

Appendix A

Instructions for Completion of Youthbuild

Environmental Requirements

(Exhibit 2C(15))

A. Instructions to Applicants

1. If you propose to use Youthbuild funds to cover any costs of the lease, acquisition, rehabilitation, or new construction or real property, you shall submit all relevant environmental information in your application to support HUD decisionmaking in accordance with the environmental procedures and standards described in 24 CFR 585.307. For each proposed Youthbuild property for which HUD environmental procedures apply, you are to prepare a separate Exhibit 2C(15) in which you supply HUD with environmental threshold information and letters from qualified data sources (see definition below) which support the information. HUD will review your submission and determine how, if necessary, HUD will comply with any federal laws and authorities that may be applicable to your property proposed for Youthbuild funding. If environmental procedures apply and Exhibit 2C(15) with supporting documentation is not included then the application will be deemed ineligible.

You are to follow these instructions for preparing Exhibit 2C(15). The instructions advise you on how to obtain and document certain information to be supplied to HUD in this exhibit. Before selecting a property for Youthbuild funding, you should read these instructions and be advised that HUD encourages you to select, to the extent practicable, properties and locations that are free of environmental hazards and problems discussed in these instructions. The responses to the environmental criteria in Exhibit 2C(15) will be used to determine environmental approval or disapproval by HUD of proposals for physical development of properties.

2. After selecting a property for proposed Youthbuild funding, you are to determine the activities to be undertaken with your Youthbuild funds. You are to indicate in Section E whether the Youthbuild funds will be used for:

- a. Lease or purchase of a property;
- b. Minor rehabilitation;
- c. Major rehabilitation; or
- d. New construction of housing.

The activities proposed for Youthbuild funding will determine the kind of data that you will need to obtain from a qualified data source in order to complete Exhibit 2C(15).

3. Once you have selected a property and determined the activities for Youthbuild funding, you are advised to check with your city or county agency that administers HUD's Community Development Block Grant program and performs environmental reviews, or the local planning agency. This course of action is recommended in view of the fact that most, if not all of the data needed for preparing Exhibit 2C(15) is readily available from the local community development agency and the local planning agency. You are advised to ask the environmental staff of those agencies the following questions:

- a. Has the agency ever prepared an environmental review of the

proposed Youthbuild property or the neighborhood in which the property is located, and if so, would it provide a copy to the applicant for use by HUD;

b. Would the agency assist you in completing section G; or if the agency is not able to help complete any item in section G, would the agency advise you which local or state agency is the appropriate qualified data source for obtaining the information.

Also, you should check with the local planning agency before proceeding elsewhere for the information.

You are advised that the cost of preparing information and analyses needed for Exhibit 2C(15) is an eligible cost under the Youthbuild program and is reimbursable if you are approved for a grant.

4. Key terms used in these instructions are defined in the following section. Most of the other terms are technical and their definition would be known to qualified data sources.

a. Qualified data source means any federal, state, or local agency with expertise or experience in environmental protection (e.g., the local community development agency; the land planning agency; the state environmental protection agency; the State Historic Preservation Officer) or any other source qualified to provide reliable information on the particular subject. Please attach a letter supporting the information from each qualified data source to Exhibit 2C(15).

b. Minor rehabilitation refers to proposed repairs and renovations to

(1) A building for residential use (with one to four units):

(a) Where the density is not increased beyond four units;

(b) Where the land use is not changed; and

(c) Where the footprint of the building is not increased in a floodplain or in a wetland; or

(2) A multifamily residential building (with more than four units):

(a) Where the unit density is not changed more than 20 percent;

(b) Where the land use is not changed to non-residential; and

(c) Where the estimated cost of rehabilitation is less than 75 percent of the total estimated cost of replacement after rehabilitation.

c. Major rehabilitation refers to proposed repairs and renovations to:

(1) An existing building for residential use with one to four units:

(a) Where the density is increased beyond four units;

(b) That involves changes in land use; or

(c) Where the footprint of the building is increased in a floodplain or in a wetland.

