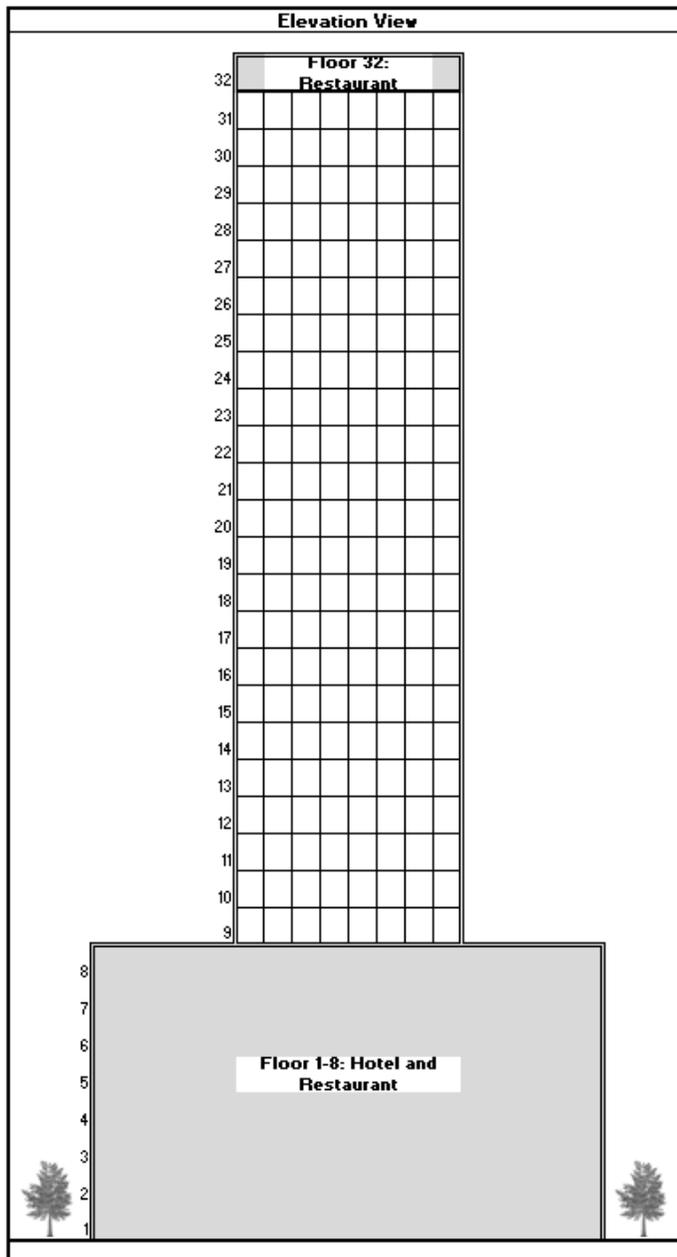


## **FAQ: Project Aggregation Examples**

**Q:** Can HUD provide examples of how to correctly aggregate Multifamily FHA project activities to determine the scope of the environmental review?

**A:** The MAP Guide states at 9.1.2.a.1 that HUD must aggregate together related activities when completing an environmental review. Where a multifamily parcel that applies for an FHA-insured mortgage is part of a larger site, the project should be defined as the multifamily parcel plus the parts of the rest of the site that are directly related to the multifamily development (access roads, parking, storm water detention systems, open spaces, utilities connections, etc.). What gets defined as directly related is contextual depending on the project circumstances and may vary from project to project.

Below are three examples of common aggregation scenarios for FHA applications. The examples are intended to be instructional and are not rules to be followed; each project and its environmental conditions are unique and require an individual aggregation determination.



### **1. Historic Building Renovation to Hotel and Multifamily Apartments**

This example considers a Historic Building Tower renovation with two owners. Owner one has floors one through eight and floor thirty-two for a hotel and restaurant. Owner two has floors nine through thirty-one for multifamily housing. Floors nine through thirty-one are the only portions of the development that would be HUD insured.

