



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

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Washington, DC 20410
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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: Branham Heights Apartments

Responsible Entity: KY Department for Local Government (DLG)

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

State/Local Identifier: 21D-035

Preparer: Jennifer Peters, Branch Manager, DLG

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

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

Consultant (if applicable): Fahe

Direct Comments to:

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

Project Location: 67 Branham St., Wheelwright, Floyd County, KY 41669 (37°19'41"N,
82°43'22"W)

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

Branham Heights is an existing 24-unit affordable housing development that has been in service since 1987 and currently has significantly deferred capital maintenance. This investment ensures that this housing remains available to the residents of Floyd County. In 2022, Floyd County was heavily impacted by flash flooding, leading to significant damage at Branham Heights and leaving multiple units uninhabitable. The construction scope includes full interior and exterior renovation of currently occupied units, reconstruction of down units impacted by the disaster, and some additional ground disturbance of previously disturbed land.

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-007	CDBG-DR	\$2,400,000

Estimated Total HUD Funded Amount:

\$2,400,000

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

Source	Amount
CDBG-DR	\$2,400,000
Equity	\$397,465
RD 538 Loan	\$397,465
Deferred Developer Fee	\$120,000
RD Assumed 515	\$580,911
Reserves	\$1,622
Grand Total	\$3,897,010

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		

<p>Airport Hazards</p> <p>24 CFR Part 51 Subpart D</p>	<p>Yes No</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/></p>	<p>The project site is not within 15,000 feet of a military airport or 2,500 feet of a civilian airport. The closest airport, Pike County Airport (PBX), is approximately 95,543ft from the proposed site. The project is in compliance with Airport Hazards requirements. No formal compliance steps or mitigation required. See Appendix A, Exhibit A for the Airport Hazards Worksheet.</p>
<p>Coastal Barrier Resources</p> <p>Coastal Barrier Resources Act, as amended by the Coastal Barrier Improvement Act of 1990 [16 USC 3501]</p>	<p>Yes No</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/></p>	<p>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. No formal compliance steps or mitigation required. See Appendix A, Exhibit B for the Coastal Barrier Worksheet.</p>
<p>Flood Insurance</p> <p>Flood Disaster Protection Act of 1973 and National Flood Insurance Reform Act of 1994 [42 USC 4001-4128 and 42 USC 5154a]</p>	<p>Yes No</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/></p>	<p>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 #21071C0378E eff. 09/16/2015). No formal compliance steps or mitigation required. See Appendix A, Exhibit C for the Flood Insurance Worksheet.</p>
<p>STATUTES, EXECUTIVE ORDERS, AND REGULATIONS LISTED AT 24 CFR 50.4 & 58.5</p>		
<p>Clean Air</p> <p>Clean Air Act, as amended, particularly section 176(c) & (d); 40 CFR Parts 6, 51, 93</p>	<p>Yes No</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/></p>	<p>Floyd 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.</p>
<p>Coastal Zone Management</p> <p>Coastal Zone Management Act, sections 307(c) & (d)</p>	<p>Yes No</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/></p>	<p>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.</p>

Contamination and Toxic Substances

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

Yes No

A NEPAssist search, as documented in the attached NEPAssist Report, identified 2 EPA-regulated facilities within a 3,000-foot radius of the project site. One facility, Wheelwright Water Treatment Plant (366 KY/306 Branham Hollow, 1,322 feet from the project site), had Clean Water Act violations in five consecutive quarters for "Significant/Category 1 Noncompliance-Failure to Report DMR-Not Received" from the 3rd Quarter of CY2022 to the 3rd Quarter of 2023. The identified violation was resolved in the 4th Quarter of CY 2023, and as of 9-30-2024, the facility's permit has been terminated. Because the recent violations have been resolved and the facility is no longer in operation, the facility should pose no risk to residents at the project site. Further, the Phase 1 ESA 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 conducted 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 1, 2025, at 15:00 PM to December 3, 2025, at 15:00 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 ground level units were tested twelve (12) as well as two (2) second floor units. A total of twelve (12) units comprise

		<p>each building (6 units per floor). All ground level units were the lowest available occupiable space for testing on subject property. The radon levels in the sampled areas exceeded 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 Branham Heights, Micro-Analytics, Inc. determined that mitigation is necessary in the indicated sampled locations at this time (Unit 10A). 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. Additionally, a mitigation plan is attached below. See Appendix A, Exhibit F for the Site Contamination Worksheet.</p>
<p>Endangered Species Endangered Species Act of 1973, particularly section 7; 50 CFR Part 402</p>	<p>Yes No <input type="checkbox"/> <input checked="" type="checkbox"/></p>	<p>According to USFWS’s Information and Planning Consultation (IPaC) system, there are potentially three endangered species that may occur within the project area (Indiana Bat and Grey Bat, and Northern Long-eared Bat), two proposed endangered species (Tricolored Bat and Eastern Hellbender), and one proposed threatened (Monarch Butterfly). On October 23, 2025, Fahe utilized the IPaC determination key ‘Clearance to Proceed with Federally-Insured Loan and Grant Project Requests’ to generate a No Effect Determination for all species from USFWS. Winterwood Director of Construction, Jake Ramsey, visited the</p>

