Using HEROS as a Partner for Multifamily Asset Management Projects
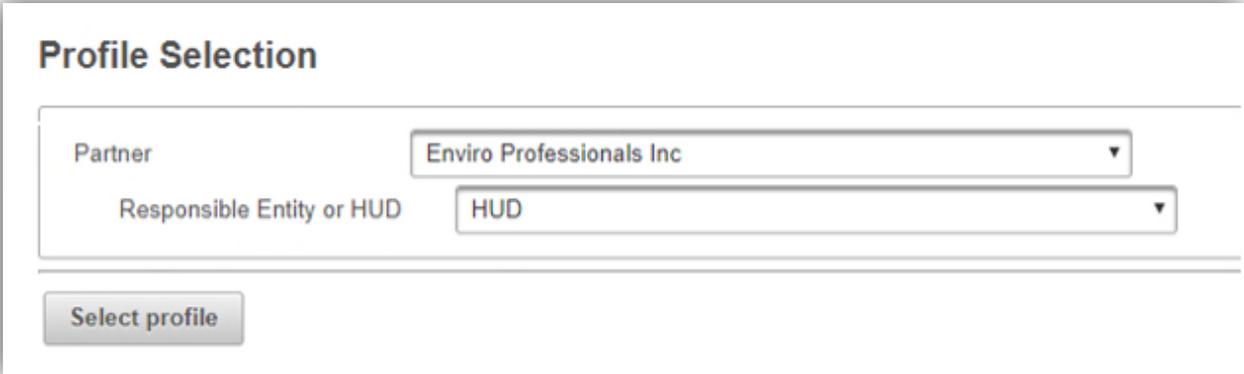
The purpose of this document is to provide instructions to consultants and owners assisting with environmental reviews for Multifamily Asset Management projects.

Getting Started

For basic information on using HEROS, including instructional videos and frequently asked questions, go to https://www.hudexchange.info/environmental-review/heros/. Technical questions about HEROS should go to Ask A Question at https://www.hudexchange.info/get-assistance/my-question/. Project-specific or environmental review questions should go to the assigned contact in Multifamily Housing. If not known, contact the Technical Branch Chief or the Housing Program Environmental Specialist (PES) for the office or region where your project is located.

Logging in to HEROS

Log into HEROS at https://heros.hud.gov/heros/. Select the name of your organization as the "Partner" and HUD next to "Responsible Entity or HUD."

You will be directed to **Screen 1020 – My Environmental Reviews** dashboard. This screen will default to showing only those reviews that are currently *assigned* to you, meaning that you can currently edit them. From this screen, you can select an existing review to edit or assign to another user. To start a new review, press the <Start a new environmental review> button in the upper left corner.

Screen 1101 – Review Type (Non-Tiered)

Make sure you are working with a *non-tiered* review, and that you select **Part 50** so that HUD will be able to complete the review. Then press <Save and Continue> to move on to the next screen.

1101 – Review Type (50/58 - Non-Tiered)

Do you want to start a review under Part 50 or Part 58?

○ Part 58 (when states, cities, tribes, or units of local government assume HUD's environmental review responsibilities)
● Part 50 (when HUD staff is responsible for completion of the environmental review)

Cancel   Save and Continue

Screen 1105 – Initial Screen

When completing a review, make the following selections and inputs:

Field	Correct Response
Project Name	Enter a name that all parties will recognize. Include the name of the current building and/or the project name.
Grant/Product ID Number	Enter the Project Number
HUD Program	Select "Housing: Multifamily FHA[1]," then the specific program (Section 8(b)(b), Section 8 Renewals with Capital Repairs, or "Other Multifamily FHA Program")
Estimated Total HUD Funded, Assisted, or Insured Amount	Enter 0. HUD staff will enter the final amount.
Estimated Total HUD Project Cost	Enter 0. HUD staff will enter the final amount.
Does this project anticipate the use of funds or assistance from another Federal agency in addition to HUD?	Select "Yes" only if another federal agency (e.g. FEMA, EPA) is contributing funds to this project. The response will typically be "No" for asset management projects.
Does this project involve over 200 lots, dwelling units, or beds?	Select Yes or No
Applicant/Grant Recipient Information	Search for applicant by name and/or location. If it does not appear in the system, select "Other," and enter the Organization and contact name manually.
HUD Preparer	Enter TBD.
Consultant Information	Enter the name of your firm and your name

Screen 1125 – Project Summary

When completing a review, make the following selections and inputs:

Field	Correct Response
Description of the proposed project	Provide a project description that captures the maximum anticipated scope of the proposal. It should include all contemplated actions which logically are, either geographically or functionally, a composite part of the project, regardless of the source of funding. Describe all physical aspects of the project, such as plans for multiple phases of development, size and number of buildings, and activities to be undertaken.