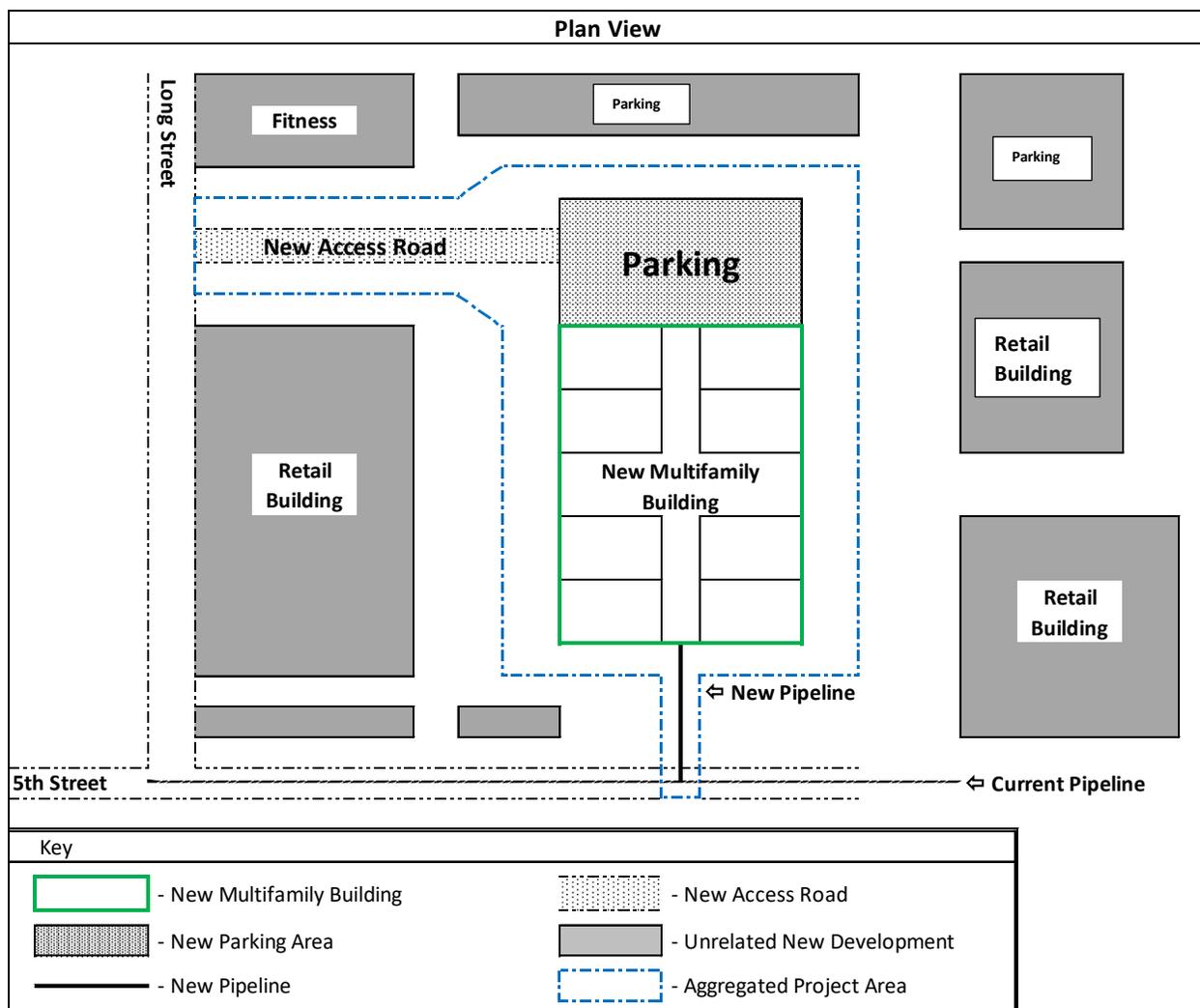
In this example, the Historic Building Tower must be considered as a single project for the purposes of the environmental review, even though there are two owners and that only some floors would be part of the HUD collateral. This means that the Phase I Environmental Site Assessments, radon testing, Section 106 historic review, contamination review, and other environmental review considerations must be assessed, at minimum, for the entire building and parcel on which it is sited.

