



can't sleep

HELP ME

## ENVIRONMENTAL PANEL

### What Keeps Us Up at Night?

Eastern Lenders Association  
2022 Conference  
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# ENVIRONMENTAL PANEL

## What Keeps Us Up at Night?

- **Moderator:** Susan Monaco – *Managing Director/Chief FHA Underwriter, Dwight Capital LLC*
- **Panelists:**
  - **Jacob Levine** – *Environmental Protection Specialist - HUD*
  - **Frederick Shaw** – *Technical Specialist Branch Chief, NE Region - HUD*
  - **Angelique Crews** – *Principal, Technical Director – HUD Environmental Services, Partner Engineering & Science*

# Our Topics Today:

- Choice-Limiting Actions
- Pipelines
- Site Aggregation
- Historic Preservation/Delegation Memo - SHPO
- Lightning Round – Hot Topics
- What's Next from HUD?
- Questions?

# Choice-Limiting Actions

## Worried vs Not Worried

- Scenario #1** – A parent parcel with approved development plans by the City was cleared/graded. The developer then sold off various parcels, one of which was proposed for multifamily use with FHA mortgage insurance.
- Scenario #2** – A 223(f) project with critical/non-critical repairs and the borrower wants to take care of the repairs ASAP.
- Scenario #3** – Site contamination requires soil excavation as part of the risk-based corrective action plan.

# Choice-Limiting Actions

Worried vs Not Worried, the answer is **Don't Worry!**



HUD's answer to Choice-Limiting Actions:

- Choice-limiting actions include acquisition, demolition, disposition, rehabilitation, repair, new construction, site preparation, and leasing or any other activities that commit to future activities

The question to Choice-Limiting Actions:

- What does HUD mean??

# Choice Limiting Actions

Worried vs Not Worried, the answer is **Don't Worry!**

The prohibition on choice-limiting actions before completion of the environmental review does not apply to:

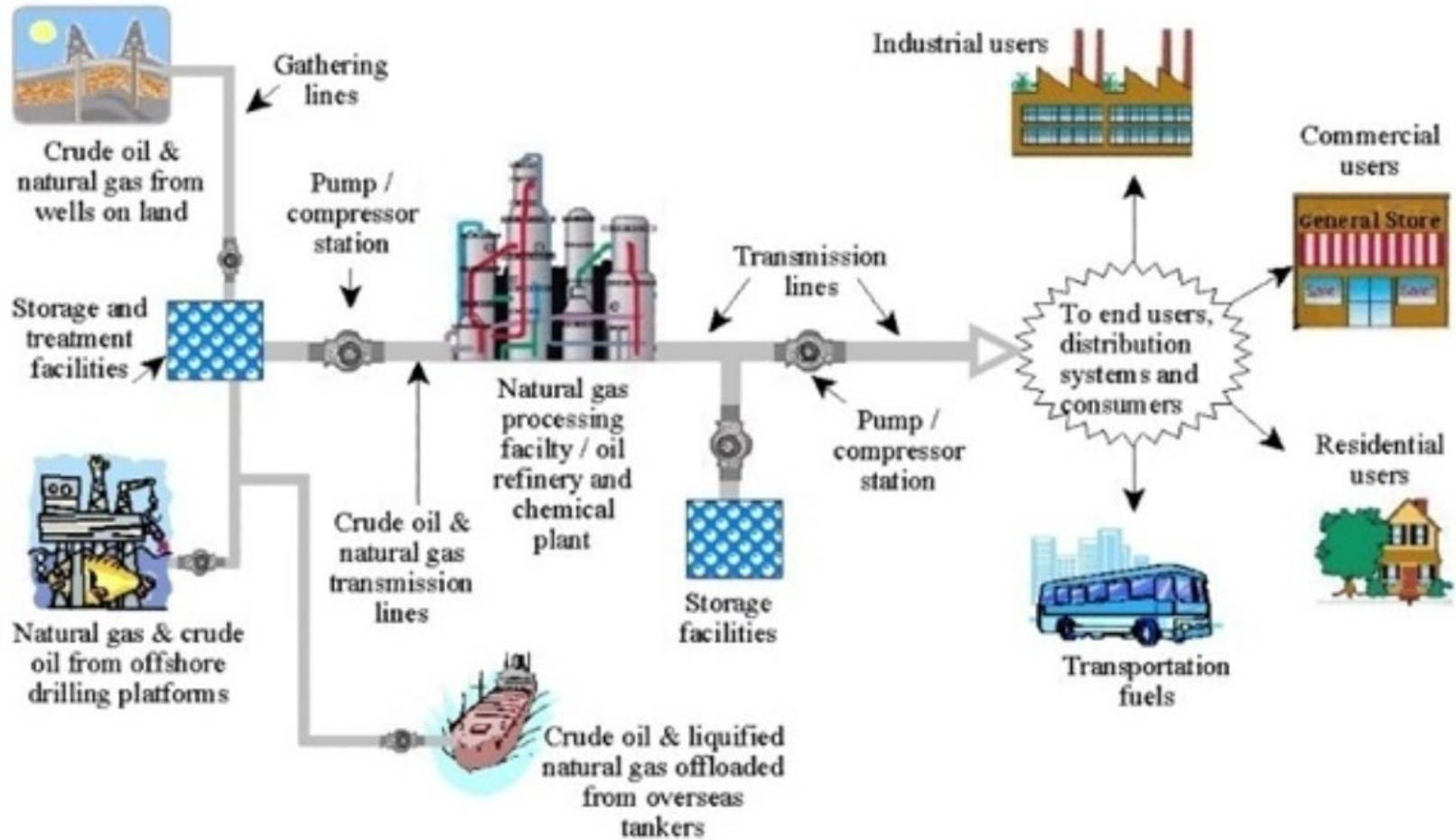
1. For existing properties, normal operations including leasing to new tenants, maintenance and repairs related to unit turnover, and regularly scheduled or emergency repairs. **These operations are not mortgageable expenses for the FHA transaction.**
2. Critical life safety repairs identified in the Capital Needs Assessment.
3. Activities that do not exceed maintenance as defined in CPD Notice 16-02