(2) An existing multifamily building (with five or more units):

(a) Where the estimated cost of the work is 75 percent or more of the estimated cost of replacement after completion;

(b) That involves changes in land use from residential to nonresidential, or from nonresidential to residential; or

(c) That increases unit density by more than 20 percent.

d. Multifamily housing means any residential building that contains five or more apartments or rooming units.

e. Single family housing means any residential building that contains one-to-four dwelling units.

Because each federal environmental law or authority has

compliance requirements that differ according to the type of proposed activity to be funded, you are required to supply information in Exhibit 2C(15) only for the type of activity for which the Youthbuild grant will be used.

f. If you propose new construction or major rehabilitation of multifamily housing or major rehabilitation of single family housing, you must supply complete and reliable environmental threshold information for items 1 through 13 in section G.

g. If you propose new construction of single family housing, you must supply complete and reliable environmental threshold information for items 1 through 12 in section G.

h. If you propose minor rehabilitation of multifamily or single family housing, or the purchase or lease of a property, you must supply complete and reliable environmental threshold information for items 1 through 7 in section G.

5. Applicants subject to HUD's environmental procedures are to submit Exhibit 2C(15) and accompanying documentation to HUD with the applications for grant assistance. Such applicants are prohibited from committing or expending state, local, or other funds in order to undertake property rehabilitation, construction (including demolition), or acquisition (including lease), until HUD and the grantee execute a grant agreement for the proposed Youthbuild project.

6. HUD reserves the right to disqualify any application where one or more environmental thresholds are exceeded if HUD determines that the compliance review cannot be conducted and satisfactorily completed within the HUD review period for Youthbuild applications.

B. Environmental Threshold and Documentation Requirements

The threshold and documentation requirements for each of the federal environmental laws and authorities are described below, following the same order as they appear in section G.

1. Site Within Designated Coastal Barrier Resources

Threshold: Youthbuild applicants are prohibited by federal law from using federal financial assistance for properties if the properties are located within designated coastal barriers of the Atlantic Ocean, Gulf of Mexico, and the Great Lakes (Coastal Barrier Resources Act, 16 U.S.C. 3501).

* Documentation: You are to select either A or B for the condition that best describes the property and report the option selected in item 1 of section G.

A. Your program operates in a community that does not contain any shores along the Atlantic Ocean, the Gulf of Mexico, or the Great Lakes.

B. Your program operates in a community that does contain shores along the Atlantic Ocean, the Gulf of Mexico, or the Great Lakes. You must provide HUD with a finding made by a qualified data source stating that the proposed property is not located within a designated coastal barrier resource by citing the map panel number of the official maps issued by the Department of the Interior (DOI) on the basis of which the finding was made.

2. Site Contaminated With Toxic Chemicals and Radioactive Materials

Threshold: Under HUD policy, as described in 24 CFR 50.3 (i), HUD will not approve the provision of financial assistance to residential properties on sites where contamination could affect the health and safety of occupants or conflict with the intended utilization of the property. Sites known or suspected to be contaminated by toxic chemicals or radioactive materials include, but are not limited to, sites: (i) listed on either an EPA Superfund National Priorities List (NPL) or CERCLA (Comprehensive Environmental Response, Compensation, and Liability Act) List, or equivalent state list; (ii) located within 3,000 feet of a hazardous or solid waste landfill site; or (iii) with an underground storage tank (which is not a residential fuel tank).

* Documentation: You are to select either A or B for the condition that best describes property and report the option selected in item 2 of section G.

A. You are providing HUD with a finding made by a qualified data source stating that the proposed Youthbuild property and any neighboring properties do not contain any sites known or suspected to be contaminated with toxic chemicals and radioactive materials.

B. You are providing any site contamination data by a qualified data source in your letter for HUD's evaluation of contamination and/or suspicion of any contamination of a proposed property or any neighboring properties.

3. Site Affecting a Floodplain

Threshold: A property located within a floodplain and proposed for funding is subject to Executive Order 11988, Floodplain Management. The Executive Order directs HUD to avoid, where practicable, proposed financial support for any floodplain property, whenever HUD has options to approve properties in flood-free locations. The Order does not apply to existing single family properties proposed for purchase or lease except for: (a) Property that is located within a floodway or coastal high hazard area; and (b) substantial improvement. Substantial improvement for flood hazard purposes means any property rehabilitation which: (i) increases the unit density of the property; or (ii) equals or exceeds 50 percent of the market value of the property before rehabilitation, but excluding the costs for correcting health, sanitary, and safety code violations. Note: Proposed funding for substantial improvement and new construction are subject to the Executive Order decisionmaking process. This may result in a disqualification of your application (refer above to number 7 under ``Instructions to Applicants``).

