

April 19, 2023



Community Project Funding Program

Determining Level of Review, Environmental Roles and Responsibilities, and Overview of HEROS

Office of Environment and Energy



Overview

Agenda

- Roles & Responsibilities for Environmental Reviews
- Project Description & Aggregation
- Determining Level of Review
- Introduction to HEROS



Housekeeping

The session will be 75 minutes long

- 60 minutes of presentation
- 15 minutes at the end for Q&A
- Slides will be available after the presentation





Roles and Responsibilities for ERs

Part 58 ERs

- A HUD ER is required for all HUD-assisted projects, including those funded through Community Project Funding (CPF) grants
- ERs ensure that the proposed project does not negatively impact the surrounding environment and determine whether the property site will have an adverse environmental or health effect on end users
- Legal responsibility for Part 58 reviews taken on by a responsible entity (RE)
- RE: A state, unit of general local government, Indian tribe, Alaska Native Village, or the Department of Hawaiian Home Lands, when it is the recipient under the program
- Comprehensive review used to meet compliance with the National Environmental Policy Act (NEPA)
- [24 CFR 58—Environmental Review Procedures for Entities Assuming HUD Environmental Responsibilities](#) and [HUD Environmental Reviews](#) landing page



Overview of Roles and Responsibilities

- Grantee/Recipient
- RE
- Partners
- HUD Office of Environment and Energy (OEE)
- HUD Office of Community Planning and Development (CPD)
- Congressional Grants Division (CGD)



Grantee/Recipient

Responsibilities:

- Reaches out to local RE under Part 58 to conduct the review
- If the RE refuses to conduct the ER, reaches out to the OEE Officer for the next steps
- Provides any project information requested by the RE or OEE Officer
- Provides requested project info to the CGD Grant Officer to move forward with the Grant Agreement
- Provides copy of ER signature page or Authority to Use Grant Funds (AUGF) to CGD Grant Officer
- Carries out mitigation measures if required in ER



Responsible Entity

A state, unit of general local government, Indian tribe, Alaska Native Village, or the Department of Hawaiian Home Lands, when it is the recipient under the program

Responsibilities:

- Conducts ER for CPF grantees
 - Including any necessary consultations
 - Determines mitigation measures
- Prepares and publishes public notices when required
 - Notice of Intent to Request Release of Funds (NOI-RROF)
 - Finding of No Significant Impact (FONSI)
- Submits Request for Release of Funds and Certification (RROF/C) to HUD
- Receives AUGF from HUD and shares with grantee



Partners

A consultant hired by RE or grantee staff to prepare the ER

Responsibilities:

- Prepares the ER
- Prepares public notices
- Cannot make final environmental determinations
- Cost is eligible using CPF funds



Office of Energy and Environment (OEE)

HUD regional and field environmental officers

Responsibilities:

- Provides technical assistance to grantees and REs with ER requirements under Part 58
- Conducts ERs for CPF grantees under Part 50 (rare)



Community Planning and Development (CPD)

HUD department that administers CPD programs

Responsibilities:

- Receives the RROF
 - RROF Point of Contact
 - When ERs require an RROF, CPD processes and holds public objection/comment period
 - Not required for all reviews
- Issues the AUGF
 - Not required for all reviews



Congressional Grants Division (CGD)

