

### **Tab 17 Phase I Environmental Review / Environmental Test Results**

A Phase I Environmental Site Assessment prepared in accordance with ASTM E-1527-13 and the Agency requirements found in the Submission Guide for Architects (list of non-scope items to be investigated by the Environmental Consultant), is required for **ALL** developments. Existing buildings scheduled for rehabilitation or demolition shall be investigated for environmental hazards. For new Applications, the report cannot be more than 12 months old at the time of submission. For a previously-submitted Application the applicant may choose to have an update report provided by the environmental consultant that performed the original Phase I ESA rather than having a completely new Phase I prepared. An update report is allowed only for a project whose Phase I ESA is between 12 and 24 months old at time of submission. An update report from the environmental consultant will not be acceptable for a report older than **24 months** and a new report must be prepared. The update report from the environmental consultant must certify that the five (5) actions listed as items (i-v) under section *4.6 Continued Viability of Environmental Site Assessment* of the ASTM E 1527-13 Environmental Site Assessment Standard have been met. Only the executive summary of the report should be submitted in the Application, which shall indicate if remediation or further testing is required, and include a cost estimate for remediation. The report shall also be accompanied by a certification from the applicant stating that any issues raised in the environmental review have been reviewed and budgeted accordingly in the development budget. The applicant must provide a breakdown of related costs and identify where this cost is included in the development budget. If the executive summary indicates there are no environmental issues, a certification is not necessary.

For existing buildings scheduled for rehabilitation, the Phase I report must also include testing for the following hazards: lead in water, lead-based paint, asbestos and radon. For existing buildings scheduled to be demolished as part of the project, only testing for asbestos is required. For preservation developments, please refer to the testing requirements on the following page.

**Lead in Water:** At least one (1) test for lead in the domestic water shall be performed in each building within the development. In buildings larger than 10,000 total square feet, at least two (2) tests shall be performed. Each test shall consist of two samples; an initial draw sample taken after a period of no water use, and a second sample taken after thoroughly flushing the system. Samples shall be taken as far as possible from the water service entrance to the building. In a rehabilitation development, if all water lines within the building and all lines out to the public water main are scheduled for replacement as part of the project, testing for lead in the water is not required.

**Lead Based Paint:** Paint throughout any building(s) built prior to 1978 shall be analyzed for lead content using an x-ray fluorescence (XRF) spectrum analyzer performed in accordance with HUD's "Final Rule", 24 CFR Part 35, as amended June 21, 2004.

**Asbestos:** A survey of any building(s) constructed prior to 1978 shall be performed to identify suspect asbestos containing materials. All such materials shall be tested using polarized light microscopy (PLM).

**Radon:** Radon testing shall be performed on the lowest floor level of each building in the development, at a rate of one test for every 5,000 square feet of basement/ground floor area. In addition, a test shall be performed in each stair tower and elevator shaft that will remain in use after the rehabilitation.

All environmental sampling shall be performed by certified personnel and all testing shall be done by an accredited testing laboratory. All test results that are above the “action level” shall be clearly identified.

**Preservation development applicants should also refer to Tab 34 “Project Capital Needs Assessment” for testing requirements. Preservation developments are required to follow the Tab 34 testing requirements and not the Tab 17 requirements.**

All Agency loan applicants must follow the Environmental Remediation Monitoring Program found at Section 1.22.6 of the Submission Guide for Architects.

- b) Provide estimated costs to remedy the detailed Physical Deficiencies (Critical Repair items, 12-month physical needs, and the first five years of long term physical needs); and
  - c) Prepare a Replacement Reserve Schedule, including an estimate of the initial and annual deposits (projected to increase at the operating cost adjustment factor) for a minimum period of 20 years.
3. The report shall identify any Physical Deficiencies as a result of:
- a) A visual survey;
  - b) A review of any pertinent documentation; and
  - c) Interviews with the property owner, management staff, tenants, interested local community groups and government officials.
4. The report shall provide a description of directly observed or potential on-site environmental hazards including but not limited to above and below ground tanks which are not in use. The report shall also include copies of laboratory testing results for the presence of radon, lead in domestic water, lead based paint, where applicable, and asbestos, where potential asbestos containing materials exist.

Radon must be tested in at least 25% of the units and community spaces on the ground floor, plus at least 10% of all units above the ground floor with a minimum of one test per floor.

Testing for lead in the water shall be performed at a minimum of two locations per building, and shall be based on two samples from each location; an initial draw sample taken after a period of no water use, and a sample taken after thoroughly flushing the system.

Lead based paint testing shall be performed using an X-ray Fluorescence spectrum analyzer (XRF) and in accordance with HUD's "Final Rule", 24 CFR Part 35, as amended June 21, 2004. (Lead based paint testing is not required for buildings constructed after 1978 or for those buildings with occupancy limited to individuals 62 years of age and older.)

A survey of all buildings shall be performed to identify suspect asbestos containing materials. All such material shall be tested using polarized light microscopy (PLM).

The test locations of each test mentioned above shall be identified.

If any of the results from the above tests are above the "action" level, remediation of the hazards must be included in the scope of work. Post-remediation testing, and additional remediation work if required, must be performed until satisfactory results are documented.

5. The report shall assess the twelve-month physical needs. The standard is a non-luxury standard adequate for the rental market. The physical needs identified should be those necessary for the development to retain its original market position as an affordable development in a decent, safe and sanitary condition (recognizing any evolution of standards appropriate for such a development). The twelve-month physical needs should include those improvements required for the development to compete in the market. Where a range of options exists, the most effective options for rehabilitation should be chosen, when both capital and operating costs are taken into consideration.