* Documentation: You are to select A or B for the condition that best describes your property and report the option selected in item 3 of section G.

A. You are providing HUD with a finding made by a qualified data source stating that the property is not located within the Special Flood Hazard Area (SFHA).

B. You are providing HUD with a finding made by a qualified data source that the property is located within the Special Flood Hazard Area (SFHA) and indicating if the property is located within a floodway or coastal high hazard area.

The information for A and B must provide HUD with the flood map panel number obtained either from the official maps issued for the National Flood Insurance Program or from the property appraisal

report used to make the finding.

For all proposed rehabilitation of properties that are located within a SFHA, you must provide HUD with estimates of: (1) the property value before rehabilitation, and (2) the cost of the proposed rehabilitation. Provide the estimates in section F.

If the property is found to be located within a SFHA, proceed to item 4 on flood insurance protection. Otherwise proceed to item 5.

4. Building Requiring Flood Insurance Protection

Threshold: HUD will estimate the amount and period of flood insurance coverage that is to be made a condition of approval of any HUD financial assistance for a building located within a Special Flood Hazard Area (SFHA). The Flood Disaster Protection Act of 1973 requires owners of HUD-assisted buildings to purchase and maintain flood insurance protection as a condition of approval of any HUD financial assistance for the proposed purchase, rehabilitation, or new construction of any SFHA building. The law prescribes the coverage period and dollar amount of flood insurance protection.

Proof of Purchase of Flood Insurance Protection: You must provide HUD with proof of purchase of flood insurance protection for any proposed Youthbuild building located within the SFHA, whenever HUD funding is being used for property purchase, rehabilitation, or new construction. The standard documentation for compliance is the Policy Declarations form issued by the National Flood Insurance Program (NFIP) or issued by any property insurance company offering coverage under the NFIP. Whenever the requirement applies to coverage that extends to future years, the grant agreement will require that the insured have its insurer automatically forward to HUD, in the same manner as to the insured, an information copy of the Policy Declarations form, which is used to verify compliance.

* Documentation: You are to select either A or B for the condition that best describes your property and report the option selected in item 4 of section G.

A. You already own the property and attach a copy of the Policy Declarations form confirming that a current flood insurance policy is in effect and the policy provides adequate coverage for the building proposed for the Youthbuild project located within the Special Flood Hazard Area.

B. After you have purchased (or constructed, in the case of proposed new construction) the Youthbuild property, you must obtain and maintain flood insurance protection. For the term and amount of coverage prescribed by law, you must provide HUD with a copy of the Policy Declarations form confirming that the flood insurance policy is in effect and the policy provides adequate coverage for the Youthbuild building located within the Special Flood Hazard Area.

5. Site Within Clear Zones or Accident Potential Zones of Airports and Airfields

Threshold: HUD policy as described in 24 CFR part 51, subpart D applies to HUD approval of financial assistance to: (a) properties located within clear zones; and (b) in the case of new construction or major rehabilitation, properties located within accident potential zones.

(a) Clear zones: New construction and major rehabilitation of a property that is located on a clear zone site is prohibited. HUD

financial assistance in a clear zone is allowed only for the proposed lease, purchase, or minor rehabilitation of properties (24 CFR 51.302(a)). For HUD funding approval for any property in a clear zone: (a) HUD will give advance written notice to the prospective property buyer in accord with 24 CFR 51.303(a)(3); and (b) a copy of the HUD notice signed by the prospective property buyer will be placed in the property file. The written notice informs the prospective property buyer of: (i) the potential hazards from airplane accidents, which studies have shown more likely to occur within clear zones than in other areas around the airport/airfield; and (ii) the potential acquisition by airport or airfield operators, who may wish to buy the property at some future date as part of a clear zone acquisition program.