# Choice Limiting Actions

Is it...?	Sure!	Hmmm...
Normal Operations	Filling in vacant commercial space in mixed use bldg.	Level 2 alterations to create new commercial space
Critical Life Safety	Fixing tripping hazard in parking lot	Repaving entire parking lot
	Elevator repairs	Elective elevator replacement
Maintenance	Replacing deteriorated section of siding	Applying new exterior siding

# Pipelines

## Run vs Don't Run







# Pipelines

Run vs Don't Run, the answer is **Jog!**

1. **Flowlines** - Move product from the wellhead to nearby storage tanks, transmission compressor stations, or processing plant booster stations; **Narrow pipes**
2. **Gathering Lines** - Collect product from multiple flowlines and move it to centralized points, such as processing facilities, tanks, etc.; **Medium size steel pipes** (usually under 18" diameter)
3. **Transmission Pipelines** - Carry product across long distances and occasionally across interstate boundaries; **Large steel pipes** (usually 2" to 42") that are federally regulated
4. **Distribution Pipelines** - Also known as "mains," are the middle step between high pressure transmission lines and low pressure service lines. Distribution pipelines operate at an intermediate pressure; **Small to medium sized pipes** (2" to 24" in diameter)
5. **Service Pipelines** - Connect to a meter that delivers natural gas to individual customers; **Narrow pipes** (usually less than 2" diameter)





# Pipelines

Run vs Don't Run, the answer is **Jog!**

**Scenario #1** – A 223(f) project with a pressurized pipeline 11-feet from the edge of the parking lot, not distribution line.

**Scenario #2** – New construction project with pressurized pipeline. Pipeline information isn't being provided by the Pipeline Owner as this information is protected by Homeland Security.

**Scenario #3** – Pipeline considered a hazard and mitigation is warranted by a professional structural or civil engineer.

# Pipelines

## **\*Reminders\*:**

1. HUD can ask for more information due to the presence of the hazard.
2. Review HUD's Fact Sheet *2020 MAP Guide Acceptable Separation Distance, Fall Hazards and Pipelines*, (included)
3. Collect information so that HUD can intervene when pipeline information can not be obtained
4. Quick check: <https://pvnpms.phmsa.dot.gov/PublicViewer/>

# Site Aggregation

## Scream vs Don't Scream

**Scenario #1** – Why do offsite improvements impact me?

**Scenario #2** – Potential offsite contamination and how should they be handled?



**Scenario #3** – Do I have to include aggregated areas to the Phase 1 ESA or my NEPA review or both?

# Site Aggregation

Scream vs Don't Scream, the answer is **Don't Scream**

## Reminders\*:

1. Aggregation includes geographical, functional basis or logical parts
  - *But For* principle: “but for” Activity A there wouldn't be Activity B
2. Ensures consultations are complete / valid for entire project
3. Must be addressed regardless of funding source
4. Not required when no relationship between the HUD project and surrounding activities

\*Information obtained from HUD's Site Aggregation Training February 2022

# Historic Preservation/Delegation Memo - SHPO



## Cry vs Don't Cry

**Scenario #1** – FHA Number and historically aged property.  
Why can't I let SHPO decide if I need architectural historian?