HUD department that administers CPF grants

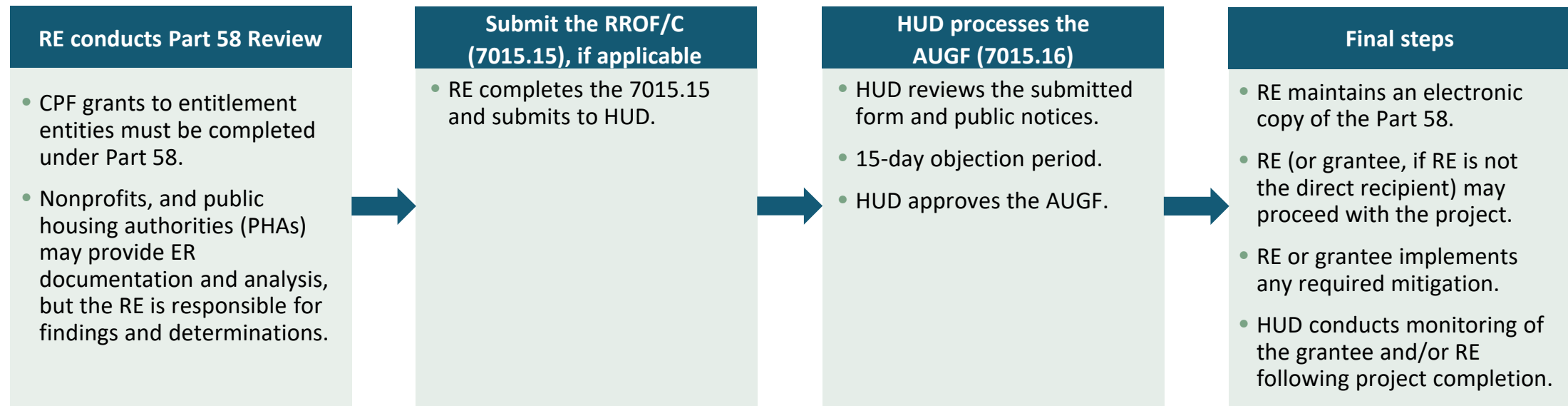
Responsibilities:

- Executes grant agreements
- Collects and tracks ER signature page or AUGF from grantee
 - Must receive prior to approving grantee requests for payment
- Determines whether projects only involve soft cost activities
 - Provides copies of the Part 50 nationwide soft cost Environmental Review Record (ERR) to the grantee



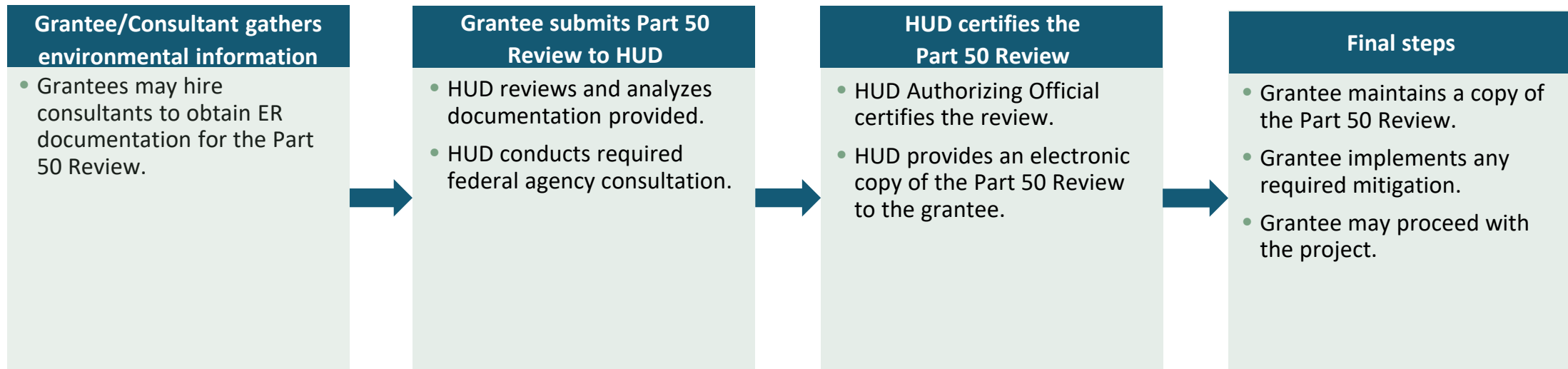
Environmental Review Process—Part 58

Under the Multifamily Housing Property Disposition Reform Act of 1994, REs are authorized to carry out federal ER responsibilities under the NEPA and related authorities pursuant to 24 CFR Part 58 for CPF grants.