(b) Accident potential zones: For properties located within the accident potential zone (APZ), HUD shall determine whether the use of the property is generally consistent with Department of Defense ``Land Use Compatibility Guidelines for Accident Potential Zones.''

* Documentation: You are to select either A or B for the condition that best describes your property and report the option selected in item 5 of section G.

A. The property is not located within 3,000 feet of a civil airport or military airfield.

B. If your property is located within 3,000 feet of a civil airport or military airfield, you must provide HUD with a finding from the airport operator stating whether or not the property is located within a runway clear zone at a civil airport, or a clear zone or accident potential zone at a military airfield.

For properties that are located within a runway clear zone or a clear zone or accident potential zone, if you propose to rehabilitate such a property you must provide HUD with estimates of: (i) the cost of the proposed rehabilitation, and (ii) the property value after completion of the rehabilitation. The estimates are to be provided in section F.

6. Site Is or Affects an Historic Property

Threshold: Only if a property is proposed for rehabilitation or new construction must HUD in consultation with the State Historic Preservation Officer (SHPO), and following the Department of the Interior's Standards and Guidelines for Evaluation, make a determination whether the property is:

- a. Listed on or formally determined to be eligible for listing on the National Register of Historic Places;
 - b. Located within or directly adjacent to an historic district;
- or
- c. A property whose area of potential effects includes an historic district or property.

Historic properties and districts are subject by law to special protection and historic preservation processing, which HUD must perform to comply with the regulations of the Advisory Council on Historic Preservation (ACHP: 36 CFR part 800). Note: If you are using information from the SHPO as a qualified data source you need to allow sufficient time to obtain the information from the SHPO. You may wish to make special arrangements with the SHPO for rapid review of the proposed property where this is practicable. In addition, for properties determined to be historic properties, HUD will require 30 to 90 days in most cases for HUD to perform historic

preservation compliance with the ACHP regulations. This may result in a disqualification of the application (refer above to number 7 under ``Instructions to Applicants``).

* Documentation: You are to select one of the following options that best describes the condition of your property and report the option selected in item 6 of section G.

A. You propose financial assistance for rehabilitation or new construction, and are providing HUD with a SHPO's finding that the proposed Youthbuild activity:

1. Is located within an area where there are no historic properties; or
2. Will have no effect on historic properties; or
3. Will have an effect on historic properties not considered adverse

B. You propose financial assistance for rehabilitation or new construction, and are providing HUD with a SHPO's finding that the proposed Youthbuild activity will have an adverse effect on historic properties.

C. You are providing HUD with a copy of a letter from the SHPO stating any reason for not being able to provide you with the requested information and finding.

7. Site Near Hazardous Industrial Operations

Threshold: Properties that are located near hazardous industrial operations handling fuels or chemicals of an explosive or flammable nature are subject to HUD safety standards (24 CFR 51, subpart C). However, under the Youthbuild program, these standards would apply only if you propose: (a) Construction of a building; (b) conversion of a non-residential land use to a residential land use including making habitable a building condemned for habitation; or (c) rehabilitation that increases the density of a residential structure by increasing the number of dwelling or rooming units. In the case of tanks containing common liquid fuels, the requirement for an acceptable separation distance (ASD) calculation only applies to storage tanks that have a capacity of more than 100 gallons.

* Documentation: You are to select one of the following options that best describes the condition of the property, and report the option selected in item 7 of section G.

A. The proposed project does not include: (1) Construction of a building; (2) conversion of a non-residential land use to a residential land use including making habitable a building condemned for habitation; or (3) rehabilitation that increases the density of a residential structure by increasing the number of dwelling or rooming units.

B. The proposed project includes: (1) Construction of a building; (2) conversion of a non-residential land use to a residential land use including making habitable a building condemned for habitation; or (3) rehabilitation that increases the density of a residential structure by increasing the number of dwelling or rooming units; and you are providing HUD with a finding by a qualified data source that the proposed property is not located within the immediate vicinity of hazardous industrial operations handling fuel or chemicals of an explosive or flammable nature by citing data used and the maps used.

