



**U.S. Department of Housing and Urban
Development**

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Environmental Review for Activity/Project that is Categorically Excluded Subject to Section 58.5 Pursuant to 24 CFR 58.35(a)

**This is a suggested format that may be used by Responsible Entities to document completion of a
Categorically Excluded Subject to Section 58.5 environmental review.**

Project Information

Project Name: Gorman Place Apartments

Responsible Entity: KY Department for Local Government (DLG)

Grant Recipient (if different than Responsible Entity): Winterwood Development

LLC State/Local Identifier: 21D-029

Preparer: Jennifer Peters, Branch Manager, DLG

Certifying Officer Name and Title: Matt Sawyer, Commissioner, DLG

Consultant (if applicable): Fahe

Direct Comments to:

Jennifer Peters, DLG,
100 Airport Rd., 3rd Floor, Frankfort, KY 40601
Jennifer.peters@ky.gov

Project Location: 535 Gorman Hollow Road, Hazard, Perry County, KY 4170

Description of the Proposed Project [24 CFR 50.21 & 58.32]:

This project has received CDBG-DR funding to acquire and renovate Gorman Place Apartments, an existing 32-unit affordable housing development located at 535 Gorman Hollow Road, Hazard, Kentucky 41701. Gorman Place has been in service since 1988 and currently has significantly deferred capital maintenance. Project activities include repairing roofing, gutters, balconies, as well as the addition of swells and ground drains to properly drain water away from buildings. Following rehabilitation, each unit will include upgraded patio doors, water heaters, HVAC systems, kitchen/bath cabinets, and plumbing and light fixtures. Additionally, site improvements include the renovation of an existing playground and common grill space. The total project budget is \$4,755,042 (\$3,200,000 of CDBG-DR funding and \$1,555,042 of various funding sources).

Level of Environmental Review Determination:

Categorically Excluded per 24 CFR 58.35(a), and subject to laws and authorities at §58.5: _____

Funding Information

Funding Number	HUD Program	Funding Amount
22D-005	CDBG-DR	\$3,200,000

Estimated Total HUD Funded Amount: \$3,200,000

Estimated Total Project Cost (HUD and non-HUD funds) [24 CFR 58.32(d)]:

Source	Amount
CDBG-DR	\$3,200,000
Equity	\$685,856
RD 538 Loan	\$330,100
Deferred Developer Fee	\$120,000
RD Assumed 515	\$417,770
Reserves	\$1,316
Grand Total	\$4,755,042

Compliance with 24 CFR 50.4, 58.5, and 58.6 Laws and Authorities

Record below the compliance or conformance determinations for each statute, executive order, or regulation. Provide credible, traceable, and supportive source documentation for each authority. Where applicable, complete the necessary reviews or consultations and obtain or note applicable permits of approvals. Clearly note citations, dates/names/titles of contacts, and page references. Attach additional documentation as appropriate.

Compliance Factors: Statutes, Executive Orders, and Regulations listed at 24 CFR §58.5 and §58.6	Are formal compliance steps or mitigation required?	Compliance determinations
STATUTES, EXECUTIVE ORDERS, AND REGULATIONS LISTED AT 24 CFR 50.4 & 58.6		
Airport Hazards	Yes No	The project site is not within 15,000 feet of a military airport or 2,500 feet of a civilian