Environmental Review Process—Part 50

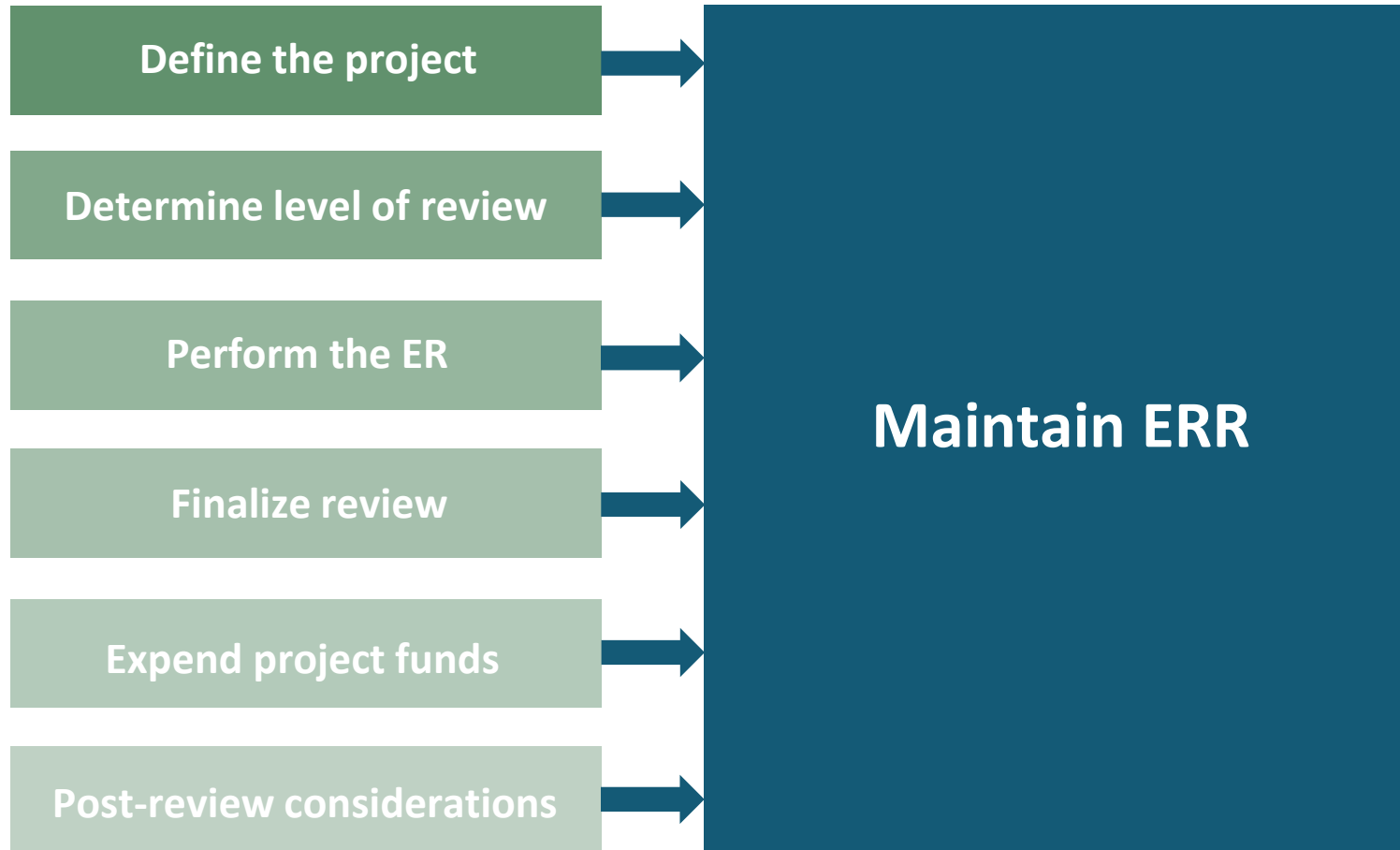
Nonprofit grantees and PHAs that cannot find an RE to complete the ER must request that HUD prepare a Part 50 Review.





Project Description & Aggregation

The Environmental Review Process



Project Description

- Capture the maximum anticipated scope of the proposal
- Include all contemplated actions that are a composite part of the project
- Description should cover the specific activities of the project
 - “This project will upgrade the HVAC systems and weatherize the windows for single-family units.”

vs.

