



**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: Forest Trace Apartments

Responsible Entity: KY Department for Local Government (DLG)

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

LLC State/Local Identifier: 21D-036

Preparer: Jennifer Peters, Branch Manager, DLG

Certifying Officer Name and Title: Matt Sawyers, 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: 160 Forest Trace Hill #140, Huddy, KY 41535

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

Forest Trace Apartments is an existing 39-unit affordable housing development that has been in service since 1991 and currently has significant deferred capital maintenance. This investment ensures that this housing remains available to the residents of Pike County. The construction scope includes a full interior and exterior renovation of currently occupied units with 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-006	CDBG-DR	\$3,900,000

Estimated Total HUD Funded Amount:

\$3,900,000

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

Source	Amount
CDBG-DR	\$3,900,000
Equity	\$562,881
RD 538 Loan	\$204,849
Deferred Developer Fee	\$125,000
RD Assumed 515	\$1,102,600
Reserves	\$4,653
Grand Total	\$5,899,983

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
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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, Southern West Virginia Regional Airport (EBD), is approximately 54,000ft 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. See Appendix A, Exhibit B for the Coastal Barrier Resources 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 #21195C0157H eff. 04/16/2013). No formal compliance steps or mitigation required. See Appendix A, Exhibit C for the Flood Insurance Worksheet.</p>

STATUTES, EXECUTIVE ORDERS, AND REGULATIONS LISTED AT 24 CFR 50.4 & 58.5

<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>Pike County is in attainment status for all criteria pollutants. The project is in compliance with the Clean Air Act. No formal compliance steps or mitigation 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.</p>

		See Appendix A, Exhibit E for the Coastal Zone Management Worksheet.
<p>Contamination and Toxic Substances</p> <p>24 CFR Part 50.3(i) & 58.5(i)(2)</p>	<p>Yes No</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/></p>	<p>Onsite or nearby toxic, hazardous, or radioactive substances that could affect the health and safety of project occupants or conflict with the intended use of the property were not found. Radon testing by Micro-Analytics, Inc. indicated radon levels are estimated average 1.3pCi/L and did not exceed 4.0 pCi/L in any units. A NEPAssist search, as documented in the attached NEPAssist Report, identified one EPA-regulated facility within a 3,000-foot radius of the project site. The identified facility is a Water Discharger (NPDES), which is located at the proposed project site. Forest Trace Apartments had Clean Water Act violations in 6 recent quarters. In the 4th quarter of calendar year (CY) 2022 and the 3rd quarter of calendar year (CY) 2023, the facility was cited for "Other Violations." The facility was also cited in four consecutive quarters for "Significant/Category 1 Noncompliance-Failure to Report DMR-Not Received" from the 4th Quarter of CY2023 to the 3rd Quarter of 2024. The identified violation was resolved in the 4th Quarter of CY 2024, and as of 6-30-2025, the facility has not received any violations. Because the recent violations have been resolved; the facility should pose no risk to residents at the project site. Further, Childress & Associates conducted a Phase I Environmental Site Assessment, which did not reveal direct evidence of any recognized environmental conditions (RECs), historical recognized environmental conditions (HRECs), or controlled recognized environmental conditions (CRECs) on the proposed site. See Appendix A, Exhibit F for the Contamination and Toxic Substances Worksheet.</p>
<p>Endangered Species</p>	<p>Yes No</p> <p><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</p>

<p>Endangered Species Act of 1973, particularly section 7; 50 CFR Part 402</p>		<p>may occur within the project area (Indiana Bat and Grey Bat, and Northern Long-eared Bat), one proposed endangered species (Tricolored Bat), one proposed threatened (Monarch Butterfly), and one threatened species (Big Sandy Crayfish). 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 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.</p>
<p>Explosive and Flammable Hazards</p> <p>24 CFR Part 51 Subpart C</p>	<p>Yes No <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 project is in compliance with explosive and flammable hazard requirements. The proposed project consists of rehabilitation of an existing residential structure and will not increase residential density. No formal compliance steps or mitigation 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 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.</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>This project does not occur in the FFRMS floodplain. The project is in compliance with Executive Orders 11988 and 13690. The FIRMette Map (Panel #21195C0157H eff. 04/16/2013) has 0.2% Annual Chance Flood</p>

		<p>Hazard areas mapped and documents that the project site is in Zone X-Area of Minimal Flood Hazard. No formal compliance steps or mitigation required. See Appendix A, Exhibit J for the Flood Insurance 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>Based on Section 106 consultation there are No Historic Properties Affected because there are no historic properties present. According to the When to Consult with Tribes Under Section 106 Checklist, the proposed project include 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>
<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 <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: Roads: There is one road with AADT data available from the Kentucky Transportation Cabinet (KYTC) within 1,000 feet of the project site. KY-119 is 530 ft. from the proposed site. Railroads: There are no railroads within 3,000 feet of the project site. Airports: There is one airport within a 15-mile radius of the project site. The Southern West Virginia Regional Airport is 10 miles from the proposed site. The annual operations data was not available on the Southern West Virginia Regional Airport Master Record, so Fahe contacted the Mingo County Airport Authority's Leigh Ann Wells Ray to gather data. Using the data provided, the HUD Airport Noise Worksheet for the airport documents that noise attributed to airport will not extend beyond the boundaries of the airport. The HUD DNL Calculation for combined road and railroad noise for the project site was 55dB, below the 65dB normally unacceptable threshold. The project is in compliance with HUD's Noise regulation without mitigation. See Appendix A, Exhibit</p>

		L for the Noise Abatement and Control Worksheet.
<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>Executive Order 11990, particularly sections 2 and 5</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 exterior rehabilitation activities include replacing the existing sewer pump station, repairing the building's foundation, resurfacing the existing parking lot, replacing the existing sidewalk. Further, there are no wetlands near the proposed site. 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</p> <p><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 68 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. The closest NRI body is Russell Fork, which is 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 Forest Trace 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

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).