24 CFR Part 51 Subpart D	<input type="checkbox"/> <input checked="" type="checkbox"/>	airport. The closest airport, the Wendell H. Ford Airport, is approximately 67,421.75 feet from the proposed site. The project is in compliance with Airport Hazards requirements. No further mitigation required. See Appendix A, Exhibit A for the Airport Hazards Worksheet.
Coastal Barrier Resources Coastal Barrier Resources Act, as amended by the Coastal Barrier Improvement Act of 1990 [16 USC 3501]	Yes No <input type="checkbox"/> <input checked="" type="checkbox"/>	This project is located in a state that does not contain CBRS units. Therefore, this project is in compliance with the Coastal Barrier Resources Act. See Appendix A, Exhibit B for the Coastal Barrier Resources Worksheet.
Flood Insurance Flood Disaster Protection Act of 1973 and National Flood Insurance Reform Act of 1994 [42 USC 4001-4128 and 42 USC 5154a]	Yes No <input type="checkbox"/> <input checked="" type="checkbox"/>	The proposed property is not located in a FEMA-designated Special Flood Hazard Area. While flood insurance may not be mandatory in this instance, HUD recommends that all insurable structures maintain flood insurance under the National Flood Insurance Program (NFIP). The project is in compliance with flood insurance requirements. The FIRMette Map for the project site documents that it is an area of minimal flood hazard (Panel #21193C0302E eff. 8/14/2024). No further action or mitigation required. See Appendix A, Exhibit C for the Flood Insurance Worksheet.
STATUTES, EXECUTIVE ORDERS, AND REGULATIONS LISTED AT 24 CFR 50.4 & 58.5		
Clean Air Clean Air Act, as amended, particularly section 176(c) & (d); 40 CFR Parts 6, 51, 93	Yes No <input type="checkbox"/> <input checked="" type="checkbox"/>	Perry County is in attainment status for all criteria pollutants. The project is in compliance with the Clean Air Act. No further action or mitigation is required. See Appendix A, Exhibit D for the Clean Air Worksheet.
Coastal Zone Management Coastal Zone Management Act, sections 307(c) & (d)	Yes No <input type="checkbox"/> <input checked="" type="checkbox"/>	Kentucky is a state that does not participate in the Coastal Zone Management Program. No further action or mitigation is required. See Appendix A, Exhibit E for the Coastal Zone Management Worksheet.

Contamination and Toxic Substances

24 CFR Part 50.3(i) & 58.5(i)(2)

Yes No

A NEPAssist search, as documented in a NEPAssist Report, identified 0 EPA-regulated facilities within a 3,000-foot radius of the project site. Childress & Associates conducted a Phase I Environmental Site Assessment. This assessment revealed no direct evidence of recognized environmental conditions (RECs), historical recognized environmental conditions (HRECs) or controlled recognized environmental conditions (CRECs) on the subject site.

The University of Kentucky Geologically Based Indoor Radon Potential Map shows that the project site is in the 2.71-4.0 pCi/L zone. Therefore, Winterwood procured radon testing from Micro-Analytics Inc. Following AARST MAMF-2023 protocol, radon measurements were conducted using Charcoal Adsorption Devices (CADs) — specifically, Air Chek Pro Short-Term Radon in Air Test, which are NRPP-listed. The devices were deployed from December 11, 2025, at 13:00 PM to December 15, 2025, at 14:00 PM under closed-building conditions. A pre-deployment inspection confirmed suitability of the test location (lowest livable level, >3 feet from windows/doors, not in kitchens, bathrooms, or areas with high humidity). Of the 2 buildings, all first-floor units were tested (16) as well as two (2) second floor units. A total of eighteen (16) units comprise each building (8 units per floor). First floor level units were the lowest available occupiable space for testing on subject property. The radon levels in the sampled areas did exceed the Action Level of 4.0 pCi/L (picocuries/liter) established by the U.S. EPA and the Kentucky Cabinet for Health and Family Services. After a review of the information and analytical data produced from the inspection performed at 535 Gormon Hollow Road, Micro-Analytics, Inc. has determined that mitigation is necessary

		<p>in the indicated sampled locations at this time (Unit 213).</p> <p>Therefore, radon mitigation is required. As part of the rehabilitation, Winterwood will install at least one 4” schedule 40 PVC pipe from the foundation of the building to the roof line for a passive radon system. Additionally, following the completion of construction, Winterwood will retest radon levels. If levels still exceed the established Radon Action Level of 4.0 pCi/L, additional radon mitigation steps will be taken, including the installation of a fan on the 4” pipe to provide an active system. If the active system is installed, maintenance will check fans monthly to ensure they are active and operating as intended.</p> <p>See Appendix A, Exhibit F for the Contamination and Toxic Substances Worksheet and Radon Mitigation Plan.</p>
<p>Endangered Species</p> <p>Endangered Species Act of 1973, particularly section 7; 50 CFR Part 402</p>	<p>Yes No</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/></p>	<p>US Fish and Wildlife’s Information and Planning Consultation (IPaC) provided an endangered species list for the proposed project area, provided as an attachment. This list identified that the following species may occur within the project vicinity:</p> <ul style="list-style-type: none"> - The Gray Bat (Endangered) - The Indiana Bat (Endangered) - The Kentucky Arrow Darter (Threatened) - The Monarch Butterfly (Proposed Threatened) - The Tricolored Bat (Proposed Endangered) <p>On October 22, 2025 Fahe utilized the IPaC determination key “Clearance to Proceed with Federally-Insured Loan and Grant Projects Requests” to generate a “No Effect” determination for all federally-listed species or critical habitat from USFWS.</p>