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[1] Although these programs are not FHA, this is how they are listed in HEROS.

	Include the year built, number of units, dollar amount of repairs and specific description of major repairs. Include details of the physical impacts of the project, including whether there will be ground disturbance. If more space is required, upload a separate document below.
Address	Provide a representative street address for the project
Location Information	If the project involves new construction, affects more than one street address, or otherwise requires further explanation, describe the full geographic scope of the project in this space
Upload	Upload any site maps, photos, and other information on the project description and location
Field Inspection	Leave this section for HUD to complete
What activities are involved in the project?	Select all planned or anticipated activities
Will the project require a change in land use	Select "Yes" if the project will involve converting a non-residential structure to a residential use. Otherwise, select "No"
What is the planned use of the affected property	Select Residential building(s) > Multifamily

Uploading Documents: File names uploaded to HEROS must be free of all special characters. Special characters are any characters that are not alphanumeric (eg. & , ' " / * ^ $ % # @ !). Files with these characters will prevent the environmental review record from generating or posting to the HUD Exchange.

Screen 1315 – Level of Review

On this screen, you will make a **preliminary** selection regarding the required level of environmental review based on the project description and activities involved. The final decision will be made by HUD. If you have any questions about the appropriate level of review, contact your assigned underwriter or appraiser.

There are 4 possible selections on this screen:
1. Categorically excluded **not** subject to the federal laws and authorities cited in 24 CFR 50.4 (CENST)
    o This selection is not appropriate for asset management activities.
2. Categorically excluded **subject to** the federal laws and authorities cited in 24 CFR 50.4 (CEST)
    o This selection is appropriate if all anticipated activities are listed in an exclusion in 24 CFR 50.20(a). Asset Management transactions are CEST in the following cases:
        ▪ Rehabilitation of multifamily residential structures conforms to the requirements in 24 CFR 50.20(a)(2)(ii):
            • Unit density is not changed more than 20 percent;
            • The project does not involve changes in land use from residential to non-residential; and
            • The estimated cost of rehabilitation is less than 75 percent of the total estimated cost of replacement after rehabilitation.

3. Environmental Assessment (EA)

- o This selection is appropriate for transactions that anticipate any rehabilitation activities that do *not* conform to the requirements in 24 CFR 50.20(a)(2)(ii) and/or *any* new construction or demolition activities.
  4. Environmental Impact Statement (EIS)
     - o This selection is not appropriate for asset management activities.

Screen 2005 – Related Federal Laws and Authorities Summary

This screen lists all of the related laws and authorities that must be complied with for this transaction based on the level of review. Click on the name of each law and authority in the left column to navigate to the individual screen for each law and authority.

Within each individual screen, respond to the series of questions to determine whether the project complies (or can, with mitigation, comply) with that law or authority. After selecting each response, press the <Next> button to move on to the next screen. When you have completed all required questions, you will be directed to the "Screen Summary" to summarize compliance. A compliance determination will be automatically generated; you should use this space to add any further analysis or discussion to clarify your conclusions. You may also want to include notes to the HUD staff who will be responsible for completing the review in this space.

> <u>Note</u>: HUD will review and evaluate all your responses and documentation and complete all compliance steps as needed. As a Partner, not a HUD employee, you will not be able to complete the full analysis for all laws and authorities. For example, Partners should <u>not</u> contact tribes under the National Historic Preservation Act, Section 7 consultation under the Endangered Species Act, or the 8-Step Process under Part 55. Similarly, you may suggest mitigation measures or project improvements, but the final decision will be HUD's.
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> However, it is necessary to fully respond to all questions on each screen before you will be able to upload documentation. Therefore, where you have documentation to upload, but you are not legally able to comply with all requirements, please respond to all questions using your best guesses and suggestions to HUD. Use the compliance determination to explain what actions you took and your suggested course of action to HUD. Your compliance determination should make it clear to HUD which responses are final and which are only advisory. HUD will complete the screen using your feedback.

Notes on completing individual laws and authorities

Compliance Factor	How to complete as an Asset Management Partner
Historic Preservation	HUD must review the project and make a finding of effect. Partners may assist HUD in making its historic preservation determinations by assembling information for HUD's Section 106 review, including studies, historic property surveys, and other documents as necessary. In HEROS, Partner users should make preliminary recommendations regarding the consulting parties and determinations of eligibility and effect and document their conclusions. Partners may request technical assistance from the State Historic Preservation Officer (SHPO) to identify historic properties but should not initiate consultation or include a determination of effect when contacting the SHPO. Partners should not contact tribes for any reason.