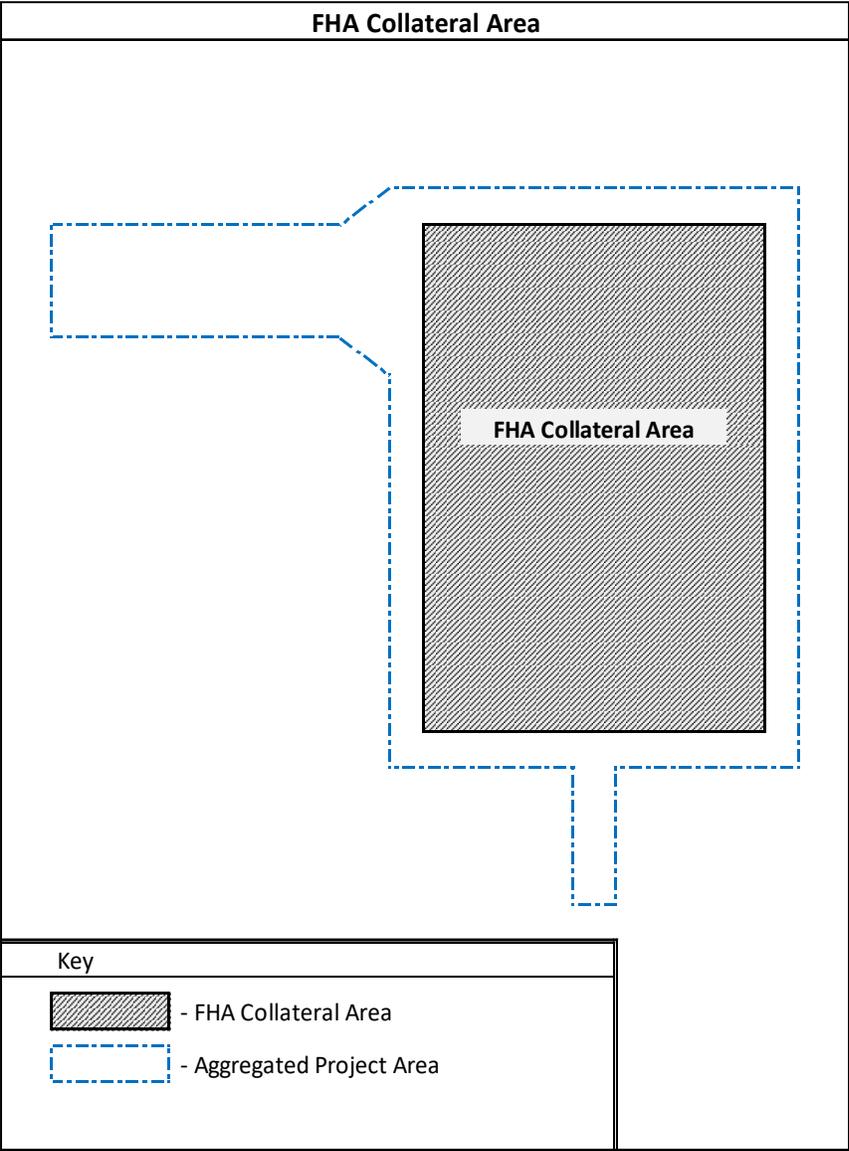
If mitigation is required as a result of the environmental review, it must cover the entire building and must be included in the development agreement.

## 2. Fifteen-acre Mixed-Use Development Parcel

The second example considers a new development project on a vacant 15-acre parcel. The FHA application is for the construction of a new multifamily housing development with an associated parking lot. The plan for the rest of the parcel includes three retail buildings, a for-profit fitness center, and parking for the fitness center and retail buildings.