- “The project will modernize single-family units.”
- Project aggregation (58.32)



Project Aggregation

- HUD's aggregation principles
- 24 CFR 58.32: "A responsible entity must group together and evaluate as a single project all individual activities which are related either on a geographical or functional basis, or are logical parts of a composite of contemplated actions."
- In deciding the most appropriate basis for aggregation when evaluating activities under more than one program, the RE may choose:
 - Functional aggregation when a specific type of activity (e.g., water improvements) is to take place in several separate locales or jurisdictions
 - Geographic aggregation when a mix of dissimilar but related activities is to be concentrated in a fairly specific project area (e.g., a combination of water, sewer, and street improvements and economic development activities)
 - Logical aggregation when activities are dependent on the inclusion and completion of other related activities.
 - A combination of aggregation approaches, which, for various project locations, considers the impacts arising from each functional activity and its interrelationship with other activities.



Project Aggregation and CPF

- Examples:
 - Functional aggregation (one type of activity in multiple locations)
 - Single-family rehabilitation
 - Scattered site projects
 - Geographic aggregation
 - New construction plus infrastructure
 - Acquisition and conversion of a property to a new use
 - Logical aggregation
 - Demolition of structure necessary to move forward with HUD-assisted new construction project
- Aggregation is essential for avoiding choice-limiting actions



Prohibition on Choice-Limiting Actions

24 CFR 58.22

Following the federal nexus, neither the grantee nor partners in the process may commit or spend HUD or non-HUD funds on physical or choice-limiting actions until the ER process is completed.

Examples of choice-limiting actions:

- Acquiring a property
- Entering into a contract or commitment
- Subrecipient agreements

FY22 Federal Nexus:

July 18–20, 2022

Date of receipt of the Letter of Invitation (LOI)

FY23 Federal Nexus:

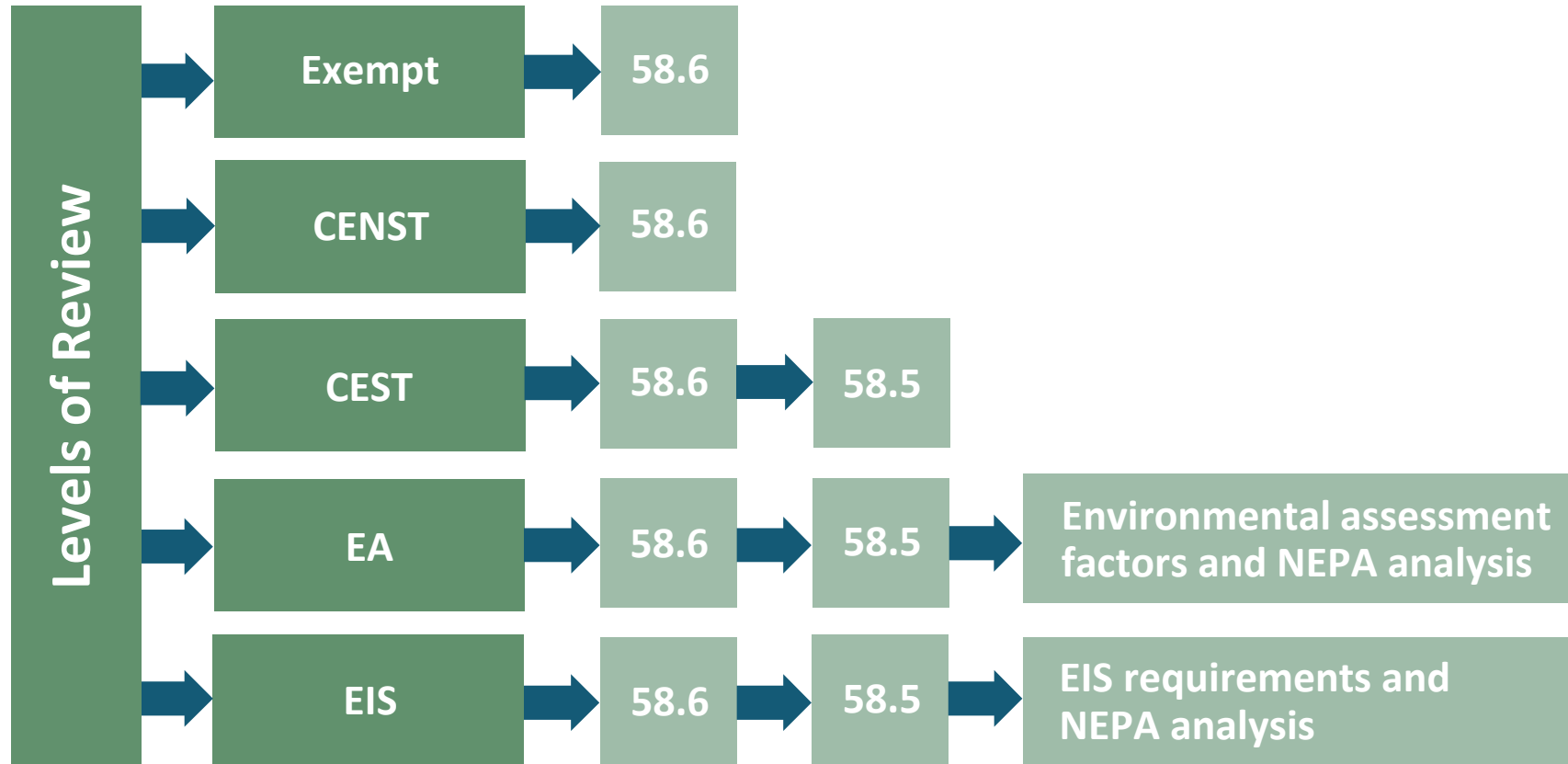
December 29, 2022

Date of legislative enactment



Determine Level of Review

Level of Review



Level of Review (cont.)

24 CFR 58.6 lists the following requirements for compliance

- Airport clear zones
- Coastal barrier resources
- Flood insurance

24 CFR 58.5 includes the following additional laws and authorities for compliance:

- Air quality
- Coastal zone management
- Endangered species
- Environmental justice
- Explosive and flammable facilities
- Farmlands protection
- Floodplain management
- Historic preservation
- Noise abatement and control
- Site contamination
- Sole source aquifers

Environmental assessments require an additional set of components for analysis, including environmental assessment factors and the NEPA analysis. More information, including a suggested format, can be found on the [Environmental Assessment](#) page.



Exempt Activities

- Listed in 24 CFR 58.34(a):
 - Environmental, planning, and design costs
 - Information and financial services
 - Administrative and management activities
 - Public services (no physical impact)
 - Inspections and testing properties for hazards or defects
 - Purchase of tools and insurance
 - Technical assistance and training
 - Payment of principal and interest
 - Temporary assistance for disaster or imminent threats
- For CPF grantees, Part 50 Nationwide Programmatic ER for Soft Costs was completed for most exempt activities
 - Reach out to the Grant Officer to confirm that your activity is covered
 - Covered soft costs are listed in the project description of the nationwide programmatic review for each fiscal year:
 - [FY22 Part 50 CPF-Soft-Costs-Nationwide-Programmatic ERR](#)
 - [FY23 Part 50 CPF-Soft-Costs-Nationwide-Programmatic ERR](#)



Categorically Excluded Not Subject To 58.5 (CENST)

- Listed in 24 CFR 58.35(b):
 - Tenant-based rental assistance
 - Supportive services (healthcare, housing placement)
 - Operating costs (utilities, supplies)
 - Economic development costs (non-construction)
 - Pre-development costs
 - Maintenance
 - Supplemental assistance
 - Used when a project has a previously completed Part 58 ER and receives additional HUD funds for the project
- For CPF grantees, Part 50 Nationwide Programmatic ER for Soft Costs was completed for most CENST activities
 - Reach out to the Grant Officer to confirm that your activity is covered



Categorical Exclusion Subject To 58.5 (CEST)

Listed in 24 CFR 58.35(a):

- Narrowly defined activities with physical impacts
 - Acquisition, leasing, or disposition of vacant land or existing buildings with no change in land use
 - Acquisition or leasing of public facilities with no change in land use
 - Removal of barriers that restrict mobility and accessibility to elderly and handicapped
- Rehabilitation, repair, and improvements
 - Public facilities and non-residential buildings: no change in land use, change in size or capacity < 20%
 - Multifamily residential: no change in land use, change in size or capacity < 20%, cost of rehab < 75% of cost of replacement after rehab
 - Single-family residential: no change in land use, density < 4 units, footprint not in floodplain or wetland
- New construction, reconstruction, and demolition
 - Individual action: single-family residential only
 - Maximum of 4 units, or Scattered site: 5+ units on sites 2,000+ ft apart, with no more than 4 units per site
- Requires public notice, RROF, and AUGF—if review does not convert to exempt