		proposed site on 08/22/2025 and determined there is no evidence that bats are present on the site. Because the project involves acquisition and rehabilitation of an existing structure and ground disturbance of previously developed habitat, this project is in compliance with endangered species requirements. No formal compliance steps or mitigation required. See Appendix A, Exhibit G for the Endangered Species Worksheet.
Explosive and Flammable Hazards 24 CFR Part 51 Subpart C	Yes No <input type="checkbox"/> <input checked="" type="checkbox"/>	Based on the project description, the project includes no activities that would require further evaluation under this section. The proposed project consists of rehabilitation of an existing residential structure and will not increase residential density. The project is in compliance with explosive and flammable hazard requirements. No formal compliance steps or mitigation required. See Appendix A, Exhibit H for the Explosive and Flammable Hazards Worksheet.
Farmlands Protection Farmland Protection Policy Act of 1981, particularly sections 1504(b) and 1541; 7 CFR Part 658	Yes No <input type="checkbox"/> <input checked="" type="checkbox"/>	This project only includes rehabilitation of an existing structure. No ground disturbance of undeveloped land is anticipated. No formal compliance steps or mitigation required. See Appendix A, Exhibit I for the Farmlands Protection Worksheet.
Floodplain Management Executive Order 11988, particularly section 2(a); 24 CFR Part 55	Yes No <input type="checkbox"/> <input checked="" type="checkbox"/>	The proposed property is not located in a FEMA-designated Special Flood Hazard Area. The project is in compliance with flood insurance requirements. The FIRMet Map for the project site documents that it is an area of minimal flood hazard (Panel #21071C0378E eff. 09/16/2015). No formal compliance steps or mitigation required. See Appendix A, Exhibit J for the Floodplain Management Worksheet.
Historic Preservation National Historic Preservation Act of 1966, particularly sections 106 and 110; 36 CFR Part 800	Yes No <input type="checkbox"/> <input checked="" type="checkbox"/>	Based on Section 106 consultation there are No Historic Properties Affected because there are no historic properties present. 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 10-1-2025 that the

		effect recommendations provided in 2024 still stand. According to the When to Consult with Tribes Under Section 106 Checklist, the proposed project includes any activities that require THPO consultation. Fahe determined that THPO consultation would not be needed on 10-22-2025. The project is in compliance with Section 106. No formal compliance steps or mitigation required. See Appendix A, Exhibit K for the Historic Preservation Worksheet.
<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 and rehabilitation of an existing structure. A Preliminary Screening was performed, and found the following:</p> <p>Roads: There is one road with AADT data available from the Kentucky Transportation Cabinet (KYTC) within 1,000 feet of the project site. KY-306 is 322 ft. from the proposed site. Single Truck and Combo Truck percentage data is unavailable for the two roads, therefore, KYTC's Zachary Brown instructed Fahe to estimate the following vehicle type breakdown: 95% cars, 3% medium trucks, and 2% heavy trucks.</p> <p>Railroads: There are no railroads within 3,000 feet of the project site.</p> <p>Airports: There are no airports within a 15-mile radius of the project site.</p> <p>The HUD DNL Calculation for combined road and railroad noise for the project site was 43dB, below the 65dB normally unacceptable threshold. The project is in compliance with HUD's Noise regulation without mitigation. 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>The proposed project consists of rehabilitation of an existing structure. No formal compliance steps or mitigation required. See Appendix A, Exhibit M for the Sole Source Aquifers Worksheet.</p>
<p>Wetlands Protection</p>	<p>Yes No</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/></p>	<p>The proposed project consists of rehabilitation of an existing structure. The</p>

<p>Executive Order 11990, particularly sections 2 and 5</p>		<p>rehabilitation includes waterproofing the foundation of the structure, replacing the existing parking lot, and replacing an existing wooden walkway. None of these disturbances are expected to impact the nearby wetland, therefore this project is in compliance with the wetlands protection requirements. No formal compliance steps or mitigation 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 <input type="checkbox"/> <input checked="" type="checkbox"/></p>	<p>This project is not within proximity of a NWSRS river. The project is in compliance with the Wild and Scenic Rivers Act. Wild & Scenic Rivers: the project is not within 1/2 a mile of the Red River therefore it is in compliance with the related law and authority. The project is 54 miles from Red River. Study Rivers: There are no current Study Rivers in Kentucky. National Rivers Inventory: the project is not within 1/2 mile from a NRI body. Closest NRI body is Bad Branch, 83,191 feet away. No formal compliance steps or mitigation required. See Appendix A, Exhibit O for the Wild and Scenic Rivers Worksheet.</p>

Field Inspection (Date and completed by):

Date: 08/22/2025

Completed By: Jake Ramesy, Director of Construction, Winterwood

Summary of Findings and Conclusions: This review of the proposed activity finds the rehabilitation of the Branham Heights 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 conducted 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 1, 2025, at 15:00 PM to December 3, 2025, at 15:00 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 ground level units were tested twelve (12) as well as two (2) second floor units. A total of twelve (12) units comprise each building (6 units per floor). All ground level units were the lowest available occupiable space for testing on subject property. The radon levels in the sampled areas exceeded 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 Branham Heights, Micro-Analytics, Inc. determined that mitigation is necessary in the indicated sampled locations at this time (Unit 10A). 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</p>

	installed, maintenance will check fans monthly to ensure they are active and operating as intended. Additionally, a mitigation plan is attached below.

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).