C. The applicant proposes: (1) Construction of a building; (2)

conversion of a non-residential land use to a residential land use including making habitable a building condemned for habitation; or (3) rehabilitation that increases the density of a residential structure by increasing the number of dwelling or rooming units. The grantee provides HUD a finding made by a qualified data source stating: (1) That the proposed property is located within the immediate vicinity of hazardous industrial operations handling fuel or chemicals of an explosive or flammable nature; (2) the type and scale of such hazardous industrial operations; (3) the distance of such operations from the proposed property; (4) a preliminary calculation of the acceptable separation distance (ASD) between such operations and the proposed property; and (5) a recommendation as to whether it is safe to use the property in accord with 24 CFR part 51, subpart C.

8. Site Near High Noise Source

Threshold: For new construction that is to occur in high noise areas (i.e., exceeding 65 decibels), applicants shall incorporate noise attenuation features to the extent required by HUD environmental criteria and standards contained in subpart B (Noise Abatement and Control) of 24 CFR part 51. Approvals in a Normally unacceptable noise zone require a minimum of 5 decibels additional sound attenuation for buildings having noise-sensitive uses if the day-night average sound level is greater than 65 decibels but does not exceed 70 decibels, or a minimum of 10 decibels of additional sound attenuation if the day-night average sound level is greater than 70 decibels but does not exceed 75 decibels.

Proposed housing sites with above 75 decibels are unacceptable and the noise attenuation measures require the approval of the Assistant Secretary for Community Planning and Development. In Unacceptable noise zones, HUD strongly encourages conversion of noise-exposed sites to non-housing land uses compatible with the high noise levels.

For major rehabilitation projects involving five or more dwelling units located in the ``Normally Unacceptable'' and ``Unacceptable'' noise zones, HUD actively seeks to have project sponsors incorporate noise attenuation features, given the extent and nature of the rehabilitation being undertaken and the level of exterior noise exposure.

*Documentation: You are to select A or B for the condition that best describes their project and report the option selected in item 8 of section G.

A. You are providing HUD with a finding made by a qualified data source stating that the property proposed by the applicant for a major rehabilitation or new construction project involving five or more dwelling units is not located within: (1) 1,000 feet of a major noise source, road, or highway; (2) 3,000 feet of a railroad; or (3) 1 mile of a civil or 5 miles of a military airfield.

B. The applicant provides HUD with a finding made by a qualified data source: (1) stating that the plans for the property proposed by the applicant for a major rehabilitation or new construction project involving five or more dwelling units will incorporate noise attenuation features in accord with HUD environmental criteria and standards contained in subpart B (Noise Abatement and Control) of 24 CFR part 51; (2) stating whether the property is located within a ``Normally Unacceptable'' or ``Unacceptable'' noise zone; and (3)

providing HUD plans and a statement of the anticipated interior noise levels.

9. Site Affecting Coastal Zone Management

Threshold: Only for proposed activities involving new construction or major rehabilitation of multifamily housing does the Coastal Zone Management (CZM) authority apply. Projects that can affect the coastal zone must be carried out in a manner consistent with the approved state coastal zone management program under section 307 of the Coastal Zone Management Act of 1972, as amended.

*Documentation: You are to select either A or B for the condition that best describes the project and report the option selected in item 9 of section G.

A. You state that your project is not located within a coastal zone, as defined by the States Coastal Zone Management Plan.

B. If your project is located within a coastal zone, you are providing HUD with a finding made by the state coastal zone management agency that the project proposed by the applicant is consistent with the approved state coastal zone management program.

10. Site Affecting a Sole Source Aquifer

Threshold: The sole source aquifer authority applies primarily to activities involving proposed new construction or conversion to housing of non-residential property. Projects that can affect aquifers designated by the Environmental Protection Agency (EPA) must be reviewed for impact on such designated aquifer sources. The Safe Drinking Water Act of 1974 requires protection of drinking water systems that are the sole or principal drinking water source for an area and which, if contaminated, would create a significant hazard to public health.

*Documentation: You are to select either A or B for the condition that best describes the project and report the option selected in item 10 of section G.

A. You are providing HUD with a finding made by a qualified data source stating that the proposed property is not located on nor does it affect a sole source aquifer designated by EPA.