**Scenario #2** – No FHA Number. I'm not following Delegation  
Memo and SHPO responded. Why isn't this okay?

# Historic Preservation/Delegation Memo - SHPO

Cry vs Don't Cry, the answer is **Don't Cry**

## **Architectural Historian:**

- >45 years old with demolition
- >45 years old with exterior rehabilitation

## **Archaeologist:**

- New Construction in/adjacent to Historic District
- Substantial Ground Disturbance

## **Tribal:**

- Prepare letters for HUD to submit

# LIGHTNING ROUND

## Hot Topics







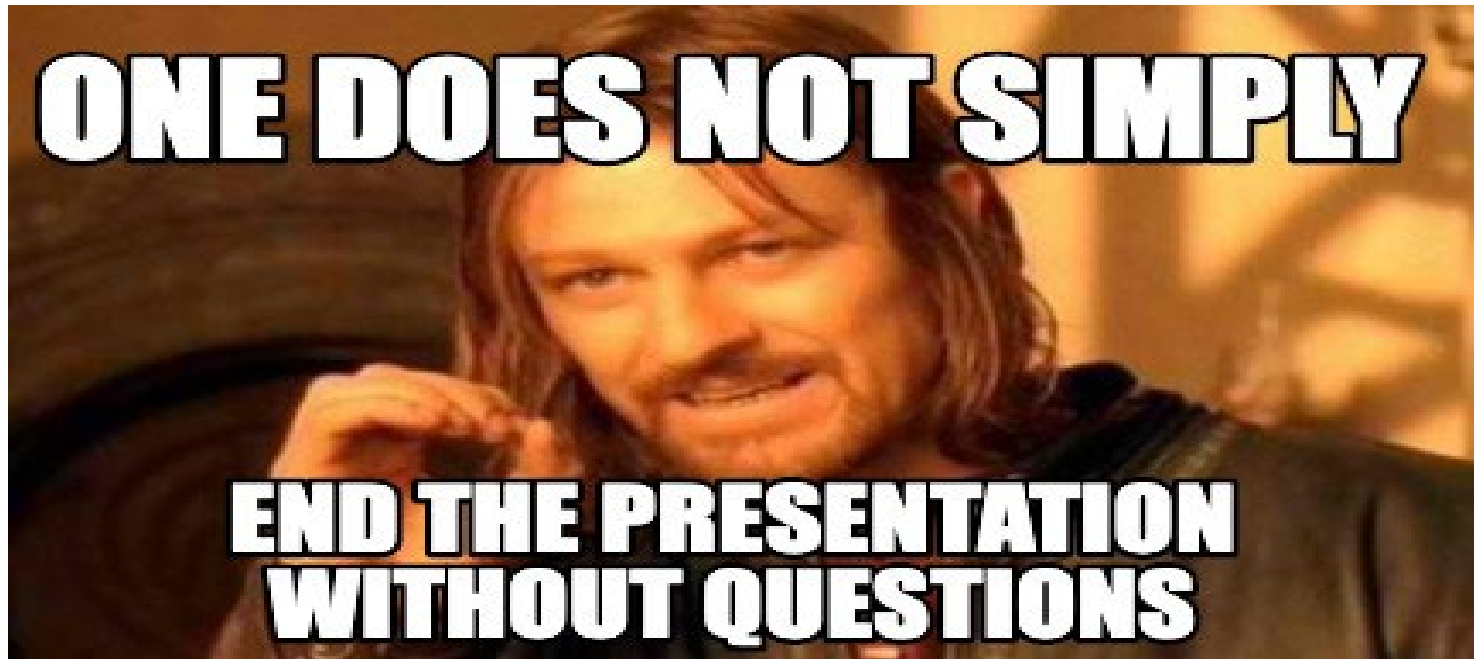
# Updates and Changes Ahead

- Implementing HUD's Climate Action Plan:  
<https://www.hud.gov/sites/dfiles/Main/documents/HUD-Climate-Action-Plan.pdf>
  - Modernizing Part 55, including the FFRMS
  - Changes to Parts 50 and 58, especially to integrate climate and EJ
  - Departmental and program-specific radon policies

# Updates and Changes Ahead

- Modernizing Noise Guidebook (pending clearance)
  - Fully searchable and easier to navigate
  - More accessible discussion of measurements and calculations
  - Defining outdoor noise-sensitive uses
  - LDAY metric





**THANK YOU!**