		<p>Fahe concurs with a “No Effect” determination for the Gray Bat, Indiana Bat, and Kentucky Arrow Darter, Monarch Butterfly, and Tricolored bat and excluded them from further analysis in the environmental review based on the following considerations:</p> <ol style="list-style-type: none"> 1. The project activities consist of the acquisition and renovation of the Gorman Place Apartments, an existing 32-unit affordable housing development located at 535 Gorman Hollow Road, Hazard, Kentucky 4170. 2. The project site is currently developed/hard surfaced. 3. The completion of the project will not require any tree removal or removal of undeveloped habitat beyond the original footprint of the existing project. 4. No structures involved are currently being used by any federally endangered or threatened species. 5. Ashley Thomas, Asset Manager at Winterwood Inc. completed an on-site bat inspection of each building on September 17th, 2025. Ms. Thomas concluded that no evidence of bats was found. <p>This project will have No Effect on listed species due to the nature of the activities involved in the project and the lack of evidence of bats found during the on-site bat inspection. Therefore, this project is in compliance with the Endangered Species Act. No formal compliance steps or mitigation required.</p> <p>See Appendix A, Exhibit G for the Endangered Species Worksheet.</p>
<p>Explosive and Flammable Hazards</p> <p>24 CFR Part 51 Subpart C</p>	<p>Yes No</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/></p>	<p>Based on the project description, the project includes no activities that would require further evaluation under this section. The</p>

		<p>project consists of the rehabilitation of an existing apartment complex. Additionally, per Google Earth Pro and an onsite visit, no Above Ground Storage Tanks (ASTs) above the acceptable size were identified within one mile of the proposed site. The project is in compliance with explosive and flammable hazard requirements. No further action or mitigation is required. See Appendix A, Exhibit H for the Explosive and Flammable Hazards Worksheet.</p>
<p>Farmlands Protection</p> <p>Farmland Protection Policy Act of 1981, particularly sections 1504(b) and 1541; 7 CFR Part 658</p>	<p>Yes No <input type="checkbox"/> <input checked="" type="checkbox"/></p>	<p>This project does not include any activities that could potentially convert agricultural land to a non-agricultural use. The project includes the rehabilitation of a pre-existing apartment complex. The project is in compliance with the Farmland Protection Policy Act. See Appendix A, Exhibit I for the Explosive and Flammable Hazards Worksheet.</p>
<p>Floodplain Management</p> <p>Executive Order 11988, particularly section 2(a); 24 CFR Part 55</p>	<p>Yes No <input type="checkbox"/> <input checked="" type="checkbox"/></p>	<p>According to the National Flood Hazard Layer FEMA FIRMette Map for the project site, the site is in an area of minimal flood hazard (Panel #21193C0302E eff. 8/14/2024). No further mitigation is needed. Because this project does not occur in the FFRMS floodplain, the project is in compliance with Executive Orders 11988 and 13690. See Appendix A, Exhibit J for the Floodplain Management Worksheet.</p>
<p>Historic Preservation</p> <p>National Historic Preservation Act of 1966, particularly sections 106 and 110; 36 CFR Part 800</p>	<p>Yes No <input type="checkbox"/> <input checked="" type="checkbox"/></p>	<p>On behalf of Winterwood, Suzie Loveday of Loveday Consulting initiated consultation with the Kentucky Heritage Council (SHPO). Ms. Loveday received a response from SHPO on April 4th, 2024, determining “No Historic Properties Affected”. Due to the fact that the initial determination was over a year old, Fahe requested confirmation that the initial determination was still valid. Stephanie Dooley at the Kentucky Heritage Council confirmed on October 1st that the effect recommendations provided in 2024 still stand.</p>