B. If your project proposes new construction or conversion activities that are located on or may affect any sole source aquifer designated by the EPA, you are identifying the aquifer and providing HUD with an explanation of the effect on the aquifer from a qualified data source, and/or a copy of any comments on the proposed project that have been received from the EPA Regional Office as well as from any state or local agency with jurisdiction for protecting the drinking water system.

11. Site Affecting Endangered Species

Threshold: The Endangered Species Protection (ESP) authority applies primarily to activities involving proposed new construction or conversion to housing of a non-residential property. Projects which can affect listed or proposed endangered or threatened species or critical habitats require consultation with the Department of the Interior or the Department of Commerce in compliance with the procedure of section 7 of the Endangered Species Act of 1973, as amended.

*Documentation: You are to select either A or B for the condition that best describes the property and report the option selected in item 11 of section G.

A. If your project proposes new construction or conversion activities, you are providing HUD with a finding made by a qualified data source that the project is not likely to affect any listed or proposed endangered or threatened species or critical habitat. The finding shall indicate whether the project is located within a critical habitat, and if so, explain why the project is not likely to affect the species or habitat.

B. If your project proposes new construction or conversion activities that are likely to affect listed or proposed endangered or threatened species or critical habitat, you are providing HUD with a statement from a qualified data source explaining the likely effect, and/or a finding made by the Fish and Wildlife Service of the Department of the Interior or the National Marine Fisheries Service of the Department of Commerce stating as acceptable the proposed mitigation that you will provide to protect any affected endangered or threatened species or critical habitat.

12. Site Affecting a Designated Wetland

Threshold: New construction or conversion to housing of a non-residential property located within a designated wetland is subject to Executive Order 11990, Protection of Wetlands. This Executive Order directs HUD to avoid, where practicable, financial support for new construction on wetland property. Note: Proposed funding for new construction or conversion is subject to the Executive Order decisionmaking process. This may result in a disqualification of the application (refer above to number 7 under ``Instructions to Applicants``).

*Documentation: You are to select A or B for the condition that best describes the property and report the option selected in item 12 of section G.

A. You are providing HUD with a finding made by a qualified data source stating that the property is not located within a designated wetland where new construction or conversion is proposed.

B. You are providing HUD with a finding made by a qualified data source that the property is located within a designated wetland, which applies only to property where new construction or conversion is proposed.

The information for A and B must provide HUD with the wetland panel number obtained from official maps issued by the Department of the Interior on the basis of which the finding was made, or where the Department of the Interior has not mapped the area, a letter or other documentation from the Army Corps of Engineers, or other federal agency.

13. Significant Impact to the Human Environment.

Threshold: HUD must perform an environmental assessment of any property proposed for either:

a. Major rehabilitation of:

(1) Multifamily residential buildings (with more than four units) that would: increase unit density by more than 20 percent, change the land use, or cost 75 percent or more of the total estimated cost of replacement after rehabilitation; or

(2) Buildings for residential use (with one to four units) that would increase density beyond four units, change the land use, or increase the footprint of the building in a floodplain or in a wetland;

b. New construction except for (A) an individual action on up to four dwelling units where there is a maximum of four units on any one site (The units can be four one-unit buildings or one four-unit building or any combination in between); and (B) an individual action on a project of five or more housing units developed on scattered sites, when the sites are more than 2,000 feet apart and there are not more than four housing units on any one site. It is the policy of the Department to reject proposals that have significant adverse environmental impacts and to encourage the modification of projects in order to enhance environmental quality and minimize environmental harm. This policy is authorized by the National Environmental Policy Act (NEPA) and the implementing regulations of the Council on Environmental Quality and HUD's Environmental regulations at 24 CFR part 50.

*Documentation: You are to provide HUD with any information on any adverse environmental impacts that affect the property or that the project would create. You are to report these data on a separate sheet and attach it to Exhibit 2C(15). Examples of adverse impacts are: soil instability and erodibility; natural or person-made hazards and nuisances; air pollution; inadequate infrastructure (e.g., water supply, waste water treatment, storm water management, solid waste collection), inadequate public services (i.e., fire, police, health care, social services, schools, parks) and transportation; and encroachment on prime farmlands and wild and scenic river areas. You are to identify any significant impacts to the human environment.