	If the project includes ground disturbance or is in or near a listed or eligible historic building or a historic district, coordinate with HUD as soon as possible and prevent any action from being taken prior to HUD's completion of Section 106 consultation.
Floodplain Management	Partners should create a FIRMette with the site marked and identify whether the project site contains any wetlands. Partners must also determine whether there are any preliminary, pending, or advisory flood maps or elevations; if there are, these must be included as best available information (see 24 CFR 55.2(b)(1)). Upload all documentation and discuss any change between the FIRMette and any preliminary, pending or advisory flood maps or elevations. Partners should make a preliminary suggestion as to whether an exception in 24 CFR 55.12 applies. If the 8-Step or 5-Step Process is required, Partners should work with HUD to complete that process. Partners should not conduct any part of the 8- or 5-Step Process without first consulting with HUD. Housing has additional requirements for projects located in floodplains, and projects must consider offsite floodways and other flood hazards.
Wetlands Protection	For projects involving ground disturbance, Partners should use the National Wetlands Inventory as a preliminary screening tool to determine whether the site contains a wetland. If the site contains a wetland, Partners should consult with HUD to determine whether to consult with US Fish and Wildlife or complete a wetlands delineation survey. If the 8-Step Process is required, coordinate with HUD.
Endangered Species Act	Partners should not contact the US Fish and Wildlife Service or NOAA Fisheries. If consultation is required, Partners should coordinate with HUD.
Toxics and Contamination	Housing environmental guidance lays out specific requirements for documenting and mitigating site contamination, including when to conduct a new ASTM Phase I Environmental Site Assessment. When a new Phase I is required, it must incorporate a Vapor Encroachment Screen pursuant to ASTM E2600-15 (or most recent version.) Ensure that your submissions include No Further Action Letters or equivalent from LSTF authorities when contamination is above de minimis levels.
Housing Requirements	Housing projects includes a number of specific requirements including radon, asbestos, lead based paint and nuisances and hazards (pipelines, fall hazards, etc.). These are included in a Housing Screen in HEROS and Partners must document them.

Screen 4010 –Environmental Assessment Factors and Screen 4100—Environmental Assessment Analysis

If your project is new construction or substantial rehab that requires an Environmental Assessment level of review, you must complete the Environmental Assessment Factors and Environmental Assessment Analysis. Further guidance can be found here: https://www.hudexchange.info/environmental-review/environmental-assessments/

Screen 5000 – Mitigation Measures and Conditions

If the project will require any mitigation measures, you will be prompted to enter a mitigation plan, detailing responsibilities for completing any required mitigation measures. As Partners may not be equipped to provide this information, you may enter "Placeholder" in this textbox in order to proceed to the next screen.

Screen 6205 – Preparer Notification Screen

Following Screen 5000, Partners will be directed to the Preparer Notification screen. On this screen, you may generate a preview of the Environmental Review Record (ERR) to review your work and/or to submit it to a lender for review and approval. The summary report will include links to the back-up documentation. These links will only work for people with HEROS access. Otherwise, you will need to send copies of back-up documentation outside of the system.

Assigning the Review to HUD

When you are ready to submit to HUD, select the red <Assign Review> button above the side menu and assign the review according to this chart.

Region	Contact	Email	Phone
NE Region	Wendy Santiago	Wendy.Santiago@hud.gov	212-542-7607
SE Region	Howard Roberts III	C.Howard.RobertsIII@hud.gov	678-732-2013
SW Region	Michael Buis	Michael.A.Buis@hud.gov	817-978-5809
Midwest Region	John Scheider or Eric Golitz	John.Schneider@hud.gov Eric.J.Golicz@hud.gov	312-913-8129 313-234-7496
West Region	Larry Fergison or Tim Sovold	Laurence.J.Fergison@hud.gov Tim.Sovold@hud.gov	415-489-6618 303-839-2617

Before assigning the review, confirm with the contact that they are available to receive the review. Once the review has been assigned, you will not be able to reassign it to a different user without assistance from a system administrator.

Assign Review Screen

Search for HUD contact by first and/or last name. Their name should appear in the upper table along with their role (HUD), email address, and location. Be sure to select the appropriate name so that it is highlighted in dark gray. Enter any comments in the textbox provided, and press <Assign.> Both you and the HUD contact will receive a confirmation email.