located in an area identified by the Federal Emergency Management Agency (FEMA) as being within a Special Flood Hazard Area (SFHA) be covered by flood insurance under the National Flood Insurance Program (NFIP).

Assisted leasing activities that do not include repairs, improvements, or acquisition are excepted from these flood insurance requirements. **Flood insurance is not required for leasing alone.** However, it may still be advisable to purchase flood insurance for leasing projects in some cases for contents or the building. Pursuant to the updated regulations at 24 CFR 55.12(b)(5), if five or more residential units or any nonresidential properties are leased on one site in a SFHA, the 8-Step Process is not required **if the entire building**, i.e. all units and common areas, are fully covered by flood insurance. One- to four-family properties do not require a review due to an exception at 55.12(b)(1), since leasing is considered to be a lesser form of purchasing a property.

If flood insurance was purchased, include a receipt or policy statement as proof of insurance.

c. Contamination

All property proposed for use in HUD programs must be free of hazardous materials, contamination, toxic chemicals and gases and radioactive substances, where a hazard could affect the health and safety of occupants or conflict with the intended utilization of the property. The environmental review of multifamily housing with 5 or more dwelling units must include a review of previous uses of the site or other evidence of contamination on or near the site to assure the proposed occupants are not impacted by any of these hazards.

The Environmental Review should contain **all** of the following:

- A report of nearby toxic sites and releases using EPA's Envirofacts at <http://www.epa.gov/enviro/index.html>, NEPAassist at <http://nepassisttool.epa.gov/nepassist/entry.aspx>, or a similar service. To obtain a map using Envirofacts, insert the project address in the box under the title "Get the Envirofacts" and press enter. Print the map and list of EPA regulated sites. For each EPA regulated site listed, print the compliance report.

CoC and HEROS

HEROS is HUD's online environmental review tool

- HEROS is not compatible with CoC-specific environmental review formats
- As of this webinar, HUD does not recommend using HEROS to complete Part 58 ERs for CoC projects
- For current information, go to <https://www.hudexchange.info/programs/environmental-review/heros>



CoC Environmental Review Takeaways

Generally, a Responsible Entity (RE) will complete the environmental review (ER) under Part 58

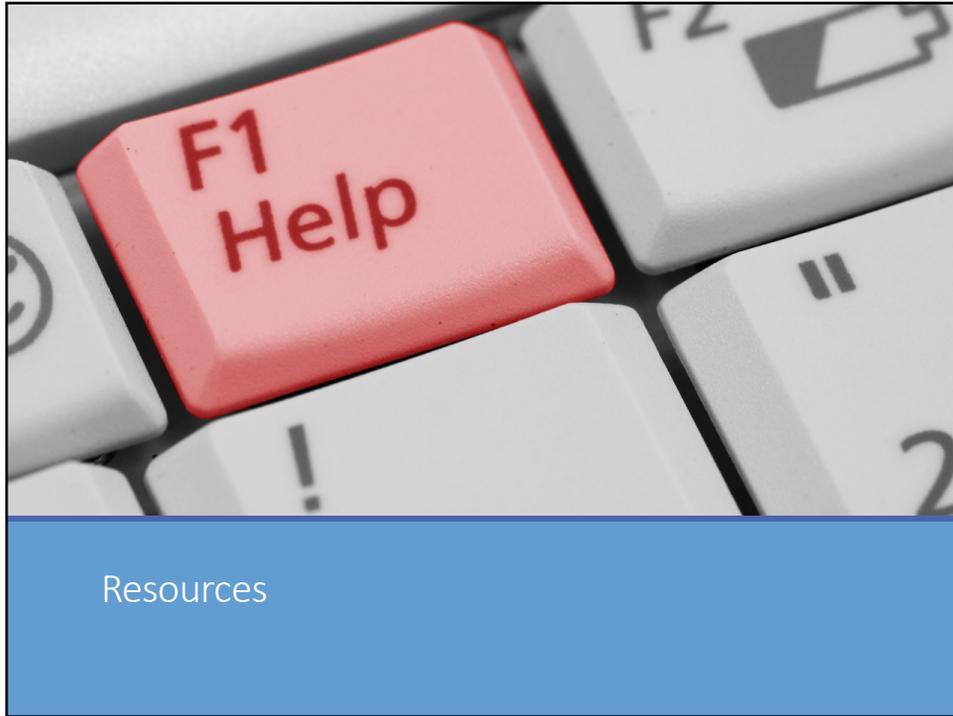
- If an RE declines HUD may complete the environmental review (ER) under Part 50

Aggregate to avoid duplication of effort

TBRA/TBL are CENST → Complete one CENST review per *program* (5 minutes)

PBRA/SBRA are CEST → Complete one review per *building/complex* (1 hour)

Recipient **must not** enter into a lease until ER is complete



Resources

<https://www.hudexchange.info/resource/4045/coc-program-environmental-review-flow-chart/>

CoC Program Environmental Review Flow Chart

Date Published: October 2016

Description

This tool provides CoC Program recipients assistance in correctly identifying what level of environmental review is required for their CoC Program project(s). This tool provides links to the following forms: CoC Program 'CEST' Limited Scope Review, Exempt/CENST, EA, and CEST.

Resource Links

- CoC Program Environmental Review Flow Chart (DOCX) (DOCX)
- CoC Program Environmental Review Flow Chart (PDF) (PDF)
- CoC Program Environmental Review Flow Chart (508 Compliant Version) (PDF)
- CoC Tenant-Based CENST Format (DOCX)
- CoC Program 'CEST' Limited Scope Review (HTML)
- Environmental Assessment (EA) Form (HTML)
- CEST Form (HTML)

More Environmental Review Resources

HUD's Environmental Review page:

<https://www.hudexchange.info/programs/environmental-review/>

More webinars:

<https://www.hudexchange.info/programs/environmental-review/environmental-review-training/>

Questions?

Find local HUD environmental staff at

<https://www.hudexchange.info/programs/environmental-review/hud-environmental-staff-contacts/>

Submit questions through Ask A Question at

<https://www.hudexchange.info/program-support/my-question/>

