



TEXAS GENERAL LAND OFFICE

Environmental Review Guidance for HUD-Assisted Projects

COMMISSIONER DAWN BUCKINGHAM, M.D.

The U.S. Department of Housing and Urban Development (HUD) requires compliance with the National Environmental Policy Act (NEPA) and agency regulations before funds can be committed to, or spent on, any project. This document provides guidance on the environmental review process, tips for a successful environmental review, and potential common errors that may delay the review.

Due to strict deadlines imposed by HUD, it is critical to complete the environmental review quickly while remaining compliant with 24 CFR 58 environmental regulations.

1) Part 58 Environmental Process Overview

HUD Part 58 requirements are prescriptive and detailed. However, federal compliance can be completed promptly if appropriately managed by environmental professionals familiar with the process. The level of review needed for a project should be identified in the application phase, and many of the required sections can be completed before the engineering 30% design is completed. *General information about the Part 58 review process and templates for various levels of review can be found on [HUD's Environmental Review website](#).*

2) Recent Rule Changes

As this program will require time-sensitive environmental reviews, it is *imperative subrecipients are aware of recent rule changes impacting Part 58 reviews*.

- a) *The most significant rule change involves HUD updates to floodplain management regulations at 24 CFR 55 (effective June 24, 2024).* The primary change involves identifying the Federal Flood Risk Management Standard (FFRMS) floodplain rather than relying solely on FEMA flood maps. The GLO Environmental Oversight team created the [GLO FFRMS Guide](#), a detailed guidance document to help applicants.
- b) New regulations for NEPA procedures, including the required completion of an Environmental Assessment (EA) level of review within one year and a page limit for the main body of the EA of 75 pages went into effect May 1, 2024. More details about these revised NEPA regulations can be found in HUD's [NEPA Guidance](#).
- c) HUD has issued a departmental policy for addressing radon in the environmental review process, most specifically for housing projects. More information can be found online in HUD's [Radon Policy](#).

3) GLO CDR Environmental Policy Memos

GLO requires all applicable subrecipients to sign the following policy memos that provide information on how to *avoid two crucial items that have previously led to compliance violations*.

- a) **Choice Limiting Actions** – Per 24 CFR 58.22, choice-limiting actions are activities that could have an adverse environmental impact or limit the choice of reasonable alternatives prior to the completion of an environmental review (e.g., starting construction or acquiring a property prior to environmental clearance).
- b) **Project Re-Evaluations** – Per 24 CFR 58.47, re-evaluations are required when there is a change to the project scope or environmental impact.



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✓ Best Practices

- a) *Ensure early coordination or consultation with regulatory agencies.* Most reviews require coordination with regulatory agencies such as the United States Army Corps of Engineers (USACE), Texas Historical Commission, or United States Fish and Wildlife Service. Regulatory consultation or coordination could extend the timeline, making meeting program-specific benchmarks challenging.
- b) An environmental constraints analysis and/or regulatory tracking schedule can determine potential issues prior to preparing an official environmental review and during the application process. This determines if any activities are ineligible and provides information needed to plan milestones for the completion of the environmental review.
- c) Per the policy memos above, committing choice-limiting actions or not preparing adequate project re-evaluation documents are common errors encountered.
- d) Failure to identify critical actions could significantly impact a project, as there are limitations on critical actions built in certain flood zones. More information can be found on HUD's [Critical Actions](#) page.
- e) HUD assistance for projects in a floodway, a limit of moderate wave action, or in a coastal high-hazard area is very limited. Any proposed activity in these areas should be verified to see if using federal funds is permissible.
- f) If any previous environmental studies have been completed within the project area, the conclusions and any relevant information can potentially be adopted for the environmental review.
- g) Per 24 CFR 58.32, project activities must be appropriately aggregated either functionally, geographically, or a combination of both. Due to the time constraints of this program, the proper aggregation of project activities will need to be considered.
- h) The project description must be detailed enough to define the horizontal and vertical extent of the project activities clearly.
- i) Ensure that the project activities are consistent with the GLO-approved contracts performance statement.
- j) [HUD's Environmental Review Process Flowchart](#) can help you determine the appropriate level of review needed for your project.

With proper planning and execution, the environmental review process can be completed (typically in less than six months) while ensuring ample time to meet other program deadlines. Utilization of professionals familiar with Part 58 rules and regulations can expedite the process. Engineering planning, regulatory consultation, or other special circumstances that can lead to potential delays should be considered during the application phase (Ex, USACE permitting) in order to determine if the environmental review can realistically fit into the timeline required by the grant. [The Environmental Review Mapping Application \(ERMA\)](#) is a resource for preparing a constraints analysis.

The Environmental Oversight team is available for technical assistance via email at env.reviews@recovery.texas.gov.