In this example, the aggregated project area for the multifamily project is defined as the collateral parcel for the multifamily development and parking area, plus a new access road and new utility pipeline that will serve the project. The existing roads and existing utility pipeline would not be part of the aggregated project, because they are in place and serve the general neighborhood. The retail buildings and the for-profit fitness center would not be included as part of the aggregated project, even though they may be used by residents of the multifamily development, because they are not directly related.

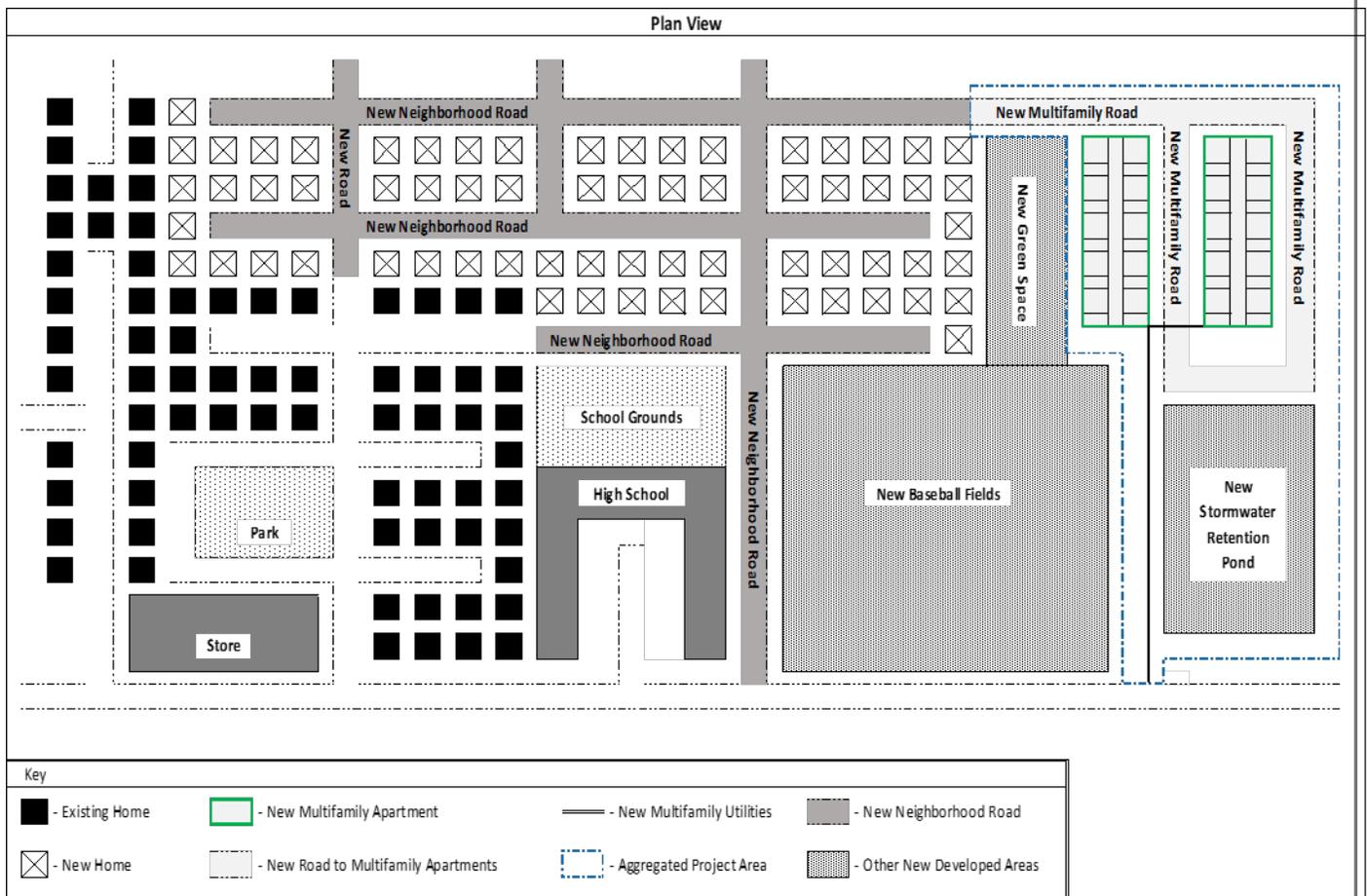


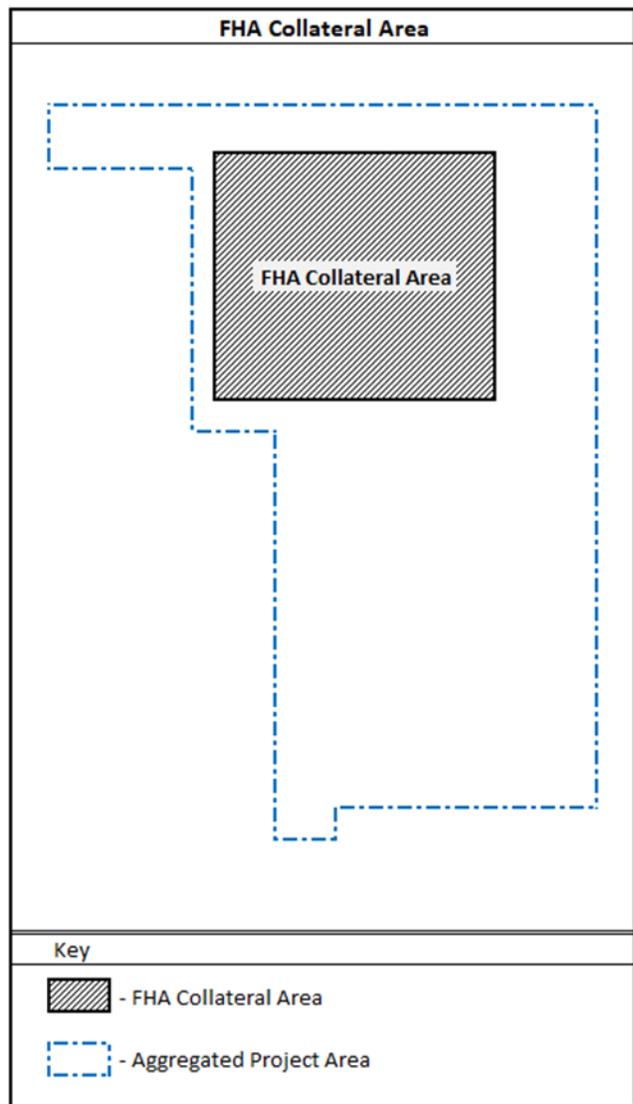


### 3. Planned Unit Development Aggregation

The third example considers an FHA application for a multifamily project that will be part of a Planned Unit Development (PUD). The PUD extends to the north and east of an existing neighborhood and will include new single-family units, neighborhood roads, baseball fields, a green space to serve all residents, stormwater retention pond, and the FHA multifamily project with associated roads and utilities.

In this example, the aggregated project area for the FHA multifamily project is defined as the collateral parcel for the multifamily project plus the parking, access roads and utilities that will serve the project, and the stormwater retention pond. The other PUD projects would not be included as part of the aggregated project, even though parts may be used by residents of the multifamily building, because they are not directly related. (Note: If the adjacent green space was included as part of the collateral, or a requirement for the FHA deal, this space would be aggregated with the project as well.)





### **Environmental Impacts Beyond Project Boundaries:**

For all projects, the environmental review's consideration of potential impacts to resources can and often must extend beyond the defined project boundaries in order to comply with the laws and authorities. For example, a project's impacts to historic resources (the "Area of Potential Effects" or APE) can extend beyond the boundaries of an aggregated project site, especially if a project is located in a historic district. A project could also impact wetlands or endangered species beyond the aggregated site. Similarly, floodplains, contamination sources, and other hazards outside the aggregated project site should be considered in the environmental review when they could increase risk at the project site.