Environmental Assessment (EA)

- The default level of review if no exclusions apply
- Major rehabilitation
- Most new construction, reconstruction, or demolition
- Any change in land use
- Whenever no exclusion applies
- Requires public notice, RROF, and AUGF
- FONSI



Environmental Impact Statement (EIS)

- Listed in 24 CFR 58.37
- Finding of significant impact (FOSI)
- Projects affecting 2,500+ units or beds
- Large-scale infrastructure projects
- Recommended format: see Council on Environmental Quality (CEQ) regulations at 40 CFR 1502.10



Public Notices

- Inform the public of your intent to submit an RROF (HUD form 7015.15) for this project
- Local public comment period
- Opportunity to review ERR for the project
- Provide info to the public on HUD’s objection comment period

Type of Notice	Length of Comment Period
Notice of FONSI	15 days when published or 18 days when mailing and posting
NOI-RROF	7 days when published or 10 days when mailing and posting
Concurrent or combined notices	15 days when published Or 18 days when mailing and posting



Public Notices (cont.)

- After the comment period for the Notice of Intent is over, the RE must submit the RROF form 7015.15 to HUD via HEROS or via mail
- HUD RROF Point of Contact for CPF Grants
- Once the RROF is submitted to HUD, the 15-day HUD objection period begins
- After the comment period is over, HUD approves the RROF by issuing the AUGF
- The RROF may be disapproved (58.75) if any of the following conditions apply:
 - HUD has knowledge that the RE did not properly conduct the ER
 - HUD finds inaccuracies in the RROF or RROF/C
 - HUD receives valid public objections attesting to the inaccuracy or non-compliance of the ER



HEROS

- OEE has developed an online system for developing, documenting, and managing ERs
- REs are required to use HEROS to conduct ERs for CPF grants
- HEROS covers all levels of ER for both Part 58 and Part 50 projects and includes on-screen guidance for completing HUD ERs

HUD Environmental Review Online System (HEROS) HEROS version training-1334-6103af16

HEROS Home Guide to HEROS

My Environmental Reviews Reports Admin Logout

My Environmental Reviews (50/58)

HEROS integrates guidance and assistance into the environmental review format, but it is not a substitute for learning and understanding HUD's environmental review process and all environmental laws and authorities addressed in this system. Responsible Entities are encouraged to attend regular environmental trainings led by HUD staff and ensure that they are familiar with all relevant environmental laws and authorities. HEROS users remain responsible for ensuring that their environmental review records are accurate and complete.

Start a new environmental review Show All Show Reviews Assigned to Me

Select	Name of Project	City	State	Level of Review	Status	Mitigation Status	Last Updated MM/DD/YYYY	Assigned To	ER ID	Generate ERR	Cancel or Reopen	Part 50/58
<input type="radio"/>	1000-Main-Street		N/A		In progress	N/A	Wed Mar 29 11:46:30 EDT 2023	Vanessa Walters	900000010035642			Part 58
<input type="radio"/>	220-Center-Street		N/A		In progress	N/A	Wed Mar 29 11:32:57 EDT 2023	Vanessa Walters	900000010035640			Part 58
<input type="radio"/>	110-N-Main-St	Denver	CO	CENST	In progress	N/A	Tue Mar 28 14:29:21 EDT 2023	Vanessa Walters	900000010035638			Part 58

This system is to be used by local, state, and tribal governments, sub-recipients, applicants, and third-party providers who submit information to be used in the completion of environmental review records under 24 CFR Parts 50 and 58. HUD uses this information to monitor and approve requests for release of funds for environmental reviews completed pursuant to Part 58 and to complete environmental reviews under Part 50. The information collected is required to obtain and/or retain benefits. The information collected will not be held confidential. Public reporting burden for this collection of information is estimated to average 80 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.

OMB No. 2506-0202 This HEROS version was deployed on Fri Sep 9, 2022 at 9:28

HEROS Access

To obtain HEROS Access—

Step 1: Determine User Type

Step 2: Review HEROS Access Form Instructional Video

Step 3: Complete the HEROS Access Form

It typically takes 2–3 weeks for new requests to be processed. Once an account has been created, users will receive a HEROS welcome letter via email with their account information and instructions for accessing HEROS through the HEROS login page.