		<p>Utilizing the HUD Tribal Directory Assessment Tool, Fahe identified the Cherokee Nation and Eastern Band of Cherokee Indians as two tribal consulting bodies that may have an interest in Perry County. On behalf of Winterwood, Fahe invited the Cherokee Nation and the Eastern Band of Cherokee Indians to be consulting parties in a letter sent via email on November 4th, 2025. Neither the Cherokee Nation or the Eastern Band of Cherokee Indians provided a response within the 30-day window.</p> <p>This project is in compliance with Historic Preservation requirements. No further action or mitigation is required. See Appendix A, Exhibit K for the Historic Preservation Worksheet.</p>
<p>Noise Abatement and Control</p> <p>Noise Control Act of 1972, as amended by the Quiet Communities Act of 1978; 24 CFR Part 51 Subpart B</p>	<p>Yes No</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/></p>	<p>The project is modernization or minor rehabilitation of an existing residential property. A preliminary screening was performed and found the following:</p> <p>No major roadways were identified within 1,000 feet of the project site. No railroads were found within 3,000 feet of the project site. One airport was found within 15 miles of the project site, Wendell H. Ford Airport. Operations data for the Wendell H Ford Airport is not currently available at https://www.aspm.faa.gov/ as specified in the FAA Airport Master Records, attached below. Information regarding operations for the Wendell H Ford Airport was obtained by following the Airport Master Record's general information for contacting Airport Manager Jeff Hilton. Hilton provided the operations information required to calculate airport noise. For the Wendell H. Ford airport, none of the annual number of operations for air carriers (#100), air taxis (#102), military (#105), and general aviation (#103 plus #104) exceeded the thresholds provided on the small airport noise</p>

		<p>worksheet. Therefore, no further calculation was required.</p> <p>Due to the lack of noise generators and the small airport worksheet, it was determined that the noise level will not increase above 65dB. This project is in compliance with noise abatement and control. See Appendix A, Exhibit L for the Noise Abatement and Control Worksheet.</p>
<p>Sole Source Aquifers</p> <p>Safe Drinking Water Act of 1974, as amended, particularly section 1424(e); 40 CFR Part 149</p>	<p>Yes No</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/></p>	<p>There are no sole source aquifers in Kentucky. The project is in compliance with Sole Source Aquifer requirements. No further action or mitigation required. See Appendix A, Exhibit M for the Sole Source Aquifers Worksheet.</p>
<p>Wetlands Protection</p> <p>Executive Order 11990, particularly sections 2 and 5</p>	<p>Yes No</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/></p>	<p>Per the USFWS Wetlands map, there are no wetlands on the project site. The project is in compliance with Executive Order 11990. No further action or mitigation is required. See Appendix A, Exhibit N for the Wetlands Protection Worksheet.</p>
<p>Wild and Scenic Rivers</p> <p>Wild and Scenic Rivers Act of 1968, particularly section 7(b) and (c)</p>	<p>Yes No</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/></p>	<p>Based on the USFWS Wetlands Map, it is determined that the project location is not in any wetlands area. Due to the project's proximity to a National Wetland Inventory body, Winterwood has confirmed that due to minimal ground-disturbing project activities, there is no risk of runoff entering the wetland. No further action or mitigation is required. The project is in compliance with Executive Order 11990. No further action or mitigation is required. See Appendix A, Exhibit O for the Wild and Scenic Rivers Worksheet.</p>

Field Inspection (Date and completed by): Ashley Thomas, Asset Manager at Winterwood Inc. September 17th, 2025.