HEROS Resources

HUD Exchange—Environmental Reviews

- [HEROS User Guide](#)
- [“How To” Videos](#)
- [Archived Reviews](#)
- [Roles & Responsibilities](#)
 - Click through user types under HEROS availability

Home > Programs > Environmental Review > HEROS: HUD Environmental Review Online System

HEROS - HUD Environmental Review Online System

HUD's Office of Environment and Energy has developed an online system for developing, documenting, and managing environmental reviews. It covers all levels of environmental reviews for both Part 50 and Part 58 projects and includes on-screen guidance for completing HUD environmental reviews.

HEROS Availability

HEROS is available to the following user types:

Responsible Entity (RE) Users	+
HUD Users	+
Partner Users	+

How to Access HEROS

Access for REs, Partners, and Consultants	+
Access for HUD Staff	+

Environmental Review Records

HEROS increases transparency of environmental reviews by posting them for public review. *Environmental assessments and categorically excluded projects* completed through HEROS are posted online during public comment periods and archived for a year after completion.

[Search Environmental Review Records on HUD.gov](#)

Hours of Operation and Questions?

Hours: HEROS is available Monday to Saturday from 7:00A.M. – Midnight ET and on all federal holidays.

Password Resets: To reset your password for either the HEROS production or HEROS training site, contact HUD's information technology services (HITS) National Help Desk at (888) 297-8689 (Option 3). Users requesting a password must provide their B or C User ID and their Verification PIN Number.

Technical Assistance: If you need any assistance with HEROS, please submit your request through HUD Exchange Ask A Question (AAQ) so that HEROS staff can assist you.

- HEROS user account/access issues
- Technical issues/errors in HEROS
- Questions about how to use HEROS

[Ask a Question](#)

News

New HEROS Quick Guide Available: Completing a HEROS Access Form Request

Consultation, Review, and Comment on the Environmental Review Record in Response to COVID-19

Materials Posted: HEROS Frequently Asked Questions Webinar - August 6, 2020 - 1:00 PM EDT

Resources

HEROS Login

Environmental Review Partner Worksheets

FAQs

Training

[Webinars and "How To" Videos](#)

[User Guide](#)

[Quick Guides](#)

[Practice Using HEROS](#)



Resources

CPF ER Guidance and Scenarios:

- [FY22 CPF ER Guidance & Scenarios](#)
- [FY23 CPF ER Guidance & Scenarios](#)

CPF ER Process Guidance:

- [Guidance for Documenting the ERR for CPF Grants](#)

Reimbursement Eligibility:

- [FY22 CPF Cost Eligibility Chart](#)
- [FY23 CPF Cost Eligibility Chart](#)

HUD's Nationwide Part 50 Programmatic ERR for CPF Soft Costs:

- [FY22 Part 50 CPF-Soft-Costs-Nationwide ERR \(3/15/22\)](#)
- [FY23 Part 50 CPF-Soft-Costs-Nationwide ERR \(12/29/22\)](#)

CPF Environmental Review Resources:

- [HUD Environmental Review Landing Page](#)
- [CPF Grant Officer and Environmental Officer Contacts](#)
- [RROF points of contact for CPF Grants](#)
- [Ask A Question Help Desk for CPF](#)
- [Sample Memorandum of Agreement Between Responsible Entity and CPF Non-Profit Grantee](#)



Frequently Asked Questions

- How will I know when the ER requirements for my project have been met?
- How long after the ER is complete will I be able to start work for my project?
- How do I know if public notice, RROF, and AUGF requirements apply to my project?
- Can we pay for the ER using CPF funds?
- What if my local government refuses to act as RE to complete the ER for my project?
- If we already have a completed ER for our project, do we need to do another review?
- What am I required to do if funds are received for a project that is already underway?
- I have a completed ER, but I do not have an executed Grant Agreement. Can I start using HUD funds?





Questions?

[HUD's Ask A Question \(AAQ\) Help Desk for CPF](#)



Next Webinar: May 3, 2023 1:00 P.M. EST

Federal Nexus & Prohibition of Choice-Limiting Actions for CPF Grantees