Summary of Findings and Conclusions: This review of the proposed activity finds the rehabilitation of the Gorman Place Apartments, part of greater Winterwood Portfolio IV, to be in compliance with all applicable environmental requirements including the Statutes and Regulations at 24 CFR Part 58.5 and 58.6. Further, The Department for Local Government has determined that this project will not adversely impact the environment in the project area and the project area environment is not expected to adversely impact the project; therefore, no

mitigations measures are required other than those listed below. If the project changes or if any unforeseen environmental conditions are encountered during the project implementation phase, appropriate measures will be taken to notify the proper agencies, and the Environmental Review Record will be re-evaluated as stated in the 24 CFR Part 58.47 regulations.

Mitigation Measures and Conditions

Summarize below all mitigation measures adopted by the Responsible Entity to reduce, avoid, or eliminate adverse environmental impacts and to avoid non-compliance or non-conformance with the above-listed authorities and factors. These measures/conditions must be incorporated into project contracts, development agreements, and other relevant documents. The staff responsible for implementing and monitoring mitigation measures should be clearly identified in the mitigation plan.

Law, Authority, or Factor	Mitigation Measure
<p>Contamination and Toxic Substances</p> <p>24 CFR Part 50.3(i) & 58.5(i)(2)</p>	<p>The University of Kentucky Geologically Based Indoor Radon Potential Map shows that the project site is in the 2.71-4.0 pCi/L zone. Therefore, Winterwood procured radon testing from Micro-Analytics Inc. Following AARST MAMF-2023 protocol, radon measurements were conducted using Charcoal Adsorption Devices (CADs) — specifically, Air Chek Pro Short-Term Radon in Air Test, which are NRPP-listed. The devices were deployed from December 11, 2025, at 13:00 PM to December 15, 2025, at 14:00 PM under closed-building conditions. A pre-deployment inspection confirmed suitability of the test location (lowest livable level, >3 feet from windows/doors, not in kitchens, bathrooms, or areas with high humidity). Of the 2 buildings, all first-floor units were tested (16) as well as two (2) second floor units. A total of eighteen (16) units comprise each building (8 units per floor). First floor level units were the lowest available occupiable space for testing on subject property. The radon levels in the sampled areas did exceed the Action Level of 4.0 pCi/L (picocuries/liter) established by the U.S. EPA and the Kentucky Cabinet for Health and Family Services. After a review of the information and analytical data produced from the inspection performed at 535 Gormon Hollow Road, Micro-Analytics, Inc. has determined that mitigation is necessary in the indicated sampled locations at this time (Unit 213).</p>

	<p>Therefore, radon mitigation is required. As part of the rehabilitation, Winterwood will install at least one 4” schedule 40 PVC pipe from the foundation of the building to the roof line for a passive radon system. Additionally, following the completion of construction, Winterwood will retest radon levels. If levels still exceed the established Radon Action Level of 4.0 pCi/L, additional radon mitigation steps will be taken, including the installation of a fan on the 4” pipe to provide an active system. If the active system is installed, maintenance will check fans monthly to ensure they are active and operating as intended.</p>

Determination:

- This categorically excluded activity/project converts to Exempt, per 58.34(a)(12) because there are no circumstances which require compliance with any of the federal laws and authorities cited at §58.5. **Funds may be committed and drawn down after certification of this part** for this (now) EXEMPT project; OR
- This categorically excluded activity/project cannot convert to Exempt because there are circumstances which require compliance with one or more federal laws and authorities cited at §58.5. Complete consultation/mitigation protocol requirements, **publish NOI/RROF and obtain “Authority to Use Grant Funds”** (HUD 7015.16) per Section 58.70 and 58.71 before committing or drawing down any funds; OR
- This project is now subject to a full Environmental Assessment according to Part 58 Subpart E due to extraordinary circumstances (Section 58.35(c)).

Preparer Signature: _____ Date: _____

Name/Title/Organization: Jennifer Peters, Branch Manager, DLG

Responsible Entity Agency Official Signature:

_____ Date: _____

Name/Title/Organization: Matt Sawyers, Commissioner, DLG

This original, signed document and related supporting material must be retained on file by the Responsible Entity in an Environmental Review Record (ERR) for the activity/project (ref: 24 CFR Part 58.38) and in accordance with recordkeeping requirements for the HUD program(s).